Ashtead group

RUNWAY 4 SUCCESS

ANNUAL REPORT & ACCOUNTS 2025

THE NEXT PHASE OF SUNBELT 4.0

VDOS LOGISTICS

Read more on page 14

CONNECTED SOLUTIONS

Read more on page 26

The Group delivered record full-year rental revenue and adjusted EBITDA, with growth of 4% and 3% respectively. I would like to thank the team for these results, while leading with our safety-first culture and Engage for Life programme, which are continuing to drive improvements in our safety metrics.

We continue to take advantage of strong secular tailwinds and structural progression, within our $87bn and growing industry. While completions continue to outpace starts in local non-residential construction, mega project activity continues to be robust, particularly in the data centre, semi-conductor and LNG space, with the pipeline projected to grow from c. $840bn in the FY23 – FY25 timeframe, to more than $1.3 trillion in the FY26 – FY28 timeframe. This growth comes alongside our operational success in progressing rate, as we deliver value and solutions to our customers through Sunbelt's extensive range of products, services and expertise.

We remain focused on delivering our Sunbelt 4.0 growth strategy and, after our first year, we continue to realise momentum and extract benefits from the foundational investments made throughout Sunbelt 3.0. Our business operates from a position of strength and demonstrates resilience regardless of the market conditions. We generate strong cash flow through the cycle and are disciplined in deploying capital to fuel both growth and returns to shareholders. We are growing in our core markets as well as emerging adjacencies, we are increasing our addressable market, and we are diversifying our business mix.

BRENDAN HORGAN

Read more on page 22

Financial highlights

Revenue ($m)

$10,792m

	Revenue ($m)
2025	10,792
2024	10,859
2023	9,667
2022	7,962
2021	6,639

Adjusted operating profit ($m)

$2,687m

	Adjusted operating profit ($m)
2025	2,687
2024	2,775
2023	2,640
2022	2,056
2021	1,579

Adjusted profit before tax ($m)

$2,128m

	Adjusted profit before tax ($m)
2025	2,128
2024	2,230
2023	2,273
2022	1,824
2021	1,316

Profit before taxation ($m)

$1,998m

	Profit before taxation ($m)
2025	1,998
2024	2,110
2023	2,156
2022	1,668
2021	1,235

EPS (¢)

346.5¢

	EPS (¢)
2025	346.5
2024	365.8
2023	368.4
2022	280.9
2021	205.4

Adjusted EPS (¢)

369.5¢

	Adjusted EPS (¢)
2025	369.5
2024	386.5
2023	388.5
2022	307.1
2021	219.1

Discover how we've performed in the Financial Review, page 43

Throughout the Annual Report we refer to a number of alternative performance measures, including measures such as adjusted results, free cash flow and constant currency growth. These are defined in the Glossary of Terms on page 167.

Forward looking statements

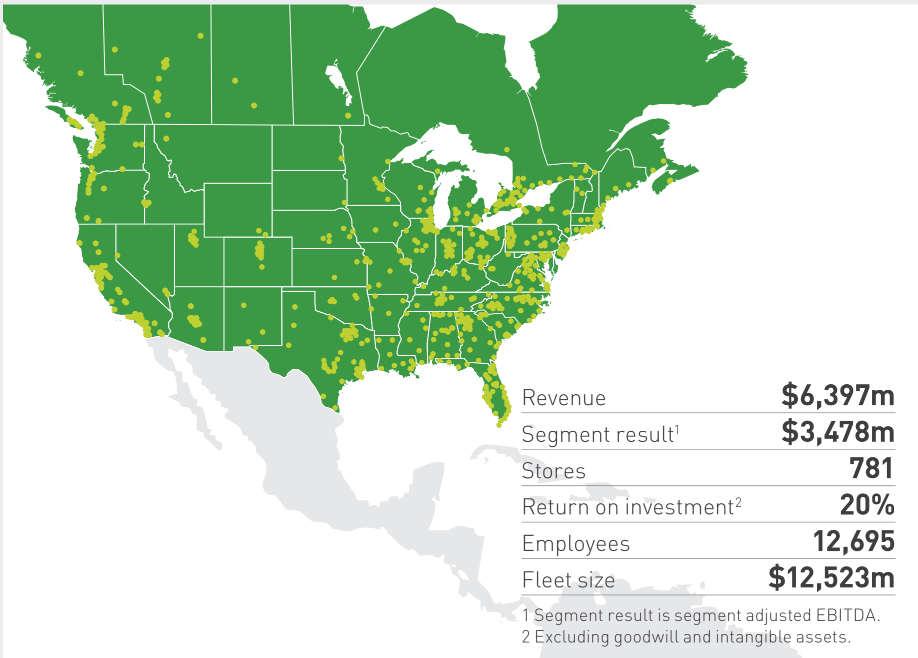
This report contains forward looking statements. These have been made by the directors in good faith using information available up to the date on which they approved this report. The directors can give no assurance that these expectations will prove to be correct. Due to the inherent uncertainties, including both business and economic risk factors underlying such forward looking statements, actual results may differ materially from those expressed or implied by these forward looking statements. Except as required by law or regulation, the directors undertake no obligation to update any forward looking statements whether as a result of new information, future events or otherwise.

AN INTERNATIONAL NETWORK OF EQUIPMENT SOLUTIONS AND SERVICES

Ashtead is an international equipment rental company, trading under the Sunbelt Rentals brand, with national networks in North America and the UK. We rent a broad range of construction, industrial, general and specialty equipment across a wide variety of applications to a diverse customer base.

NORTH AMERICA – GENERAL TOOL

General equipment rental business operating across North America with 781 stores



Revenue	$6,397m
Segment result[1]	$3,478m
Stores	781
Return on investment[2]	20%
Employees	12,695
Fleet size	$12,523m

1 Segment result is segment adjusted EBITDA.
2 Excluding goodwill and intangible assets.

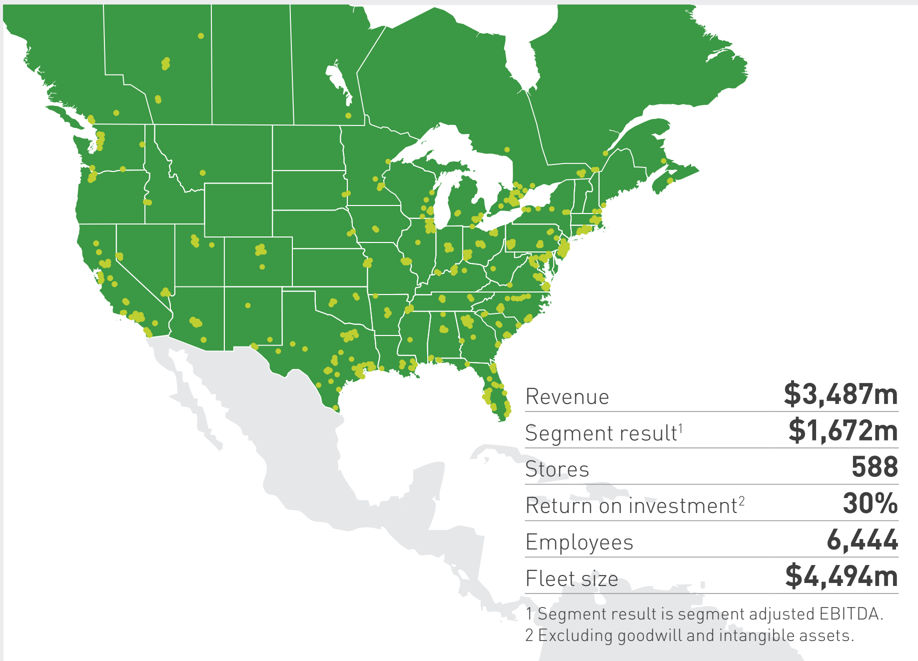
Fleet composition

1 Mobile elevating work platforms 40%
2 Forklifts 26%
3 Earth moving 18%
4 Other 16%

Source: Management information.

NORTH AMERICA – SPECIALTY

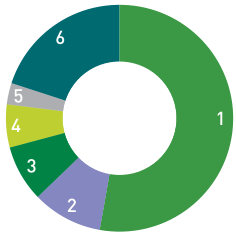
Specialty equipment rental business operating across North America with 588 stores



Revenue	$3,487m
Segment result[1]	$1,672m
Stores	588
Return on investment[2]	30%
Employees	6,444
Fleet size	$4,494m

1 Segment result is segment adjusted EBITDA.
2 Excluding goodwill and intangible assets.

Fleet composition

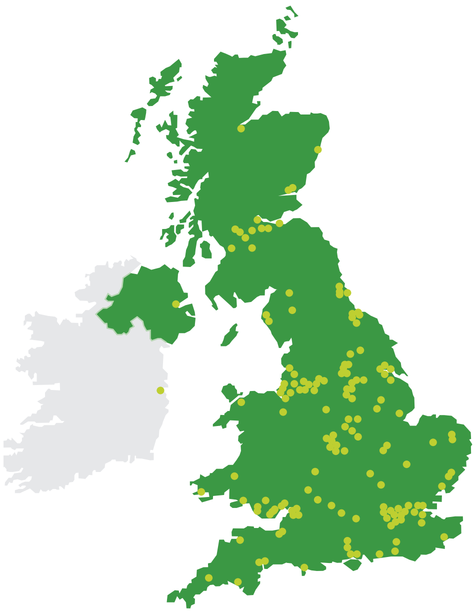


1 Power & HVAC 53%
2 Scaffold 10%
3 Pump 8%
4 Film & TV........................... 6%
5 Climate Control 3%
6 Other................................20%

Source: Management information.

UK

The largest equipment rental company in the UK with 191 stores



Revenue	$907m
Segment result[1]	$240m
Stores	191
Return on investment[2]	7%
Employees	4,326
Fleet size	$1,521m

1 Segment result is segment adjusted EBITDA.
2 Excluding goodwill and intangible assets.

Fleet composition

1 Accommodation 15%
2 Panels, fencing and barriers..................... 10%
3 Mobile elevating work platforms................ 10%
4 Earth moving 9%
5 Forklifts............................. 9%
6 Film & TV............................8%
7 Other................................39%

Source: Management information.

LOOKING TO THE FUTURE WITH CONFIDENCE

PAUL WALKER
Chair

Dear Shareholder,

I am pleased to report strong financial results despite challenging market conditions. The breadth of our products and the diverse markets we serve has ensured, notwithstanding the economic headwinds, that rental revenues have continued to grow. I am particularly pleased to report strong growth in our Specialty division, and we are seeing the benefits of being a major supplier of equipment to mega projects.

We have a highly engaged workforce who deliver outstanding service to our customers every day of the year. Our team members often go above and beyond in looking after our customer needs and this was no more evident than when colleagues supported customers and communities that were significantly impacted by natural disasters such as hurricane Helene and Milton as well as the Californian wildfires. So a huge thank you to all our team members who proudly represent Sunbelt.

Strategic progress

I am delighted to report good progress on the five actionable components of our 4.0 strategic plan which is discussed in more detail later in this Annual Report. We have continued to expand our North American footprint adding 48 greenfield sites this year and making four bolt-on acquisitions in North America. Greenfield sites established during Sunbelt 3.0 are now significant contributors to both revenue and profit and have helped progress our cluster approach to our end markets. We are also starting to see the value of our investment in our technology platforms which is helping to optimise our operational processes and can help to provide an even better customer experience.

Corporate matters

On 10 December 2024, the Board announced that it had evaluated the optimal listing location for the business and concluded that a US primary listing (retaining a secondary listing in the UK) was in the best interests of the business and stakeholders. In coming to that conclusion, the Board noted that the majority of our business activity, the leadership team and the majority of the employee base is in North America. The Board believes that attracting and retaining talent will best be served by a US listing as well as enhancing the Company's profile in North America.

On 13 May 2025, we sent to shareholders the Circular which proposes to establish Sunbelt Rentals Holdings, Inc. as the holding company of Ashtead Group and seeking shareholders' approval by way of a special resolution at an EGM. The EGM was held on 10 June 2025 and shareholders voted in favour of this special resolution. We expect the listing on the New York Stock Exchange to be completed in calendar Q1 2026.

A sustainable business model

Health and safety of our team members and the safety of the equipment that we rent to our customers is always our priority. Embedding safety into the daily lives of our team members has been helped by our long and successful programme called 'Engage for Life'. This has resulted in our safest year ever in terms of the total recordable incident rate to which we are all extremely proud.

Sustainability is a key component on our 4.0 strategic plan, reflecting our business model of providing rental equipment to our customers, rather than all our customers having to buy and then dispose of multiple sets of equipment, is inherently sustainable. We continue to make good progress as we expand our fleet of advanced, more sustainable equipment and explore alternative fuels, battery energy storage systems, and other ways to reduce our carbon emissions in line with our carbon intensity reduction targets.

As part of our broader sustainability objectives, we have rolled out additional community engagement initiatives, such as 'Sunbelt Gives', and we have improved the volunteering opportunities for team members. We have also worked to provide greater clarity in how jobs and career paths are structured and to simplify career progression, so that team members have greater visibility on how to progress in the organisation.

Board

This year saw the retirement of our chief financial officer, Michael Pratt, who has played a huge role in our success during his 21 years at Ashtead. We are all very grateful to him and wish him well for the future. I would like to welcome Alex Pease as our new chief financial officer. Alex joins us from Smurfit WestRock and is a former US Navy SEAL, joining our many veterans at Sunbelt. We can now say truly, we have veterans at every level of our business.

At our September 2025 AGM (Annual General Meeting) Lucinda Riches and Tanya Fratto who have been on the Board as non-executive directors since 2016 will retire from the Board having served their nine-year term. I would like to thank Lucinda and Tanya for the valuable service and wise counsel they have provided to Ashtead during their time on the Board.

I am delighted to welcome to the Board as non-executive directors, Jamie Singleton and Nando Cesarone who will join us on 1 August 2025. Jamie is the lead independent director and chair of the executive committee of Wesco International Inc. and has served on the board of Wesco since the company's initial public offering. Jamie has also been a board member of multiple public and private companies. Nando is Executive Vice President and President USA for United Parcel Service Inc. where he has had a variety of roles, including airline and engineering responsibilities. Nando is also a non-executive director of Airlines for America.

Balance sheet

Our balance sheet remains strong with net debt of $10.3bn (2024: $10.7bn) at 30 April 2025. During the year we extended our senior credit facility to $4.75bn which is committed until November 2029. Our net debt to EBITDA leverage was 1.6x at 30 April 2025 compared to 1.7x in the prior year (excluding IFRS 16), comfortably within our long-term range of 1 to 2 times.

Share buybacks

During the year we deployed $342m (2024: $78m) on share buybacks and we informed the market in December 2024 that we would continue to buy back shares over the next 18 months up to $1.5bn.

Dividends

This year, as noted in last year's letter to shareholders, we have rebalanced the split between the interim and final dividend to align with normal market practices.

We continue to have a progressive dividend policy which is designed to ensure sustainability through the economic cycle. In recognition of our strong operating performance and outlook for the Company, the Board is proposing a 3% increase in the full year dividend to 108.0¢. The final dividend will be paid, if approved at the AGM, on 10 September 2025 to shareholders on the register on 8 August 2025.

Outlook

We have a strong balance sheet and with a clear, proven go-to market strategy, an exceptional team leading our business coupled with the progress on Sunbelt 4.0 are confident that this provides a solid platform to advance our business and drive shareholder value.

PAUL WALKER
Chair, 16 June 2025

Highlights of the year

+4%
Rental revenue up 4%[1], Total revenue down 1%[1]

$2,401m
$2,401m of capital invested in the business (2024: $4,311m)

$2,557m
Group operating profit of $2,557m (2024: $2,654m)

$137m
$137m spent on bolt-on acquisitions (2024: $905m) and 48 greenfield locations opened in North America

$2,128m
Group adjusted pre-tax profit of $2,128m (2024: $2,230m)

$1,790m
$1,790m of free cash flow generation (2024: $216m)

369.5¢
Adjusted earnings per share of 369.5¢ (2024: 386.5¢)

1.6x
Net debt to adjusted EBITDA leverage[1,2] of 1.6 times (2024: 1.7 times)

346.5¢
Earnings per share of 346.5¢ (2024: 365.8¢)

108.0¢
Proposed final dividend of 72.0¢, making 108.0¢ for the full year (2024: 105.0¢)

1 At constant exchange rates.
2 Excluding the impact of IFRS 16.

» 01 ACTIONABLE COMPONENT

CUSTOMER

Elevate our obsession with customer service and their success throughout the organisation to a level unparalleled in the broader service sector.

2025 highlights

- Invested $1.9bn in rental assets for our customers
- Advanced our technology platforms to strengthen processes and service levels
- Full launch of VDOS 4.0, our next generation vehicle dispatch optimisation system, improving availability, utilisation, efficiency and user experience

PROGRESSING WITH SUNBELT 4.0

BRENDAN HORGAN
Chief executive

ALEX PEASE
Chief financial officer

This past year, we delivered another strong performance, setting new records for Group rental revenue and EBITDA. Planned lower used equipment sales, combined with a tougher environment in the local commercial construction sector, resulted in total revenue being slightly lower than the prior year. These headwinds were mitigated in part by good momentum from mega projects. These, coupled with our disaster response efforts, helped offset the challenges and keep us positioned for continued growth.

This year has been a year of laser focus on the delivery of our new strategic plan Sunbelt 4.0, and its five actionable components, with clear momentum also building from our Sunbelt 3.0 investments. We enjoyed a number of successes including strong growth especially among our top 200 North American customers. Our strategic account team and broader organisation have strengthened relationships, driving year-on-year rental revenue growth, with 42,000 new customers added in the year on top of the 118,000 accounts added during Sunbelt 3.0. This success stems from major project wins, cross-selling, and collaborative partnerships, benefitting both construction and non-construction markets. We have implemented a full rollout of VDOS 4.0, our next generation vehicle dispatch optimisation system. This reengineered platform enhances availability, utilisation, efficiency, and user experience, through a clearer path to saying yes to customers, with every branch and logistics operation now using the system. Another key achievement is the performance of the 401 locations added during Sunbelt 3.0. Collectively, these sites have grown rental revenues by 20% over the year while improving margins by over 200 basis points. Last year we added 61 new locations in North America, of which 48 were greenfield sites and 13 locations from four bolt-on acquisitions. These actions are a crucial step toward our broader Sunbelt 4.0 goal of leveraging our Sunbelt 3.0 investments and increasing margins by 3-5%, further improving customer satisfaction and streamlining operations to drive performance.

Safety is always our top priority and this year we achieved a Total Recordable Incident Rate of 0.65 and a Lost Time Rate of 0.1, both metrics representing record performance in frequency and severity of reported incidents which is the precise intent of our ground-breaking safety programme, Engage for Life. In January, we launched the Driver Profile, a proprietary system which deploys a risk-based approach to reducing our exposures on the road, to anyone in our organisation operating a Sunbelt Rentals vehicle. This is another example of not allowing complacency into our culture.

Group rental revenue increased 4% for the year, on a constant currency basis. This growth was delivered with strong margins, an adjusted EBITDA margin of 47% and an adjusted operating profit margin of 25%, delivering adjusted operating profit of $2,687m. As expected, the lower level of used equipment sales affected the absolute level of EBITDA and operating profit. After net financing costs of $559m, 3% higher than this time last year, adjusted pre-tax profit was 5% lower than last year at $2,128m. The higher interest expense reflects principally higher absolute debt levels. Adjusted earnings per share were 369.5¢ for the year.

Rental revenue in our North America General Tool business grew 1% over last year to a record $5,890m, which was on top of growth of 10% the previous year. Growth was driven by a combination of volume and rate improvement, demonstrating the power of our diversified business model as well as our disciplined execution. Lower gains on disposals and the higher depreciation charge on a larger fleet impacted operating profit, following the previous year when we took advantage of improving fleet deliveries and strong second-hand markets to catch up on deferred disposals.

Rental revenue in our North America Specialty business grew 8%, demonstrating the benefits of our strategy of growing our Specialty business and broadening our end markets. This growth came from organic growth (same-store and greenfield sites), driven by both volume growth and rate improvement. As with the General Tool business, lower gains on disposals and the higher depreciation charge on a larger fleet impacted operating profit.

Sunbelt 4.0 – continued delivery

	Progress
01 CUSTOMER	Continued progression of the industry, growing total addressable market (TAM)
02 GROWTH	Strong rate discipline in core markets
03 PERFORMANCE	Growth in market share; mega projects
04 SUSTAINABILITY	100% focus on 4.0 execution
05 INVESTMENT	Building momentum with clear proof of success
	Amazing resilience, disciplined capital allocation and strong cash flow
	Positioned to win

In line with our 4.0 strategy, the focus in the UK remains on delivering operational efficiency and long-term, sustainable returns in the business. UK rental revenue was 5% higher than a year ago at $778m. Rental only revenue growth has been driven by both rate and volume improvement. While we continue to make progress on rental rates, these need to progress further.

The Group is in a position of strength, with the operational flexibility and financial capacity to take advantage of the ongoing structural growth opportunities we see for the business and enhance returns to shareholders as we follow our Sunbelt 4.0 plan. The investments in and expansion of the business over Sunbelt 3.0 and into Sunbelt 4.0 are enabling us to take advantage of the diverse opportunities that we see while maintaining discipline and balance sheet strength that affords us considerable flexibility and optionality.

Our results, along with our ongoing investments, reflect confidence in our markets and the strength of our cash-generating growth model. Market conditions remain stable, and we anticipate long-term future growth. Our intention is to leverage our infrastructure as we look to improve operating performance.

We are well-placed for success in the short, medium and long-term, as we both drive and capitalise on the structural evolution of our industry. We are focused on the execution of our Sunbelt 4.0 strategy to deliver returns for all our stakeholders. With this momentum, a strong market position, and an optimistic outlook, we move forward with confidence. Sunbelt 4.0 serves as our path to sustained growth, enhanced resilience and stronger performance – delivering value for our customers, employees and investors alike.

In the strategic report

CAPITALISING ON MARKET OPPORTUNITIES

We are building market share through same-store growth, new greenfield investments, select bolt-on acquisitions and the expansion of our product offering.

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CREATING SUSTAINABLE VALUE

Our equipment rental business model, and the management of that over the economic cycle, enable us to create long-term sustainable value.

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IMPLEMENTING OUR STRATEGY

We focus on building market share, maintaining flexibility in our operations and finances, and delivering Availability, Reliability and Ease to our customer base.

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MEASURING OUR PERFORMANCE

We had a year of strong market outperformance across the business, delivering for all our stakeholders.

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MANAGING OUR RISKS

Our main risks relate to economic conditions, competition, cyber security, health and safety, people and culture, the environment and laws and regulations.

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BEING A RESPONSIBLE BUSINESS

We report on responsible business through the Group Risk Committee. We focus on health and safety, our people, the environment, including climate change, community investment and ensuring the highest ethical standards across the Group.

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OUR MARKETS

Our markets continue to grow and evolve as we expand our footprint and the services we provide and contribute to and benefit from structural progression. We continue to see a shift from ownership to rental, with rental increasingly essential for customer success where the larger, experienced rental companies are able to respond to a wide range of customer needs. As such, we are taking market share in what are larger and more diversified markets. Our business is far less cyclical than in the past because construction, while still an important part of our business, is much less so, relative to the other markets we serve as we have diversified our end markets. That means that our markets are more resilient than ever before, making the Group more resilient too. Our growth used to be a factor of fleet size. The bigger our fleet size, the more revenue we could generate. Now, as we and the industry have matured into business service providers, pricing progression will become fundamental to our operations as we add greater value to our customers through the services we provide. Together with our plan, these changes, which we believe are permanent, have created the foundations for our next chapter and the growth expected during our new strategic plan, Sunbelt 4.0.

The breadth and resilience of our markets

We serve increasingly broad and diverse end markets. Our markets continue to expand, in terms of geography, range of equipment provided and the applications for which our equipment is used. The graphic on the next page shows the diversity of end markets that use our equipment. This is often the same equipment, just used for a different purpose. A significant proportion of our fleet was developed originally for the construction industry but is now used in applications varying from Formula 1 racetracks to home decor. Our customers are equally diverse from major global companies to DIYers. For any of these markets, there is a huge range of equipment used.

Construction remains a core part of our end markets but accounts for less than 50% of total activity, and we see an increasing level of crossover between our General Tool and Specialty businesses on any typical construction site. Increasingly construction projects are bigger and longer, often being completed over several years. We now refer internally to projects worth over $400m as mega projects and these are an important part of our project portfolio. Mega projects last typically for around three years and we expect to see more of these coming online in the future.

Our non-construction markets are increasingly large and resilient and amongst other sectors include:

- maintenance, repair and operations, which is a highly stable end market characterised by recurring work needed, regardless of what may be happening in the wider economy;
- our entertainment and special events market is a large and stable end market with long-term growth prospects;
- emergency response and restoration is a key market for us and we are designated an essential service in North America and the UK in times of need, supporting government and the private sector in response to both day-to-day emergencies as well as major events, including hurricanes, tornadoes and other disasters. Natural disasters generate spikes in demand but day-to-day emergencies generate steady demand; and
- state and local government is our most stable end market, with expenditure typically determined in advance and sheltered from macroeconomic shifts.

Across these non-construction end-markets, there are ongoing opportunities for further rental penetration.

CONSTRUCTION

- Airports
- Highways and bridges
- Office buildings
- Data centres
- Schools and universities
- Shopping centres
- Residential
- Remodelling
- Manufacturing plants
- Green energy

Examples of major non-construction markets

MAINTENANCE, REPAIR AND OPERATIONS

- Office complexes
- Apartment complexes
- Data centres
- Shopping centres
- Golf course maintenance
- Industrial
- Entertainment and conference venues

ENTERTAINMENT AND SPECIAL EVENTS

- National events
- Concerts
- Sporting events
- Film and television production
- Theme parks
- Festivals
- Farmers' markets
- Local 5K runs
- Cycle races

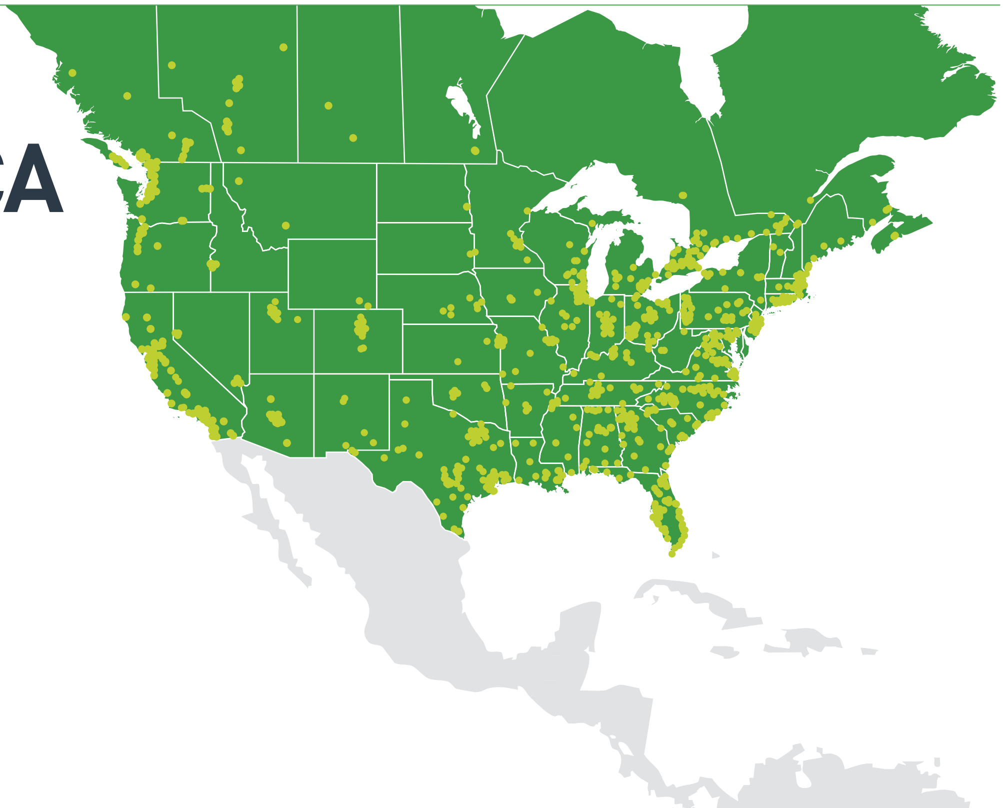
EMERGENCY RESPONSE AND RESTORATION

- Fire
- Hurricanes
- Flooding
- Tornadoes
- Winter storms
- Residential emergencies
- Health emergencies
- Alternative care facilities
- Points of distribution
- Healthcare testing facilities

STATE AND LOCAL GOVERNMENT

- Government
- Hospitals
- Parks and recreation departments
- Schools and universities
- Pavement/kerb repairs

NORTH AMERICA



We continuously assess market trends across North America, both in terms of the end markets we serve, but also on a regional, district and local level. In understanding market trends, we consider our local market knowledge, as well as market forecast data provided by third parties. We have set out below details of market data for the US and Canada, consistent with the basis of the forecast data provided by third parties.

The US

Dodge Construction Starts continue to show strength in our end markets. The outlook for construction growth continues to be underpinned by what we consider to be mega projects and infrastructure work, which continue to gain momentum. This is a portion of the market where we enjoy outsized share and continue to be positioned extraordinarily well as more of these large projects enter planning and start. Our cross-functional sellers and solutions experts are highly engaged with these contractors, our customers, and in many cases the owner or developer themselves. We are well positioned to bring our broad range of solutions and capabilities to bear on these not only large, but complex projects.

At the same time, the local commercial construction space is softer than it was in recent years as the prolonged higher interest rate environment has weighed on local and regional developers. This predominately impacts some of the small, mid and regional sized contractors, which are a powerful and important segment of our customer base. It may take some time for this segment to see a meaningful uptick. However, it will rebound, and when it does, we believe that it will do so quite strongly. When this happens, we are in a position of strength to benefit, with customer relationships, coverage of products, services and markets and capacity, which are all part of our long-held cluster market strategy.

Mega projects made up an increasing part of recent years' construction starts values, more than double what they represented in the past. Internally, we refer to projects with a value of over $400m as mega projects – these can include data centres, electric vehicle factories, battery plants and semi-conductor factories and we are active on many such projects and continue to win more. Mega project activity continues to be robust, particularly in the data centre space, with the total pipeline of mega projects projected to grow from what was c. $840bn in the FY23 – FY25 timeframe to more than $1.3 trillion in the FY26 – FY28 timeframe. Projects of this scale and sophistication require suppliers with relatable scale, but also expertise, experience, breadth of product and services and the financial strength to meet the needs of the customer. While the nature of the risks associated with mega projects (contractual and counterparty risk principally) are similar to the rest of our business, they are heightened due to the scale of the projects. These make up an increasing proportion of our fleet on rent today and this will continue as the increasing number of starts translates into put-in-place construction and hence, activity. The on-going strength of mega projects and broader non-construction markets helped offset the softer local non-residential construction activity last year.

Chart 02 shows the last four construction cycles. These have followed one of two patterns. From 1975 to 1982 and from 1982 to 1991 the initial recovery was very aggressive but the overall cycle was relatively short. In contrast from 1991 to 2011, and 2011-2020, the cycle was characterised by a more gradual recovery over a longer period of time.

The forecasts for the current cycle are more similar to the last two cycles, and we believe that we are entering a period of more moderate growth. While these forecasts are for growth through 2029, there could be bumps on the way due to inflation, the interest rate environment and other broader macroeconomic conditions. However, our business model is well equipped to deal with this environment as we are able to reduce our capital expenditure and generate significant free cash flow. In the event of a slowing economy, the impact will be mitigated to a degree by the opportunity from the structural shift from ownership to rental and our ability to increase market share.

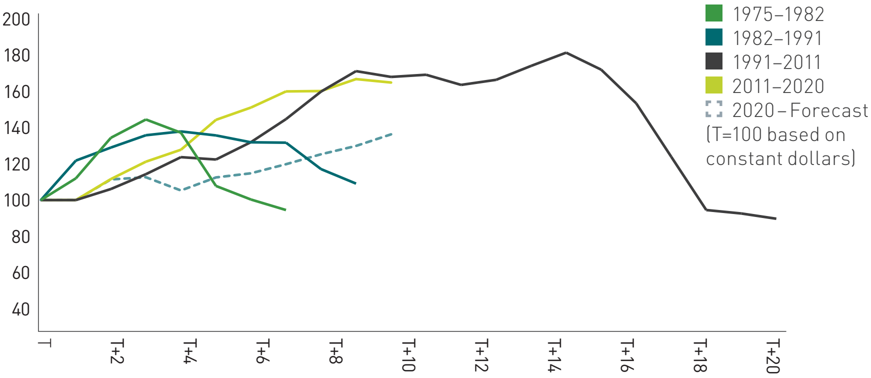
01 US market outlook

Industry rental revenue

2025	4%
2026	3%
2027	3%

Source: S&P Global Market Intelligence (May 2025)

02 Construction activity by cycle



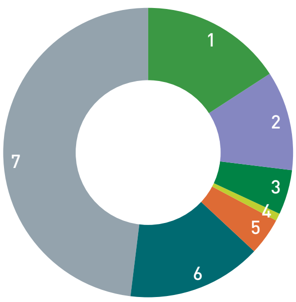
Source: Dodge Data & Analytics (May 2025)

Canada

Canada is a growing market for us. The overall rental market is less than a tenth of the size of the US. But in the same way that the US has experienced structural growth as more and more types of equipment are rented for different applications, we expect similar trends in Canada. We are seeing continued market growth in 2025 and S&P Global Market Intelligence predicts Canadian rental revenue to grow 3% in 2025, 5% in 2026 and 8% in 2027.

We anticipate growing more rapidly as we take market share and broaden our offering.

03 North America market share



1 United Rentals 16%
2 Sunbelt 11%
3 Herc Rentals (inc. H&E) 5%
4 Home Depot 1%
5 Top 6–10 4%
6 Top 11–100 15%
7 Others 48%

Source: Management estimate based on latest S&P Global Market Intelligence market size estimates

Market share

We continue to grow our market share in North America and even though we are the second largest equipment rental company, there remains plenty of room to grow as Chart 03 shows. Our major competitors are United Rentals and Herc Rentals and collectively we have approximately 30% market share. In North America, most of the remainder of the market is made up of small local independent rental shops. For example, in the US, c. 50% of the market is represented by rental companies with five or fewer locations.

Much of our market share gain comes from these small independents when we set up new stores or acquire them, and hence our runway remains long with ample opportunity for bolt-on investments. In our industry, size and expertise matters. Scale brings sophistication in areas like technology and other services, and this leads ultimately to further consolidation. The proportion of the market enjoyed by the larger players continues to increase and we have clearly been a major beneficiary of this trend.

This market share analysis is based on the latest American Rental Association ('ARA') definition of the rental market, which incorporates a broad range of equipment, much of which is used in non-construction across a wide range of end markets. These markets include the facility maintenance, repair and operation of the geographic markets we serve, characterised by square footage under roof. In the US there is more than 100bn square feet under roof with minimal rental penetration currently. Thus, we believe the size of the rental market is still understated and hence our, and everyone else's, market share is overstated. This only serves to increase the opportunities for growth.

We are confident that as the market continues to grow, our share will also increase. We continue to set ambitious targets with our longer-term market share target of 20%. The speed at which we increase our market share is in part a function of how quickly we can get new locations up and running. However, as noted above, our market share growth also comes from continuing to broaden both our end markets and the range of equipment we have available to rent in each location.

The combination of our business model, which you can read more about on page 16, the continued attractiveness of our markets and the long-term trend to rental, provides the perfect environment for us to achieve our goals. In addition, our market share gains accelerate as we make the most of our scale advantages.

As we increase our market share and grow our Specialty businesses, they become a greater proportion of the business mix across the cycle and accounted for c. 35% of North American revenue in 2024/25. The acquisitions we make are often to expand into a new specialty area or to develop an existing one and then we supplement them with greenfield openings.

Structural change

The rental market continues to undergo structural change. Rental penetration continues to deepen, with rental now core for customers rather than top-up, and those benefitting from this increased rental penetration are the larger, more experienced, more capable rental companies who can position themselves to be there as partners for this increasing customer base, delivering more complex solutions, and capitalising on this larger market. Our business is more resilient and less cyclical as a result of this structural change.

Rental still only makes up to around 55% to 60% of the North American market compared to around 75% in the UK. However, this is a broad average with penetration levels ranging from low single-digit percentages to high double-digit percentages. For example, floor scrubbers have a low rental penetration whereas the rental penetration for large aerial equipment is over 90%. We like specialty products because they are at the low end of this range, which provides greater scope for growth. We see the potential market penetration for rental equipment to be well over 60% in North America.

The drivers of this evolution include significant cost inflation in recent years associated with the replacement of equipment, technical changes to equipment requirements and health, safety and environmental issues which make rental more economical, easier and safer. Environmental regulations have driven further rental penetration through the reduction in fleet size by those customers who previously may have chosen to own some, if not all, of their larger equipment needs. Customers and smaller competitors with older fleets are faced with heavier replacement spend causing them to replace less and rent or, in the case of smaller competitors, reduce their fleet size. Furthermore, the difficulties of getting to grips with new technology and maintenance requirements have also caused more operators to decide to rent. Maintaining optimally serviced and therefore safe equipment can be a big outlay for a smaller operator. The diversity of our fleet helps us take advantage of this structural progression and we continue to expand the range of products we rent.

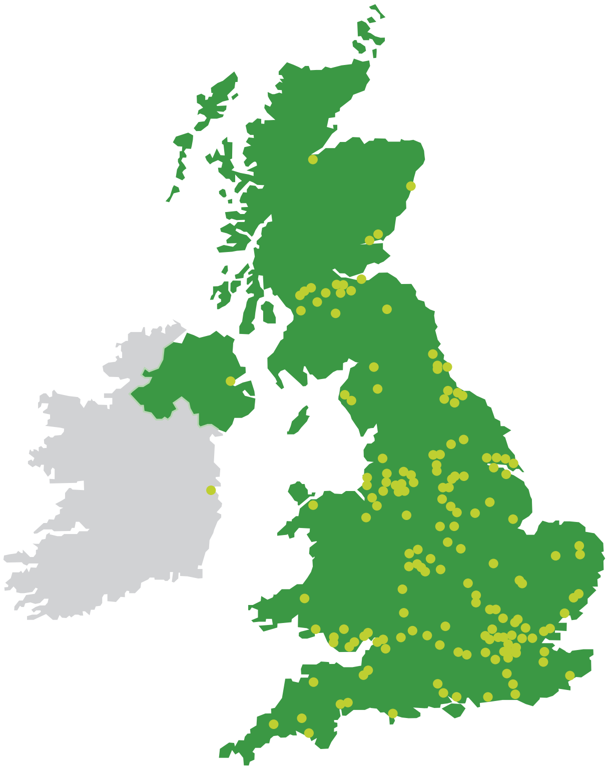
Our development and use of technology is also driving rental penetration. Our highly sophisticated proprietary customer management, inventory and delivery tracking systems all contribute to Availability, Reliability and Ease for our customers. Sustainability is also an important consideration. Renting from us can help customers with their own sustainability aspirations. They can use the most environmentally friendly equipment available, reduce their own direct and indirect carbon emissions during the operation and transportation of equipment and means that they are not responsible for the disposal of the equipment at the end of its life. We save customers money by teaching them to use the right product for the right job and using it in the most energy efficient manner possible.

VDOS LOGISTICS: OPTIMISING OUR CUSTOMER DELIVERY SYSTEMS

The Sunbelt 4.0 enhancements to our VDOS (Vehicle Dispatch Optimization System) logistics application are providing intelligent load building and route planning for delivery vehicles.

The system provides alerts to customers and dispatchers, so our customer knows when their equipment will arrive and we know when a driver will be back at the branch. The combination of these features reduces the cognitive load on the dispatcher and allows them to focus on managing their driver team. Updates to the VDOS mobile application include the addition of commercial vehicle routing, improvements to our photo capture programme, and the ability for our drivers to enter equipment return information directly into VDOS. This enables the contract to be automatically closed, eliminating the need for a paper pickup ticket process. The system also makes it easier for vehicles to always be fully loaded, further adding to the efficiency of our transport. Equipment set for return can be allocated automatically to the branch closest to them, rather than where it necessarily came from. Together, these improvements to our logistics platform drive improved driver/vehicle utilisation and increase delivery/pickup capacity while reducing miles driven and the hours required to provide outstanding service to our customers.

THE UK



Our UK business continues to progress despite local market challenges. We believe our ability to deliver complex solutions to our customers is unmatched in the UK market. This is no small accomplishment, being brought about by our unique cross-selling capabilities across our unmatched product and services portfolio. As a result, we have seen market share gains, particularly in infrastructure and industrial projects, as well as increasing progress into areas such as facility maintenance.

A consistent area of focus to improve our UK business has been on advancing rental rates through adding value to our customers by way of the services we provide, as well as improving operational efficiency. Although progress has been made, there is still work to be done. This is something the UK rental industry falls behind in and our position will be steadfast in making a demonstrable change in the face of the notable inflation our business and the industry has absorbed.

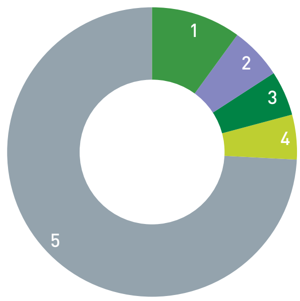
We continue to see significant opportunities in both construction and non-construction markets in the UK, as in North America. We will continue to invest responsibly in the UK market as we seek to increase market share and enhance returns.

Market share

We are the largest equipment rental company in the UK. There are a greater number of major players in the UK market and, as the largest, we have a 10% market share.

Chart 04 shows our key competitors and their share of the market. We believe we continue to be well-positioned in the market with our strong customer service, broad based fleet and a strong balance sheet. We have enhanced this market position through simplifying our go-to-market message and leveraging the cross-selling opportunities provided by our broad product offering and Specialty businesses.

04 UK market share



1 Sunbelt 10%
2 Speedy 6%
3 HSS 5%
4 VP 5%
5 Others 74%

Source: Management estimate based on latest S&P Global Market Intelligence market size estimates

05 UK construction industry forecasts

£m	2023 Actual	2024 Actual	2025 Estimate	2026 Forecast	% of total
Residential	74,909	75,167	77,427	81,325	36%
		0.3%	3.0%	5.0%	
Private commercial	55,493	56,413	56,919	58,275	26%
		1.7%	0.9%	2.4%	
Public and infrastructure	80,394	79,976	81,144	83,778	38%
		-0.5%	1.5%	3.2%	
Total	210,796	211,556	215,490	223,378	100%

Source: Construction Products Association (Spring 2025)

CREATING SUSTAINABLE VALUE ACROSS THE ECONOMIC CYCLE

We create value through the short-term rental of equipment that is used for a wide variety of applications and the provision of services and solutions to a diverse customer base through a broad platform across North America and the UK. Our rental fleet ranges from small hand-held tools to the largest construction equipment. We have a platform which enables our customers to rent what they want, when they want and where they want with ease.

What we do

We have a platform which enables our customers to rent what they want, when they want and where they want with ease.

BUY
We buy a broad range of equipment from leading manufacturers.

RENT
We rent it on a short-term basis to a broad range of customers.

SELL
We sell the older equipment in the second-hand market.

How we do it

Creating sustainable value across the economic cycle

Powering the platform · Managing through the cycle

1

DIFFERENTIATING OUR FLEET AND SERVICE

- Broad fleet mix
- Evolution of Specialty businesses
- Broad range of customers and applications
- Scale to meet size and range of requirement

See more on page 20

2

ENSURING OPERATIONAL EXCELLENCE

- Culture of health and safety
- Focused, service-driven approach
- Long-term partnerships with leading equipment suppliers
- Industry-leading application of technology

See more on page 20

3

INVESTING IN OUR PEOPLE

- Highly skilled team
- Devolved structure
- Maintaining significant staff continuity
- Strong focus on recruitment, training and incentive plans

See more on page 21

4

MAXIMISING OUR RETURN ON INVESTMENT

- Effective fleet management
- Optimisation of utilisation rates and returns
- Flexibility in local pricing structures
- Focus on higher-return equipment

See more on page 20

Creating value

How we share value with our stakeholders:

OUR PEOPLE
Investing in our people to provide opportunity for development and to ensure we take the very best care of our people.

See more on page 21

OUR CUSTOMERS
The provision of cost-effective rental solutions to a diverse customer base.

See more on page 20

OUR SUPPLIERS
Developing long-term relationships with suppliers.

See more on page 41

OUR COMMUNITIES
Enhancing the communities in which we operate, through employment, opportunity and community involvement.

See more on page 41

OUR INVESTORS
Generating sustainable returns for shareholders through the cycle.

See more on page 41

OUR ENVIRONMENT
Working to ensure we provide environmentally friendly solutions.

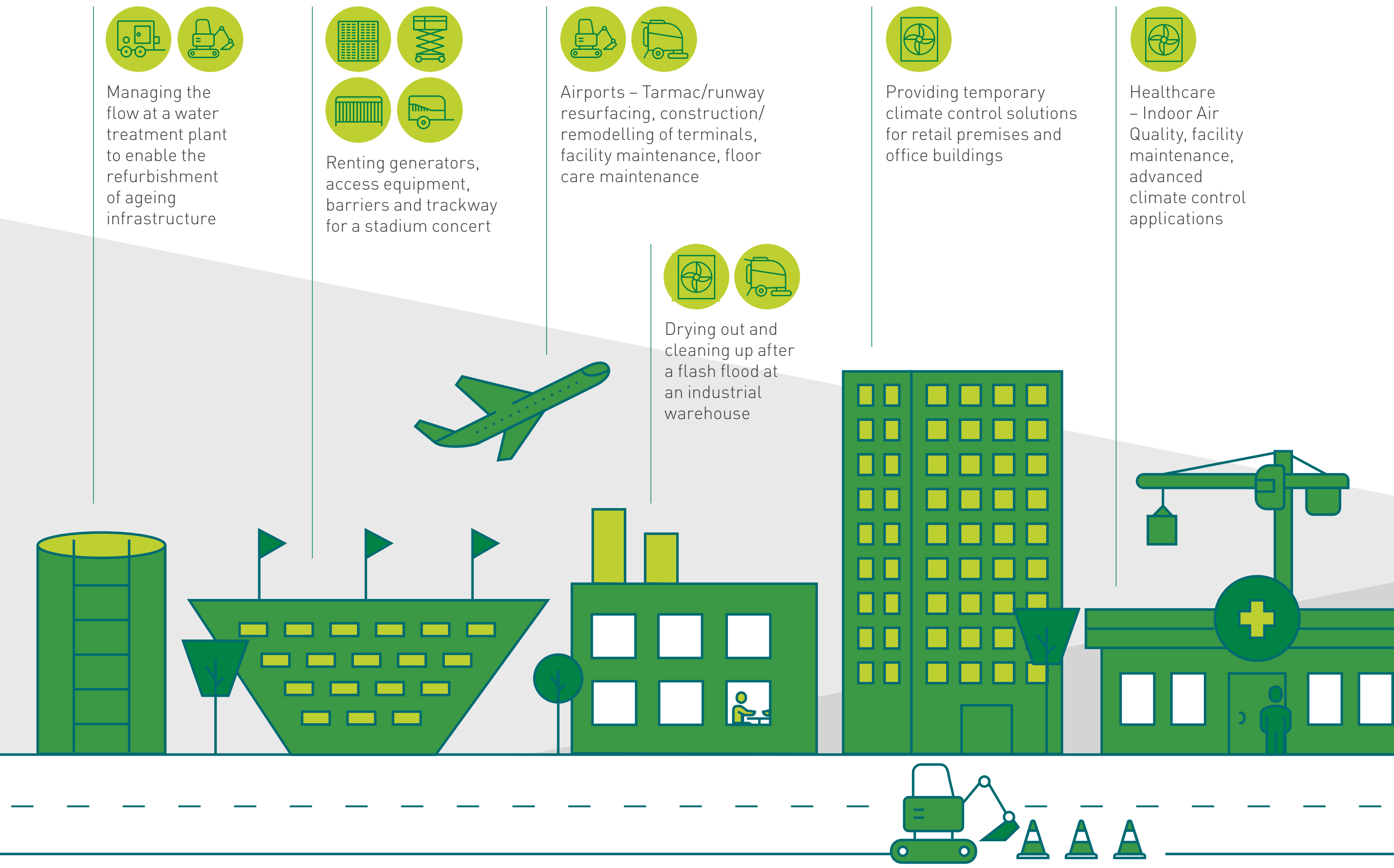
See more on page 52

WHAT WE DO IS SIMPLE. HOW WE DO IT IS NOT.

At its most basic, our model is simple – we purchase an asset, we rent it to customers through our platform and generate a revenue stream each year we own it (on average, seven years) and then we sell it in the second-hand market and receive a proportion of the original purchase price in disposal proceeds.

DIVERSE MARKETS AND APPLICATIONS ANYTOWN NORTH AMERICA

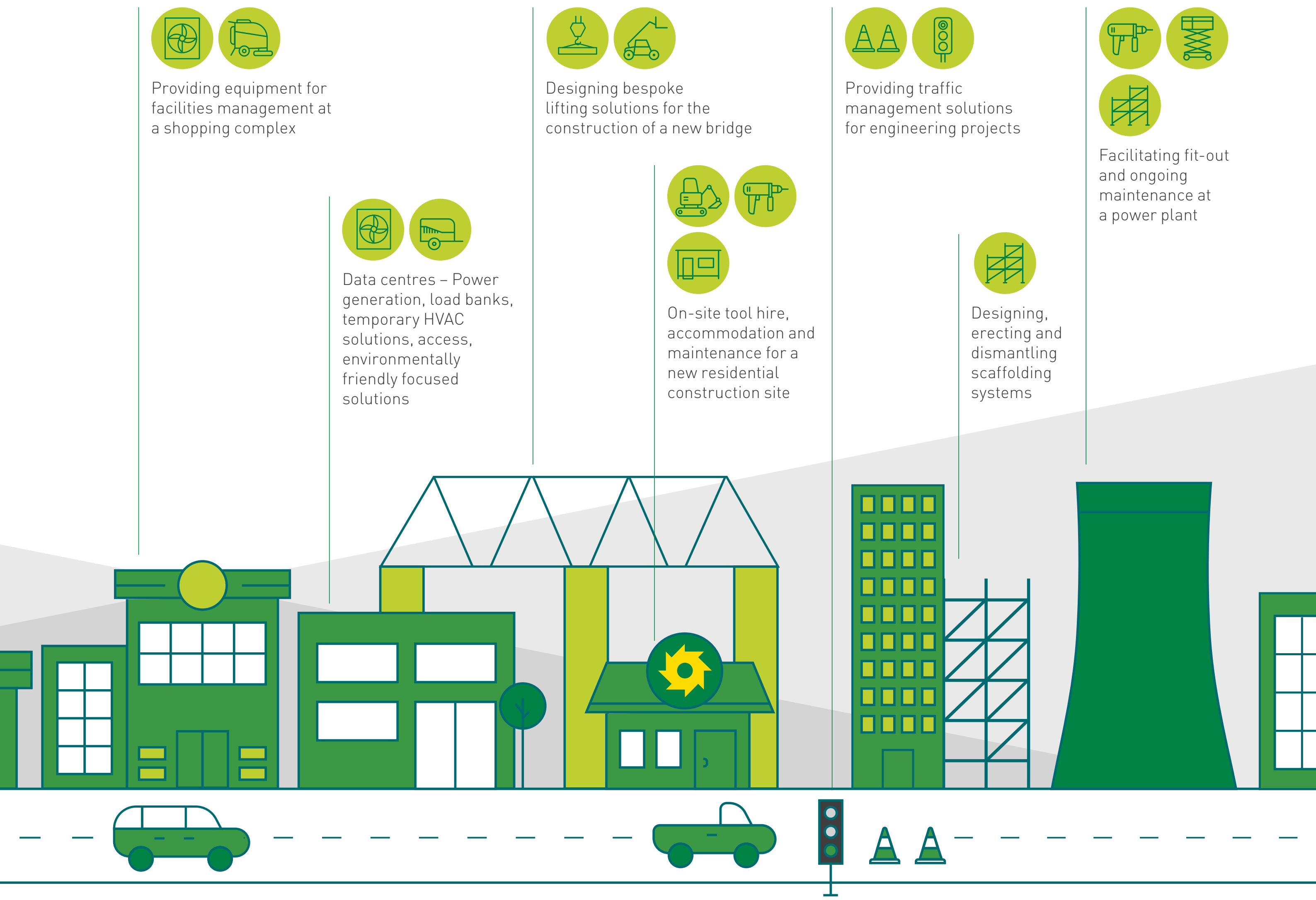
Our range of General Tool and Specialty equipment is applicable to broad and diverse end markets, with individual products having many different applications. As such, our equipment serves the needs of customers from construction to zoos, and from data centres to community events large and small.



Assuming we purchase an asset for $100, generate revenue of $60 each year (equivalent to 60% dollar utilisation) and receive 35% of the original purchase price as disposal proceeds, we generate a return of $455 on an initial outlay of $100 over a seven-year useful life. We incur costs in providing this service, principally employee, maintenance, property and transportation costs and fleet depreciation. However, this simple overview encompasses a significant number of moving parts, activities and expertise that powers the platform to ensure Availability, Reliability and Ease for our customers. Our ability to excel in these areas enables us to provide a rewarding career for our team members, generate strong margins and deliver long-term, sustainable shareholder value, while managing the risks inherent in our business (refer to pages 32 and 37).

Managing the cycle

We describe ourselves as being a late cycle business in that our biggest end market, non-residential construction, is usually one of the last parts of the economy to be affected by a change in economic conditions. This means that we usually have a good degree of visibility on when we are likely to be affected, as the signs will have been visible in other parts of the economy for some time. When we expect a slow-down in construction markets, we are able to plan accordingly, react in a timely manner and lower levels of capital expenditure. This then ensures we are better positioned and potentially stronger than our competitors to take advantage of market changes once we are out the other side. See content on our strategy on page 22.



Differentiating our fleet and service

The differentiation in our fleet and service means that we provide equipment to many different sectors. Construction continues to be our largest market but now represents less than 50% of our business in North America as we have deliberately reduced our reliance in this area through broadening our product offering and customer base.

We continue to develop our existing specialty areas, such as Power and HVAC, Climate Control, Scaffold Services, Flooring Solutions, Pump Solutions and Trench Safety, and seek to add to our Specialty lines of business. In total, our Specialty lines of business represent c. 35% of our North American rental revenue. Residential construction is a small proportion of our business as it is not a heavy user of equipment. In the UK, specialty areas represent c. 60% of our revenue.

Our customers range in size and scale from multinational businesses, through strong local contractors to individual do-it-yourselfers. Our diversified customer base includes construction, industrial and homeowner customers, service, repair and facility management businesses, emergency response organisations, event organisers, as well as government entities such as municipalities and specialist contractors. The nature of the business is such that it consists of a high number of low-value transactions. In the year to April 2025, in the US we dealt with approximately 800,000 customers, who generated average rental revenue of $10,300. However, this average reflects a broad and diverse customer base, which includes our smallest customers who transact with a single line of business, compared to our largest who transact across all of our services. We believe that we are well positioned to service our customers whatever their needs.

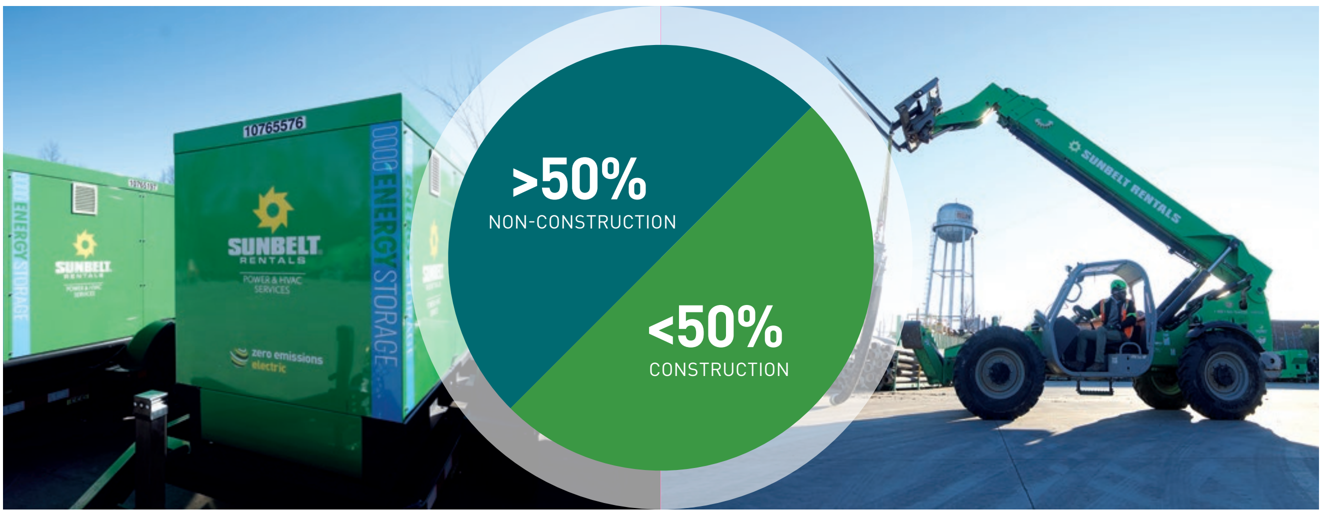
The individual components of our General Tool fleet are similar to our peers. However, this is complemented by our Specialty businesses offering a broad range of differentiated equipment. It is the breadth and depth of our fleet across our General Tool and Specialty businesses that differentiates us from our peers and provides the potential for higher returns. The size, age and mix of our rental fleet is driven by the needs of our customers, market conditions and overall demand. The equipment we provide to each customer is diverse and we are often involved in supplying various types of equipment over an extended period at each distinct stage of a project's development. Our equipment is also used in a wide range of other applications including industrial, events, repair and maintenance and facilities management.

Ensuring operational excellence

Our operating model is key to the way we deliver operational excellence:

- In North America, we achieve scale through a 'clustered market' approach of grouping large and small General Tool and Specialty rental locations in each market. We started this approach in the US, but have implemented a similar strategy in Canada as we have established our specialty service offering. Across North America, we seek to build fleet density around these clusters. This approach allows us to provide a comprehensive product offering and convenient service to our customers wherever their job sites may be within these markets. When combined with our purchasing power, this creates a virtuous circle of scale. You can find out more on our cluster/market density strategy on page 25.
- In the UK, our strategy is focused on having a store structure that allows us to offer a full range of General Tool and Specialty equipment on a nationwide basis. We are migrating to a regional operating centre model with a few, larger locations, which are able to address all the needs of our customers in their respective markets, combined with smaller, local locations, not dissimilar to a cluster approach. This approach reflects the nature of the customer base (more national accounts) and the smaller geography of the UK.
- Across our rental fleet, we generally carry equipment from one or two suppliers in each product range and limit the number of model types of each product. We believe that having a standardised fleet results in lower costs. This is because we obtain greater discounts by purchasing in bulk and reduce maintenance costs. We are also able to share spare parts between stores which helps minimise the risk of over-stocking. Furthermore, we can easily transfer fleet between locations which helps us achieve strong levels of fleet on rent, one of our key performance indicators ('KPIs').

06 Business mix – North America



07 Rental penetration – the product range

- We purchase equipment from well-known manufacturers with strong reputations for product quality and reliability and maintain close relationships with them to ensure certainty of supply and good after-purchase service and support. We work with suppliers to provide early visibility of our equipment needs which enables them to plan their production schedules and ensures we receive the fleet when we need it.
- We are also focused on sustainability within our procurement strategy, working with our major equipment suppliers in developing and piloting new technologies. This focus is also expanding our supplier base, as we identify new technologies which respond to customer needs or which provide solutions to sustainability challenges.
- We aim to offer a full-service solution for our customers in all scenarios. Our Specialty product range includes equipment types such as pumps, power generation, heating, cooling, scaffolding, traffic management, temporary flooring, structures and fencing, trench shoring and lifting services, which involve providing service expertise as well as equipment.
- We look to build rental penetration through expanding the breadth and depth of equipment we rent. As well as our Specialty businesses, we are increasingly focused on developing the rental penetration of the smaller end of our product range. Chart 07 shows how the largest equipment in our fleet has high levels of rental penetration while the smaller, but often still costly to own, equipment has not traditionally been a large part of the rental mix.
- We invest heavily in technology, including the mobile applications required to deliver efficient customer service. Customers can track the equipment they have on rent, place new orders, request pickup or service or extend their contract, either from their desk or via a mobile app. Our sales reps have access to the same information, along with details of the location of our fleet and all other information required to serve the customer. Our order fulfilment system utilises automated workflows connected to and powering our point of sale and logistics systems to enable our sales reps to say 'yes' with confidence. Vehicle telematics help drive best in class driver performance and safety. Technology enables our business, and provides power to the platform and a significant advantage over our competitors. During Sunbelt 3.0 we developed a more advanced and integrated technology ecosystem across Sales, Logistics, Service, Connected and Frontline which we have been implementing enabling enhanced order capture, improved customer experience, operational efficiencies and market share gains.
- Our large and experienced sales force is encouraged to build and reinforce customer relationships and to concentrate on generating strong, whole-life returns from our rental fleet. Our sales force works closely with our customers to ensure we meet their needs. Through the application of technology, it is equipped with real-time access to fleet availability and pricing information enabling it to respond rapidly to the needs of a customer while optimising returns.
- We guarantee our service standards and promise our customers we will make it happen. We believe that our focus on customer service and the guarantees we offer help distinguish our businesses from competitors and assist us in delivering superior financial returns. Our responsiveness to customer needs is critical in a business where c. 60% of orders are placed for delivery within 24 hours. We have long-standing relationships with many of our customers. Our customer retention is high due to the scale and quality of our fleet, our speed of response and our customer service.
- Our local management teams are experienced and incentivised to produce excellent customer service, high quality standards and strong financial returns. We believe that the autonomy given to management teams to take decisions locally ensures that, despite our size, we retain the feel of a small, local business for our employees and our customers.

Investing in our people

Our people enable us to provide the exceptional customer service that keeps our customers coming back. Our exceptional staff and focus on service give us a huge competitive advantage in what we do. On pages 60 to 63 we discuss the importance of our team members and corporate culture in more detail. We aim to recruit good people and then invest in them throughout their careers.

RUNWAY FOR SUCCESS: SUNBELT 4.0

Having launched our strategic plan, Sunbelt 4.0, last year, our focus is now on the implementation of this plan, our next level of ambition with purpose. The continuing shift from ownership to rental and the increasingly essential nature of rental for customer success, mean the industry in which we excel continues to expand rapidly, providing the springboard for our next chapter of growth. Our size, experience and expertise mean that we will continue to get disproportionately larger in this growing and highly diversified market. Our history of strategic planning and execution has built a highly successful and robust business. Sunbelt 4.0 is designed to deliver further growth, resilience and performance.

Sunbelt 4.0

- Positioned to execute and realise the benefits of ongoing structural change present within the rental industry
- Strategic growth plan designed to deliver a period of strong performance through growth in volume, pricing, margin and return on investment
- Ever-strengthening financial position through earnings growth, strong free cash flow, and low leverage, providing significant operational and capital allocation optionality for the benefit of all stakeholders

Over the course of decades, we have been both influencing and realising the structural change agents in our industry, the first being the ongoing shift from ownership to rental. Secondly, we can now say categorically that everything has changed in the eyes of our customers. Rental, and therefore Sunbelt, is essential to their success. Our business is now mainstream. Rental is the first option for our customers, rather than being the 'top-up' provision of the past. That is the platform for growth we saw coming together through our previous strategic plan. It is the industry-built foundation for our current plan, Sunbelt 4.0.

Traditionally ours was a highly cyclical business and we managed the cycles that impacted us to accommodate the changing nature of our business. We are significantly less cyclical now. Construction accounts for less than 50% of our total business, rather than being the majority. We are far more resilient to

Sunbelt 4.0 actionable components

01 CUSTOMER

Elevate our obsession with customer service and their success throughout the organisation to a level unparalleled in the broader service sector

02 GROWTH

Grow General Tool and Specialty through the ongoing structural progression in our business and industry and advance our clusters to deepen our presence and increase our total addressable markets

03 PERFORMANCE

Operate with more efficiency through scale, process, and technology to unlock margin progression

04 SUSTAINABILITY

Advance our position as a thriving, growing enterprise to deliver long-term sustainable value for our people, customers, communities and investors

05 INVESTMENT

Disciplined capital allocation driving profitable growth, strong cash generation and enhanced shareholder value

FOUNDATIONAL ELEMENTS

PEOPLE | PLATFORM | INNOVATION

market changes than ever before. We have a much larger addressable market given the diversification we have built throughout the business, because rental is now core in a multitude of areas.

The change in the role and importance of rental means that industry pricing is also evolving, and rental rate discipline and progression has been seen across the industry. It used to be that the bigger our fleet was, the more money we made. There was little variation in pricing available. We now see ourselves more as a business services company and envisage having pricing progression as our norm. We and the industry have demonstrated this over the last couple of years as, despite lower levels of physical utilisation and used equipment prices, rental rates have continued to progress. This marks a huge change for us and the industry and is part of our growth algorithm which did not exist in the past. When we have the scale we have in these market conditions, we expect to see increased margin performance, particularly when we combine these market conditions with confidence and excellence in execution.

Actionable components

At the heart of Sunbelt 4.0, we are guided by five actionable components, powered by three foundational elements. We have called the actionable components Customer, Growth, Performance, Sustainability and Investment, and these are the backbone of the Sunbelt 4.0 runway for success – the core components of the next level of our ambition with purpose.

Our Sunbelt 4.0 strategic priorities

STRATEGIC PRIORITY	KEY INITIATIVES	RELEVANT KPIs	RELATED RISKS
01 CUSTOMER	– Elevate our customer culture from centric to obsession – Growing the percentage of revenue from customers which rent from General Tool and three or more Specialty lines of business – Increase value of existing customers and adding new credit customers	– Return on investment – Fleet on rent – Dollar utilisation	– Economic conditions – Competition – People and culture
02 GROWTH	– Increase market density through investment in General Tool and Specialty businesses – Access latent capacity through existing location growth – Add greenfield stores to establish and deepen market presence, progressing our market clusters – Make rate progression a sustained contributor to growth	– Return on investment – Fleet on rent – Dollar utilisation – Adjusted EPS	– Economic conditions – Competition – People and culture
03 PERFORMANCE	– Leverage SG&A with increased scale – Increase maturity of existing store portfolio, in particular those added during Project 2021 and Sunbelt 3.0 – Deliver against operational excellence initiatives and embed industry leading technology platform developed during Sunbelt 3.0	– Return on investment – Fleet on rent – Dollar utilisation – EBITDA margins – Adjusted EPS	– Economic conditions – Competition – People and culture – Cyber security
04 SUSTAINABILITY	– Continue prioritisation of health and safety – Target Scope 1 and 2 Net Zero by 2050 target, supported by a tangible pathway – Unlock the sustainability potential in our people strategies – Advance an integrated community investment strategy enabled by technology	– Safety – Carbon intensity – Staff turnover	– Health and safety – Environmental – People and culture – Laws and regulations
05 INVESTMENT	– Target leverage range of 1.0 to 2.0 times net debt to EBITDA (excluding IFRS 16) – Dynamic capital allocation policy, prioritising organic growth investment in existing locations and greenfields – Returns to shareholders through progressive dividend policy and share buybacks – Free cash flow from operations will fund 100% of ambitious Sunbelt 4.0 organic growth plans, leaving significant flexibility and optionality to allocate capital in accordance with our long-term priorities	– Adjusted EPS – Return on Investment – Net debt and leverage	– Economic conditions – Competition

01 CUSTOMER

The first of our actionable components is to elevate our obsession with customer service and their success throughout the organisation to a level unparalleled in the broader business sector. Customers have always been the priority at Sunbelt but putting them front and centre in our new strategic plan elevates that further. As our business has changed, so too have our customers. They now rely on us to get their job done, safely, efficiently, without any hassle and often in the most sustainable way possible. We see it as our responsibility to enable their success.

Cross-selling the power of Sunbelt is an important part of the customer experience and a great source of our competitive advantage. We continue to grow our customer base, having added over 118,000 new credit customers in the US during Sunbelt 3.0. Meanwhile, those customers who rent from multiple lines of business also grew over the same period. In addition, the revenue generated by individual customers is also growing. Our focus on ensuring those customers enjoy the very best customer service and experience will enable us to capitalise on these factors in building the business further.

OUR SPECIALTY BUSINESSES

Our Specialty businesses focus on products with comparatively low rental penetration in predominantly non-construction markets. They are hugely important to our business and are core to our Sunbelt 4.0 strategy. Specialty products and services are often a natural add-on to our General Tool products and services. We are always looking for new rental opportunities and to expand the number of our Specialty lines of businesses which in North America include:

- Power and HVAC;
- Climate Control;
- Scaffold Services;
- Flooring Solutions;
- Pump Solutions;
- Trench Safety;
- Industrial Tool;
- Film & TV;
- Temporary Structures;
- Ground Protection;
- Temporary Fencing; and
- Temporary Walls.

Our Specialty businesses are true specialisms with in-house experts in each business line with in-depth product and application knowledge, who enable us to provide the very best level of service to our customers. Cross referrals between General Tool and Specialty are becoming more and more commonplace.

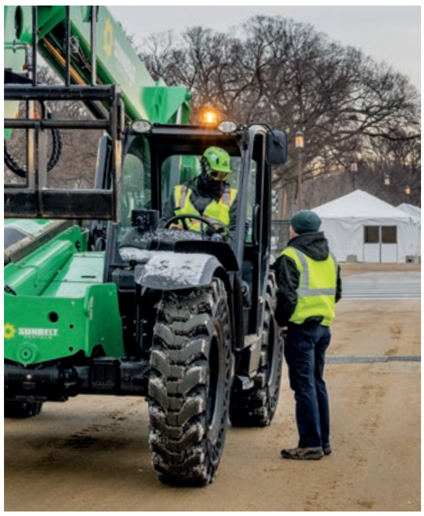
02 GROWTH

Our second actionable component is to grow our General Tool and Specialty businesses through the ongoing structural progression of our business and industry. We are evolving our cluster approach as we look to increase our fleet density. We believe that there is a clear opportunity to increase the fleet density in our markets through accessing the latent capacity in our existing locations, particularly those added through Sunbelt 3.0 and supplementing those through further greenfield locations. In this way, we aim to ensure that rental penetration increases in ever broadening markets as our market density grows. We aim to add 300-400 greenfield locations during Sunbelt 4.0.

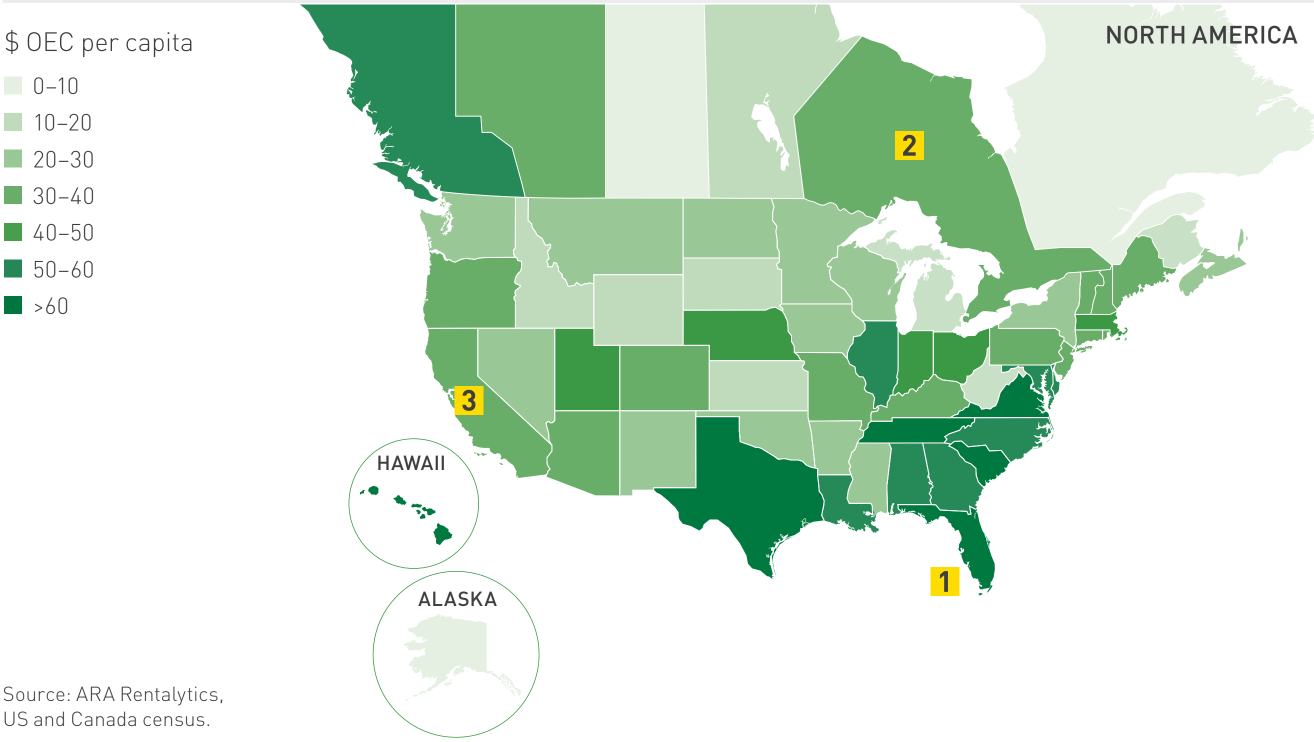
To illustrate our opportunity, the fleet density map, Chart 08, shows fleet density (original equipment cost ('OEC') per capita) by state. Highlighting three markets, each of which we believe has opportunity for further growth:

1. **Florida:** $76 of OEC per capita with 103 locations and being the third largest US rental market
2. **Ontario:** $40 of OEC per capita with 63 locations and being the largest Canadian rental market
3. **California:** $34 of OEC per capita with 126 locations and being the largest US rental market

We would need a fleet size of $29bn to achieve the same level of fleet density throughout North America that we have in Florida.



08 Fleet density



Source: ARA Rentalytics, US and Canada census.

CONTINUING TO ADVANCE OUR CLUSTER APPROACH

Our cluster approach has been a very important aspect of our strategy and success at building the business to where we have the scale we have today. We are now focusing also on increasing our market density where we have clusters. Our greenfield sites are chosen to enhance our existing business and we believe that this approach continues to provide significant continuing opportunity for growth. We focus on building clusters of stores because, as they mature, they access a broader range of markets unrelated to construction leading to better margins and return on investment.

The size and composition of a cluster depends on the market size based on Designated Market Areas. We have defined clusters such that a top 25 market cluster in the US has more than 15 stores, a top 26-50 market cluster more than 10 stores and a top 51-100 market more than four stores. We also include the smaller 101-210 markets within our cluster analysis although our focus is predominantly on the top 100 markets in the US. Nevertheless, we have found that the smaller markets, while performing less well than others overall, often prove more resilient when times are less good. Our definition of a cluster in these markets is two or more stores. With the advanced technology we have in place, we can analyse local market data accurately. This allows us to find similarities between certain US and Canadian centres, and model our growth plans accordingly. The more customers get to know and trust us, the faster we are able to grow.

We focus on ensuring our clusters meet the multiple needs of local customers even if that means some stores may appear to perform less well than others. The interaction of the stores in a cluster is what gives us real competitive advantage. We find that having a blend of locations is highly desirable and we like to mix up the large equipment locations with smaller General Tool stores. The addition of Specialty stores serves to differentiate us from competitors in the area. This enables us to broaden and diversify our customer base and our end markets, as we extend our reach within a market. The value is in the mix of products and services we are able to provide in a concentrated environment.

	US				Canada		
Rental markets	Top 25	26–50	51–100	101–210	Top 5	6–10	11–55
Rental market %	56%	19%	16%	9%	49%	18%	33%
Cluster definition	>15	>10	>4	>1	>10	>7	>1
Clustered	21	12	26	29	4	2	9
Sunbelt 4.0 target	22 markets	15–17 markets	30–33 markets	39–48 markets	4–5 markets	3–5 markets	13–15 markets

03 PERFORMANCE

Our third actionable component is performance, unlocking the capacity to operate more efficiently through process, technology and scale, resulting in margin progression with growing revenues.

We see three areas of opportunity where we can drive performance:

1. firstly, we will leverage our central and field sales and support services, using the investments made during Sunbelt 3.0 as a platform for future growth. We believe that our central and field support functions have now reached the scale to drive Sunbelt 4.0 growth. The investments made over Sunbelt 3.0 provide the foundation to tackle the next chapter of growth without the same levels of incremental cost, contributing to margin improvement;
2. secondly, we will extract the full potential from our existing footprint and leverage our scale. We added c. 400 locations in North America during Sunbelt 3.0 which have ample room for revenue growth and margin progression. Capital investment targeted in these locations presents a significant opportunity; and
3. finally, we aim to achieve further performance advantage through market-based operational excellence programmes and harnessing the power of digitally enabled solutions. During Sunbelt 3.0, we launched and benefitted from dynamic pricing, order capture and eCommerce tools, but have been investing in a wide range of industry leading technologies which will take our technology platform to the next level. Asset telematics, logistics, field service and customer focused tools will provide further opportunities.

CONNECTED SOLUTIONS:
MANAGING OUR ASSETS IN THE MOST EFFECTIVE AND EFFICIENT WAY

Connected Solutions is the next generation of our telematics, which will soon be fully integrated within our reservation portal, as well as in the mobile service app, which our technicians use. The Connected Solutions portal offers proactive support where the health of our 300,000 connected assets is monitored through proactive alerts to help us identify any issue, allocate the right resources and optimise uptime. We can create a watch list of equipment by specific category, customer or for any eventuality, such as a big event, for example. The portal tracks all alerts on any piece of equipment, can prioritise them, so we deal with them in order of importance, and is able to visualise the equipment, where it is deployed and what is wrong with it. We can see exactly where equipment is located on a map within the system and its service status. Meanwhile, our Technician Resource Uptime Support Team (TRUST) offers field technicians real-time assistance with diagnostics and repairs. Our customers will also soon have access to this valuable data to benefit their own operations.

300k
connected assets in our portal

04 SUSTAINABILITY

Our fourth actionable component is sustainability, and this underpins everything we do. We will advance our position as a thriving, growing enterprise to deliver long-term sustainable value for our people, customers, communities and investors.

We intend to lead sustainability in our industry and set an updated target in the prior year of a 50% reduction in Scope 1 and 2 greenhouse gas intensity by 2034 (using the base year as 2024), on our journey to being Net Zero by 2050. We have four areas of focus within our sustainability actionable component; operations, customers, our people and communities, and we report on these in more detail in our Responsible business report on page 52.

Operations

- Committing to Scope 1 and 2 Net Zero by 2050 supported by a tangible pathway
- Reducing environmental impact and advancing sustainability through the value chain

Customers

- Driving the benefits of rental amplified by our scale
- Partnering and innovating to bring new products to the rental market

Our people

- Health and safety remaining our key priority
- Focus on attracting, developing and retaining top talent
- Fostering inclusion and belonging

Communities

- 1% of post-tax profit to community investment by 2028/29
- Advancing an integrated community investment strategy
- Scaling strategic sustainability and community partnerships

05 INVESTMENT

Our fifth and final actionable component is investment, by which we mean disciplined capital allocation to drive profitable growth, strong cash generation and enhanced shareholder value. We will continue to allocate capital within our clearly defined framework:

- organic growth investment in existing locations and greenfield sites;
- bolt-on acquisitions; and
- returns to shareholders – a progressive dividend policy and share buybacks to maintain our leverage within our target range.

Maintaining financial and operational flexibility enables us to flex our business and operational models through the economic cycle. This enables us to react quickly to both opportunities in the market and adverse changes. Having a strong balance sheet is fundamental to our success at all stages in the cycle.

We have been consistent in our commitment to both low leverage and a well invested fleet, and we benefit from the options this strategy has provided. The length and gradual nature of the last cycle enabled us to establish a smooth, well distributed fleet age. Traditionally, rental companies have only generated cash in a downturn when they reduce capital expenditure and age their fleet. In the upturn, they consume cash as they replace their fleets and then seek to grow. We have changed this dynamic through the cycle with our scale and strong margins. During Sunbelt 4.0, strong free cash flow will fund 100% of our organic growth plans, leaving significant capacity for bolt-ons and returns to shareholders.

Our capital allocation is underpinned by our target leverage range of 1.0 to 2.0 times net debt to EBITDA (excluding IFRS 16).

FOUNDATIONAL ELEMENTS

Underpinning our five actionable components are our foundational elements, which we believe are essential to the delivery of our strategy. These are our people, our platform and innovation. Our foundational elements are present in everything we do and core to the culture of our organisation, enabling us to deliver on our customer promise of Availability, Reliability and Ease. We believe that these foundational elements drive the success of our business, and as such, underpin our strategic plan.

PEOPLE | **PLATFORM** | **INNOVATION**

» 02 ACTIONABLE COMPONENT

GROWTH

Grow our General Tool and Specialty businesses through the ongoing structural progression in our business and industry and advance our clusters to deepen our presence and increase our total addressable markets.

2025 highlights

- Five new acquisitions, adding 13 locations in North America
- 48 new greenfield sites opened in North America (22 General Tool and 26 Specialty)
- 59 of the top 100 US markets and six of the top 10 Canadian markets are now clustered

MEASURING OUR PERFORMANCE

At Group level, we measure the performance of the business using a number of key performance indicators ('KPIs'). These help to ensure that we are delivering against our strategic priorities as set out on page 22. Several of these KPIs (adjusted EPS, return on investment, leverage and carbon intensity) influence the remuneration of our executive team (see page 97).

Certain KPIs are more appropriately measured for each of our operating businesses, whereas other KPIs are best measured for the Group as a whole.

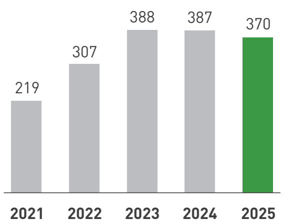
Key:

Key performance indicator linkages

1 Customer
2 Growth
3 Performance
4 Sustainability
5 Investment
R Linked to remuneration

Adjusted EPS (¢)

2 3 5 R



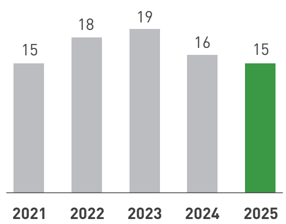
Calculation
Adjusted Group profit after taxation divided by the weighted average number of shares in issue (excluding shares held by the Company and the ESOT).

Target
As a cyclical business, adjusted EPS varies through the cycle.

2025 performance
Adjusted EPS was 369.5¢ per share in 2024/25.

Return on investment ('RoI') (%)

1 2 3 5 R



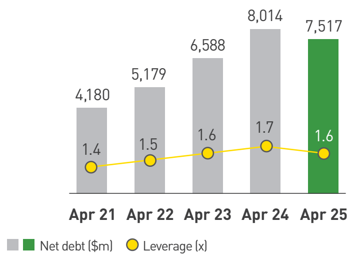
Calculation
Last 12-month ('LTM') adjusted operating profit divided by the LTM average of the sum of net tangible and intangible fixed assets, plus net working capital but excluding net debt and taxation. RoI is calculated excluding the impact of IFRS 16.

Target
Averaged across the economic cycle we look to deliver RoI well ahead of our cost of capital, as discussed in our strategic review.

2025 performance
Our RoI was 15% for the year ended 30 April 2025. The decrease in RoI compared with the prior year is predominantly due to the impact of a lower utilisation of a larger fleet.

Net debt and leverage at constant exchange rates

5 R



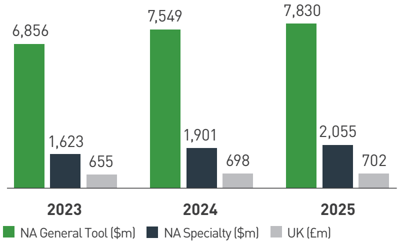
Calculation
Net debt is total debt less cash balances, as reported, and leverage is net debt divided by EBITDA, calculated at constant exchange rates (balance sheet rate). Both net debt and leverage exclude the impact of IFRS 16.

Target
We seek to maintain a conservative balance sheet structure with a target for net debt to EBITDA of 1.0 to 2.0 times (excluding IFRS 16).

2025 performance
Excluding lease liabilities arising under IFRS 16, net debt at 30 April 2025 was $7,517m and leverage was 1.6 times.

Fleet on rent ($m/£m)

1 2 3



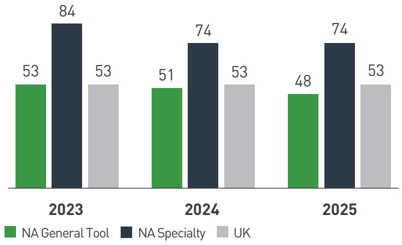
Calculation
Fleet on rent is measured as the daily average of the original cost of our itemised equipment on rent.

Target
To achieve growth rates in excess of the growth in our markets and that of our competitors.

2025 performance
In North America General Tool, fleet on rent increased 4% (rental revenue up 1%), in North America Specialty, fleet on rent increased by 8% (rental revenue up 8%), while in the UK it increased by 1% (rental revenue up 5%). The North American market increased by 7% and the UK market by 1%.

Dollar utilisation (%)

1 2 3



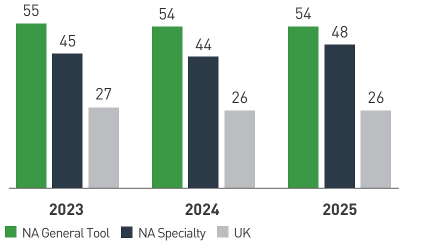
Calculation
Dollar utilisation is rental revenue divided by average fleet at original (or 'first') cost measured over a 12-month period.

Target
Improve dollar utilisation to drive improving returns in the business.

2025 performance
Dollar utilisation was 48% for North America General Tool, 74% for North America Specialty and 53% in the UK. The decrease in North America General Tool dollar utilisation is due to principally lower physical utilisation and fleet inflation.

EBITDA margins (%)

3



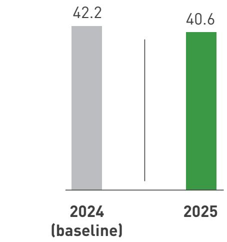
Calculation
Adjusted EBITDA as a percentage of total revenue.

Target
To improve or maintain EBITDA margins.

2025 performance
Adjusted EBITDA margins in 2024/25 were 54% in North America General Tool, 48% in North America Specialty and 26% in the UK.

GHG intensity (tCO_2e/$m)

4 R



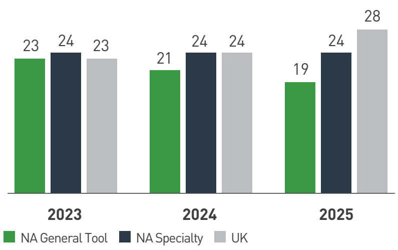
Calculation
GHG intensity is calculated as emissions per $m of revenue ($tCO_2e$/$m), calculated at constant exchange rates.

Target
To be Net Zero within our organisations (Scope 1 and 2) by 2050. In the short-term, we have a target of a 50% reduction in Scope 1 and 2 GHG intensity (from a baseline of 2024).

2025 performance
Our carbon emission intensity ratio was 40.6 (2024: 42.2).

Staff turnover (%)

4



Calculation
Staff turnover is calculated as the number of leavers in a year (excluding redundancies) divided by the average headcount during the year.

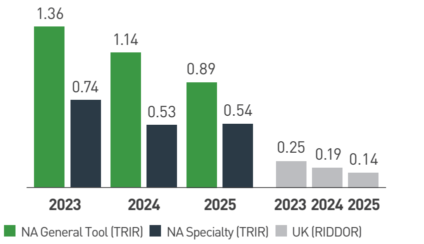
Target
Our aim is to keep employee turnover below historical levels to enable us to build on the skill base we have established and maintain and enhance the culture of the business.

2025 performance
Total employee turnover for North America General Tool was 19%, for North America Specialty it was 24% and in the UK it was 28%.

Employee turnover and the actions we are taking to reduce it are discussed on page 60.

Safety

4



Calculation
In North America, reportable incidents are reported in accordance with the OSHA (Occupational, Safety and Health Administration) framework as a Total Recordable Incident Rate ('TRIR'). In the UK, the RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) reportable rate is the number of major injuries or over seven-day injuries per 100,000 hours worked.

Target
Continued reduction in accident rates.

2025 performance
The TRIR was 0.89 for North America General Tool and 0.54 for North America Specialty. The RIDDOR reportable rate was 0.14 in the UK.

More detail is included in our Responsible business report on page 56.

MANAGING OUR RISK

The Group recognises the importance of identifying and managing financial and non-financial risks faced by the business. In response to this, it has developed a rigorous risk management framework designed to identify and assess the likelihood and consequences of risks and to manage the actions necessary to mitigate their impact, including those related to climate-related matters. Our risk identification processes seek to identify risks from both a top-down strategic perspective and a bottom-up business perspective. The Board has overall responsibility for risk management, setting of risk appetite and implementation of the risk management policy. This is designed to enable our employees to take advantage of attractive opportunities, yet to do so within the risk appetite set by the Board.

The Group Risk Register is the core of the Group's risk management process. It contains an overall assessment of the risks faced by the Group together with the controls established to reduce those risks to an acceptable level and is maintained by the Group Risk Committee. The Group Risk Register is based on detailed risk registers maintained by Sunbelt in North America and the UK, which are reviewed and monitored through local risk committees. The operation and effectiveness of the local risk committees, which meet two to four times a year, continues to be enhanced.

The Group Risk Committee meets as required, but at least twice a year, with the objective of encouraging best risk management practice across the Group and a culture of regulatory compliance and ethical behaviour. The Committee is chaired by our chief financial officer and also includes:

- the Group's general counsel;
- the Group's chief accounting officer;
- the Sunbelt UK legal counsel; and
- the Group's company secretary.

The Group Risk Committee reports annually through the Audit Committee to the Board and, as part of this process, produces a Group Risk Register. The Board assesses on a regular basis whether the appropriate risks have been identified, including any emerging risks which may impact the Group, and that adequate assurance is obtained over those risks.

In addition, consideration is given to ensure that risks have been assessed appropriately in relation to risk rating. Our risk appetite is reflected in our rating of risks and ensures the appropriate focus is placed on the correct risks. The Board takes a view of the prospects of the business through the cycle and, given the inherent cyclicality in the business, tends to operate with a low risk appetite. Further detail on our risk management framework and priorities during the year is provided on pages 33 to 37.

The Group Risk Committee priorities this year included:

- assessment of the Group Risk Register, including identification and prioritisation of business risks;
- health and safety, together with continuous improvement through training and awareness;
- driver safety, training and compliance;
- focus on the continued development of our technology environment, including cyber security;
- assessment of the environmental and social impact of the Group, including emerging risks such as the use of artificial intelligence and climate change;
- our sustainability initiatives and how we are delivering against our environmental and social priorities;
- monitoring of compliance with laws and regulations; and
- performance standards audits.

Our priorities for next year focus on the principal areas of risk to the Group and are similar. In particular:

- continue our safety initiatives, Engage for Life: Amplified, focused on serious injury and fatality ('SIF') protocols and driver programmes;
- focus on the development of our technology environment in accordance with the Group's strategic plans, including a continued focus on cyber security;
- focus on our sustainability initiatives, delivering against our environmental and social priorities; and
- consideration of impact of the Group's intention to relist in the US.

Risk management framework

Group Risk Committee	Audit Committee	Board
– Reviews key and emerging risks on a regular basis with support from the businesses' risk committees which meet two to four times a year. – Receives in-depth presentations from the businesses' risk committees on key matters.	– Receives presentation from Group Risk Committee on the Group Risk Register on an annual basis. – Assesses effectiveness of risk management process.	– Overall responsibility for risk management framework and the definition of risk appetite. – Undertakes Board monitoring of significant risks throughout the year.

1 Risk identification

- Assessed both on a top-down and bottom-up basis.
- Risks considered most material to the business.
- Consideration of emerging risks.

2 Assessment of likelihood and impact

- Financial, operational, environmental and regulatory impacts considered.

3 Risk appetite determined

- Risk appetite assessed for individual risks in accordance with our overall Group risk appetite.

4 Mitigating controls implemented

- Mitigating controls identified, implemented and monitored to ensure risk is reduced to an acceptable level.

Group Risk Register

Group Risk Register summarises work of Group Risk Committee, changes in risks identified and details by significant risk material controls and monitoring activities completed.

Risk appetite determined

Risk appetite determined with reference to the Group's risk categories:

STRATEGIC	OPERATIONAL	FINANCIAL

PRINCIPAL RISKS

The Board has completed a robust assessment of the Group's emerging and principal risks. Set out below are the principal business risks identified that could impact the Group's business model, future performance, solvency or liquidity and information on how we mitigate them. Our risk profile evolves as we move through the economic cycle and commentary on how risks have changed is included below. The Committee has considered whether climate-related matters represent a principal risk for the Group. The Group believes that climate-related matters are addressed principally through our environmental risk and our commitment to reduce GHG intensity. On balance, the Committee believes that climate change and emerging technologies will increase the demand for rental and continue the shift from ownership to rental, rather than presenting a risk to our business model.

Key:

Link to strategic priority:

1 Customer
2 Growth
3 Performance
4 Sustainability
5 Investment

Change in risk in 2024/25:

↑ Increase in risk
→ Constant risk
↓ Decrease in risk

Economic conditions

→ 1 2 3 5

Potential impact

In the longer-term, there is a link between levels of economic activity and demand for our services. The most significant end market which affects our business is construction. The construction industry is cyclical and typically lags the general economic cycle by between 12 and 24 months.

The economic uncertainties resulting from the impact of pandemics is considered as part of this risk.

Mitigation

- Prudent management through the different phases of the cycle.
- Flexibility in the business model.
- Capital structure and debt facilities arranged in recognition of the cyclical nature of our market and able to withstand market shocks.

Change

Our business continues to be well positioned to benefit from supportive end markets. However, while market forecasts are predicting continued growth both in terms of starts and the rental market, supported by the emergence of 'mega projects', there remains some uncertainty and potential volatility in end market conditions, including arising from the uncertainty associated with tariffs. At all times, we remain cognisant of market dynamics and uncertainties to ensure that we take actions to ensure the Group is positioned to take advantage of opportunities.

Competition

→ 1 2 3 5

Potential impact

The already competitive market could become even more competitive and we could suffer increased competition from large national competitors or smaller regional or local companies resulting in reduced market share and lower revenue.

This could negatively affect rental rates and physical utilisation. Continuing industry consolidation could also have a similar effect.

Mitigation

- Create commercial advantage by providing the highest level of service, consistently and at a price which offers value.
- Differentiation of service.
- Enhance the barriers to entry to newcomers provided by our platform: industry-leading technology, experienced personnel and a broad network and equipment fleet.
- Regularly estimate and monitor our market share and track the performance of our competitors.

Change

Our markets continue to be competitive but the big continue to get bigger. We have an 11% market share in North America and a 10% market share in the UK.

Cyber security

→ 3

Potential impact
A cyber attack or serious uncured failure in our systems could result in us being unable to deliver service to our customers and/or the loss of data. In particular, we are heavily dependent on technology for the smooth running of our business given the large number of both units of equipment we rent and our customers. As a result, we could suffer reputational loss, revenue loss and financial penalties.

This is the most significant factor in our business continuity planning.

Mitigation
- Stringent policies surrounding security, user access, change control and the ability to download and install software.
- Testing of cyber security including red team exercises, system penetration testing and internal phishing and other training exercises undertaken.
- Use of antivirus and malware software, firewalls, email scanning and internet monitoring as an integral part of our security plan.
- Use of firewalls and encryption to protect systems and any connections to third parties.
- Use of multi-factor authentication.
- Continued focus on development of IT strategy taking advantage of cloud technology available.
- Separate near-live back-up data centres which are designed to be able to provide the necessary services in the event of a failure at a primary site.

Change
The Group remains vigilant with regards to cyber security, with a significant and ongoing investment in resource and tooling to maintain and where appropriate, enhance our posture. As part of these activities, we consider the risks arising from the continuing evolution of artificial intelligence tools. Nevertheless, cyber security remains a continually evolving area and a priority for the Group.

In relation to business continuity, our plans have been subject to continued review and update during the year and our disaster recovery plans are tested regularly.

Health and safety

→ 4

Potential impact
A failure to comply with laws and regulations governing health and safety and ensure the highest standards of health and safety across the Group could result in accidents which may result in injury to or fatality of an individual, claims against the Group and/or damage to our reputation.

Mitigation
- Maintain appropriate health and safety policies and procedures regarding the need to comply with laws and regulations and to reasonably guard our employees against the risk of injury.
- Induction and training programmes reinforce health and safety policies.
- Programmes to support our customers exercising their responsibility to their own workforces when using our equipment.
- Maintain appropriate insurance coverage.

Further details are provided on page 46.

Change
Health and safety remains a key focus area for the Group and an area of continuous improvement in order to consider what actions can be implemented to further reduce the risks within our business.

In terms of reportable incidents, the TRIR was 0.89 (2024: 1.14) in North America General Tool and 0.54 (2024: 0.53) in North America Specialty. The RIDDOR reportable rate was 0.14 (2024: 0.19) in the UK. Further details are provided in our Responsible business report.

People and culture

→ 1 2 3 4

Potential impact
Retaining and attracting good people is key to delivering superior performance and customer service and maintaining and enhancing our culture.

Excessive staff turnover is likely to impact on our ability to maintain the appropriate quality of service to our customers and would ultimately impact our financial performance adversely.

At a leadership level, succession planning is required to ensure the Group can continue to inspire the right culture, leadership and behaviours and meet its strategy objectives. Furthermore, it is important that our remuneration policies reflect the Group's North American focus and enable us to retain and enhance our strong leadership team.

Mitigation
- Provide well-structured and competitive reward and benefit packages that ensure our ability to attract and retain the employees we need.
- Ensure that our staff have the right working environment and equipment to enable them to do the best job possible and maximise their satisfaction at work.
- Invest in training and career development opportunities for our people to support them in their careers.
- Ensure succession plans are in place and reviewed regularly which meet the ongoing needs of the Group.

Change
Recruiting, retention and training continue to be key priorities for the business.

Our compensation and incentive programmes have continued to evolve to reflect market conditions, the economic environment and the results of our employee engagement surveys.

Inclusion programmes are established across the business to enhance our efforts to attract and retain the best people.

Environmental

→ 4

Potential impact

As part of Sunbelt 4.0, the Group has made a long-term commitment to reduce its Scope 1 and 2 carbon intensity by 50% by 2034, compared to a baseline of 2024, on a journey to Net Zero by 2050. Failure to achieve these goals could adversely impact the Group and its stakeholders.

In terms of the Group's assessment of the broader environmental impacts of our activities, we also consider the upstream and downstream impacts of our operations and note that a significant part of our Scope 3 emissions arises from our rental fleet, which today is reliant on diesel engines. Over time, 'greener' alternatives will become available as technology advances. If we do not remain at the forefront of technological advances, and invest in the latest equipment, our rental fleet could become obsolete.

In addition, we need to comply with the numerous laws governing environmental protection matters. These laws regulate such issues as wastewater, storm water, solid and hazardous wastes and materials, and air quality. Breaches potentially create hazards to our employees, damage to our reputation and expose the Group to, amongst other things, the cost of investigating and remediating contamination and also fines and penalties for non-compliance.

Mitigation

- Policies and procedures in place at all our stores regarding the need to adhere to local laws and regulations.
- Procurement policies reflect the need for the latest available emissions management and fuel efficiency tools in our fleet.
- Collaboration with key suppliers to develop and pilot new technologies.
- Lower carbon vehicle transition plan.
- Real estate and facility standards to reduce emissions from our operations.
- Monitoring and reporting of GHG emissions.

Change

The work of the Health, Safety and Environmental departments, and the Sustainability and operational audit teams, continue to assess environmental compliance.

Our 2023/24 Scope 1 and 2 GHG emissions have been independently validated by the Carbon Trust, and we will obtain assurance over our 2024/25 Scope 1 and 2 data prior to the publication of the Group's 2024/25 Sustainability Report.

In 2024/25 our Scope 1 and 2 GHG emission intensity ratios reduced to 40.6 (2024: 42.2). Further detail is provided on page 57.

Laws and regulations

→ 4

Potential impact

Breaches of laws or regulations governing the Group's activities could result in criminal prosecution, substantial claims and loss of reputation.

Mitigation

- Maintaining a legal function to oversee management of these risks and to achieve compliance with relevant legislation.
- Group-wide modern slavery, business ethics and ethical sourcing policies and whistle-blowing arrangements.
- Evolving policies and practices to take account of changes in legal obligations.
- Training and induction programmes ensure our staff receive appropriate training and briefing on the relevant policies.

Change

We monitor regulatory and legislative changes to ensure our policies and practices reflect them and we comply with relevant legislation.

Our whistle-blowing arrangements are well established, and the company secretary reports matters arising to the Audit Committee and the Board during the course of the year. Further details as to the Group's whistle-blowing arrangements are provided on page 65.

During the year 3,952 people in North America and 676 people in the UK underwent induction training. In addition, training programmes were undertaken in safety and business ethics.

EMERGING RISKS

In addition to the principal risks identified above, the Board considers what emerging risks may also impact the Group. In identifying emerging risks, the Board has considered both third-party risk analysis as well as internal views of emerging trends which may impact the business. As a result of this analysis, the Board specifically considered supply chain constraints, incremental climate-related matters (including future laws and regulations which may arise) and emerging technologies (including artificial intelligence, battery-led technologies and autonomous machines).

In relation to our supply chain, we work with industry-leading rental equipment manufacturers and have achieved significant competitive advantages, including cost savings, through our scale and working relationships. Across the Group, our top five suppliers now account for c. 60% of our rental capital expenditure and, in most cases, we are larger than our suppliers. There is a risk that our key suppliers are unable to supply the equipment required to meet our replacement and growth requirements in a timely manner. The Board believes that the Group has sufficient alternative sources of supply and inherent flexibility in its business model and a $19bn rental fleet, if a supplier is unable to deliver equipment as scheduled. However, it acknowledges that transitioning to a new principal supplier could cause short-term disruption to our procurement.

In relation to climate-related matters, the Board believes these are addressed principally through our environmental risk and our commitment to reduce our GHG intensity, but notes that this is a developing area and as such continues to monitor the ways in which climate change may affect the Group in the future, particularly in relation to the emergence of future laws and regulations which may impact the Group. On balance, the Board believes that the impact from climate change and emerging technologies will increase the demand for rental and continue the shift from ownership to rental, rather than presenting a risk to our business model.

Assessment of prospects and viability

The prospects of the Group are inherently linked to the environment in which we operate. While our principal market is construction, which is cyclical in nature, it represents less than 50% of our business. The balance is non-construction related activity, including, inter alia, industrial, events, maintenance and repair, emergency response and facilities management which, by their nature, are typically less cyclical.

Our markets in North America are undergoing structural change. Customers are increasingly choosing to rent equipment rather than own it and the fragmented markets are consolidating. The Group is well positioned to take advantage of these structural changes. The UK market is more mature and competitive than the market in North America, but Sunbelt UK is the largest rental company in that market and, with the Group's strong financial position, is well positioned to optimise market conditions.

Period of assessment

The Board discusses regularly the factors affecting the Group's prospects and the risks it faces in optimising the opportunity presented in its markets. The principal risks, which the Board concluded could affect the business are set out on the preceding pages. The Group's risks are ongoing in nature and therefore could crystallise at any time, rather than being linked to a specific timeframe. While the Board has no reason to believe the Group will not be viable over a longer period, the period over which the Board considers it possible to form a reasonable expectation as to the Group's longer-term viability, is the three-year period to 30 April 2028. This also aligns with the duration of the business plan prepared annually and reviewed by the Board. We believe this provides a reasonable degree of confidence over this longer-term outlook.

Assessment of viability

The Group prepares an annual budget and three-year business plan. This plan considers the Group's cash flows and is used to review its funding arrangements and available liquidity based on expected market conditions, capital expenditure plans, used equipment values and other factors that might affect liquidity. It also considers the ability of the Group to raise finance and deploy capital.

The nature of the Group's business is such that its cash flows are countercyclical. In times of improving markets, the Group invests in its rental fleet, both to replace existing fleet and grow the overall size of the fleet, which results in improving earnings but lower cash flow generation from operations in times of rapid growth. However, as the cycle matures and the rate of growth slows, the Group generates strong cash flow from operations. In more benign or declining markets, the Group invests less in its rental fleet and, as a result, generates significant cash flow from operations.

Recognising the impact of the economic cycle and the risk of an economic downturn on the business and its financing requirements, we undertake scenario planning based on the timing, severity and duration of any downturn and subsequent recovery. This scenario planning considers the impact of the cycle on revenue, margins, capital expenditure, cash flows, overall debt levels and leverage. In a scenario where revenue growth is lower than expected due to lower activity levels, the Group would reduce its growth capital expenditure and therefore expect to generate higher free cashflow. In a scenario where revenue declined, the Group would reduce its capital expenditure further, with no growth capital expenditure incurred and lower replacement capital expenditure requirements arising, while still disposing of the equipment which was at the end of its useful life, therefore ensuring the Group's fleet size was appropriate to market activity and continuing to generate disposal proceeds. In this scenario, the Group would expect to generate significant free cashflow. Furthermore, in a lower-growth environment, or in a declining market, the Group would reduce its cost base accordingly. As such, in either scenario, total levels of debt and the Group's leverage ratio would be expected to decrease over time. In addition, in the current year, we have also considered the potential impact of tariffs on the Group, both in terms of their direct impact on our business but also the potential broad economic impact.

The Group maintains a net debt to EBITDA leverage target range of 1.0 to 2.0 times (pre IFRS 16) and long debt maturities to mitigate financing risk. Certain senior notes mature during the viability assessment period and we believe the Group's financial profile and capital structure will enable the Group to refinance it and continue to access debt markets as required.

Based on this analysis, and the Board's regular monitoring and review of risk management and internal control systems, we do not believe there are any reasonably foreseeable events that could not be mitigated through the Group's ability to flex its capital expenditure plans and cost base, which would result in the Group not being able to meet its liabilities as they fall due. The nature of the business' other principal risks is such that, while they could affect the Group's ability to achieve its objectives, they are unlikely to prevent the Group from meeting its liabilities as they fall due.

Viability statement

Based on the foregoing, the Board has a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period to 30 April 2028.

03 ACTIONABLE COMPONENT

PERFORMANCE

Operate with greater efficiency through scale, process and technology to unlock margin progression.

2025 highlights

- Margin progression through leveraging SG&A and maturation of 401 location additions during Sunbelt 3.0
- Advancing technology platform, Connect 360, throughout organisation
- Installed almost 7,000 active telematics units in vehicles to help prevent unsafe behaviours and drive vehicle efficiency

STAKEHOLDER ENGAGEMENT

Engaging actively with our stakeholders is critical to the success of the Group and the Group engages regularly with stakeholders on a variety of topics relevant to the business.

A high degree of delegation of the engagement with stakeholders to the management teams within the Group exists in order to ensure the smooth operation of the Group on a day-to-day basis. As noted within our Corporate governance report, the role of the Board is to provide a framework under which the Group operates but under which the Group's businesses have freedom and decision-making authority to pursue business opportunities, underpinned by the culture of the Group. The directors believe that this is an important factor in the operation of the Group and the Group's overall success.

Authority for the operational management of the Group's businesses is therefore delegated to the chief executive, or further delegated by him to the senior management teams within the Group. This ensures effective day-to-day operation of the Group while maintaining effective governance.

At a board level, Board members are encouraged to engage with our stakeholders directly, for example through meeting with individual employees during site visits or through investor meetings, such as those to obtain remuneration policy feedback or through attendance at the Group's annual general meeting. In addition, the Board receives feedback from management as to stakeholder views. This occurs in a number of ways including through board reports, investor feedback reports from our brokers and employee survey reports.

In relation to the Group's overall engagement with stakeholders, the Group has identified the following groups as being fundamental to the success of the Group:

OUR PEOPLE

Definition
- Existing and prospective employees, including apprentices.

Why relevant?
Our employees want to work for a company which values them, provides ongoing development, treats them fairly and remunerates them appropriately. Investing in our people ensures we maintain our culture by having the right people and enables us to deliver on our strategic goals.

Nature of engagement
- Employee engagement apps
- Regular 'toolbox talks' and 'town hall' meetings
- Employee surveys
- National conferences, leadership team meetings and other employee events
- Regular communication on safety, with dedicated safety weeks
- Training programmes
- Apprentice programmes
- Employee relief programmes
- Employee resource groups

Further details are provided on pages 60 to 63.

Our response to engagement
- Employee reward and benefit structure which recognises the contribution our employees make to the success of the business
- Employee policies which ensure our people are treated fairly
- Ensuring safety remains a cornerstone of our culture
- Continued focus on diversity, equity and inclusion ('DEI') across the Group, with DEI taskforces in place in North America and the UK and employee resource groups to support our endeavours

Relevant KPIs
- Employee survey scores
- Safety metrics
- Employee retention metrics

OUR CUSTOMERS

Definition
- National and other managed accounts
- Small and mid-sized enterprises
- Individuals

Why relevant?
Our customers want to have confidence in the 'Availability, Reliability and Ease' of our offering as a reliable alternative to ownership.

Nature of engagement
- Account managers for major customers
- Customer feedback mechanism
- Store level staff with local customer relationships
- Customer centric technology to facilitate customer engagement
- Customer-focused websites

Our response to engagement
- Continued investment in fleet, including greener rental options where we are working with customers and suppliers to develop new technologies
- Investment in new market offerings to broaden our rental offering
- Continued investment in customer-focused technology solutions, including launch of new customer eCommerce websites and apps

Relevant KPIs
- Customer satisfaction scores
- Level of repeat business
- Customer spend
- Debtor days/days to credit

Board level engagement

CASE STUDY:
PROPOSED RELISTING

OUR SUPPLIERS

Definition
- Major equipment suppliers
- Other equipment suppliers
- Service providers

Why relevant?
Partnering with our suppliers in a collaborative manner ensures that we have access to equipment when we need it and enables us to deliver new innovation to the market.

Nature of engagement
- Dedicated account managers for major suppliers
- Central procurement teams manage supplier relationships
- Collaboration to develop and pilot new technologies, including making targeted investments where appropriate to support the development of greener technology

Our response to engagement
- Regular meetings with key suppliers to assist in management of production cycles
- Policies in place in relation to working with our suppliers fairly
- Clear procurement terms agreed

Relevant KPIs
- Payment practices statistics

OUR COMMUNITIES

Definition
- Local communities to our operations
- Families of employees

Why relevant?
We want to make a positive contribution to the communities in which we operate. Establishing the right relationships with our communities also helps us to attract the best talent into our business. Supporting the families of our staff is just the right thing to do.

Nature of engagement
- Nationwide programmes in addition to local community initiatives entered into by individual depots
- Responding to community needs for emergency relief
- Charity partnerships which support our communities

Further details are provided on page 64.

Our response to engagement
- Community building activities
- Disaster response when required
- Financial support at time of crisis
- Provision of rental equipment

Relevant KPIs
- Charitable donations
- Employee time contributed to community initiatives

OUR INVESTORS

Definition
- Shareholders (institutional)
- Shareholders (private)
- Financial lending institutions

Why relevant?
Our investors want to understand how we are managing the business to generate sustainable returns through the cycle and to promote the long-term success of the Group.

Nature of engagement
- Investor conferences
- One-to-one meetings
- Site visits
- Capital markets events
- Annual Report and other communications
- Results presentations and bond holder calls
- Reporting to financial lending institutions
- Annual General Meeting
- Ashtead Group website including investor relations section

Further details are provided on pages 83 and 84.

Our response to engagement
- Communication of business model and strategic plan
- Application of stated capital allocation priorities
- Maintain compliance with stated financial objectives (e.g. leverage range, etc.)
- Manage business through the cycle

Relevant KPIs
- Returns to shareholders

Stakeholders most impacted:
- Our people
- Our investors

Consideration:
Our strategy has evolved and will continue to evolve to meet new opportunities. With consideration of the evolution of our strategy and to best benefit all our stakeholders, we have concluded that the US is now the best long-term primary listing venue for this business.

Given our operational focus and growth trajectory, this move is a natural progression. This decision has been a topic of Board discussion for some time, as our business has steadily shifted westward. Today, we are effectively a US company, with the majority of our operations, leadership, employees, revenue and future growth based there. Aligning our listing with this reality makes strategic sense. The transition is expected in the early part of 2026, following the shareholder approval obtained at the EGM in June 2025.

In reaching this decision, the Board considered several factors and potential benefits including:

- alignment of the primary listing location with the majority of the Group's business activity, leadership team and employee base;
- increased exposure to US investors through a primary US listing;
- enhanced overall liquidity in the Group's shares given access to deeper US capital markets;
- improved Group profile and go-to-market strategy through a Group rebranding as Sunbelt Rentals;
- simplifying share ownership for the wider employee base of the Group and expanded access to the recruitment and retention of top US talent; and
- optimised positioning of the Group for inclusion in premier US equity indices.

SECTION 172 STATEMENT

Statement by the Directors in performance of their statutory duty in accordance with s172(1) of the Companies Act 2006.

The Board of directors of Ashtead Group plc considers that it has, both individually and collectively, acted in good faith in a way which would most likely promote the success of the Company for the benefit of the members as a whole, and in doing so have had regard (amongst other matters) to factors (a) to (f) as set out in s172(1) of the Companies Act 2006 for the decisions taken during the year ended 30 April 2025. In making this statement, the directors have considered the following matters:

- **the likely consequences of any decision in the long-term:** the Board monitored progress against the Group's strategy, Sunbelt 4.0 during the year and concluded that it will support the long-term success of the Company. Shorter-term expectations in supporting that strategy are approved by the Board as part of the annual budgeting process, against which the performance of the Group is then monitored. Decisions taken during the year are made in the context of the Group's strategy in order to ensure that they are consistent with that strategy, take account of the Group's principal risks as described on pages 32 to 37 and are in line with the Group's capital allocation policy, which is designed to support long-term value generation for all stakeholders as detailed on page 27 and is reflected in the Board's assessment of viability as described on page 37;
- **the interests of the Company's employees:** our people are critical to the success of our business and a core component of our business model. We endeavour to recruit the best people, train them well and look after them so that they provide the best possible service for our customers and remain with us for the long-term. The Board has ultimate responsibility for ensuring the Group's decisions consider the interests of our employees. Further details and examples of our activities with employees are provided on page 40 of the Strategic report and pages 60 to 63 of the Responsible business report;
- **the need to foster the Company's business relationships with suppliers, customers and others:** managing the Company's relationships with suppliers and customers is critical in ensuring the Company delivers on its strategy. We dedicate account teams to our national customers to ensure that we maintain an ongoing dialogue while local customers are managed at a store level to enable us to respond at all levels of the organisation appropriately. The Board receives regular updates on our relationships with suppliers and customers, and has ultimate responsibility for approving investments made. Further details and examples of our activities with suppliers and customers are provided on pages 40 and 41 of the Strategic report;
- **the impact of the Company's operations on the community and the environment:** the Group seeks to have a positive impact on the communities in which it operates and minimise the environmental impact of our operations. Examples of our community initiatives and the environmental steps we take are provided in further detail on pages 57 to 59 of the Responsible business report and pages 66 to 73 of the Task Force on Climate-related Financial Disclosures;
- **the desirability of the Company maintaining a reputation for high standards of business conduct:** the Group regularly reviews and updates, where appropriate, its business conduct and ethics policies and ensures that these are communicated to employees, are readily available to employees, customers and suppliers and that appropriate training is undertaken by relevant employees on a regular basis to reinforce the Group's policies. The Group business ethics and conduct policy is formally reviewed and approved by the Board on an annual basis and available on the Group's website, while employee specific policies are provided in employee handbooks available to team members. Further details are provided on page 65 of the Responsible business report and on page 82 of the Corporate governance report; and
- **the need to act fairly as between members of the Company:** the Company always seeks to ensure that its communications are transparent and its actions are in accordance with the Group's stated strategic aims to promote the long-term success of the Company. On pages 83 and 84 within the Corporate governance report we detail how we engage with our shareholders, including both institutional investors and private investors.

FINANCIAL REVIEW

	Revenue		Segment EBITDA[1,2]		Profit[1,2]	
	2025 $m	2024 $m	**2025 $m**	2024 $m	**2025 $m**	2024 $m
North America General Tool	**6,397.0**	6,720.7	**3,477.7**	3,653.3	**2,093.4**	2,394.3
North America Specialty	**3,487.4**	3,250.4	**1,672.1**	1,438.4	**1,134.5**	968.4
UK	**907.3**	887.6	**239.7**	235.0	**68.6**	71.4
Central costs	**–**	–	**(367.8)**	(434.1)	**(609.5)**	(659.2)
	10,791.7	10,858.7	**5,021.7**	4,892.6	**2,687.0**	2,774.9
Financing costs					**(559.0)**	(544.5)
Adjusted profit before tax					**2,128.0**	2,230.4
Non-recurring costs					**(15.4)**	–
Amortisation					**(114.4)**	(120.9)
Profit before taxation					**1,998.2**	2,109.5
Taxation charge					**(487.7)**	(511.1)
Profit attributable to equity holders of the Company					**1,510.5**	1,598.4
Margins						
North America General Tool			**54.4%**	54.4%	**32.7%**	35.6%
North America Specialty			**47.9%**	44.3%	**32.5%**	29.8%
UK			**26.4%**	26.5%	**7.6%**	8.0%
Group			**46.5%**	45.1%	**24.9%**	25.6%

Throughout the Financial review, we use a number of alternative financial performance measures ('APMs') which the directors have adopted in order to provide additional useful information on the underlying trends, performance and position of the Group. Further details are provided in the Glossary of Terms on page 167.

1 Segment performance is measured internally excluding central costs which support the business as a whole. Furthermore, the Group manages debt, including lease liabilities, centrally and therefore segment profit measures are presented before the application of lease accounting adjustments in accordance with IFRS 16 Leases but instead reflect the cash cost incurred in the period. The impact of lease accounting adjustments are included within the central costs line item above.
2 Segment results presented are adjusted EBITDA and adjusted operating profit.

Change in segment information

During the year, the Group has reassessed the basis of its segment information considering recent organisational changes. The Group operates under two primary geographic regions reflecting its North American activities and assets and its UK activities and assets. The North American business is further split operationally as General Tool and Specialty, reflecting the nature of its products and services and the management structure of the Group. As such, the Group has identified its reportable operating segments as North America General Tool, North America Specialty and UK, which we believe reflects better the basis upon which we review the performance of the business internally and aligns with the basis of our strategic growth plan, Sunbelt 4.0. Prior year comparative information has been restated to reflect these updated segments.

Our financial performance

North America General Tool

In the North American General Tool business, rental only revenue of $4,903m (2024: $4,852m) was 1% higher than the prior year, driven by both volume and rate improvement, demonstrating the benefits of our strategy of broadening our end markets. Organic performance (same-store and greenfields) was flat, while bolt-ons since 1 May 2023 contributed 1% of rental only revenue growth.

Rental revenue increased 1% to $5,890m (2024: $5,826m). We estimate that hurricane response efforts contributed $25 – 30m to General Tool rental revenue in the year. This hurricane impact, in part, mitigated the moderating local commercial construction market. North American General Tool total revenue, including new and used equipment, merchandise and consumable sales, was $6,397m (2024: $6,721m). As expected, this reflects a lower level of used equipment sales than last year ($338m; 2024: $720m), when we took advantage of improving fleet deliveries and strong second-hand markets to catch up on deferred disposals.

We continued to focus on the cost base which contributed to North America General Tool EBITDA of $3,478m (2024: $3,653m) and an EBITDA margin of 54.4% (2024: 54.4%). As anticipated, lower used equipment sales and second-hand values resulted in lower gains on sale. After higher depreciation on a larger fleet, this contributed to adjusted operating profit decreasing by 13% to $2,093m (2024: $2,394m) with a margin of 32.7% (2024: 35.6%).

North America Specialty

In the North American Specialty business, rental only revenue of $2,383m (2024: $2,154m) was 11% higher than the prior year, also driven by both volume and rate improvement, demonstrating the benefits of our strategy of growing our Specialty businesses. Organic growth (same-store and greenfields) was 10%, while bolt-ons since 1 May 2023 contributed 1% of rental only revenue growth. Rental revenue increased 8% to $3,313m (2024: $3,062m). We estimate that hurricane response efforts contributed $60 – 70m to Specialty rental revenue in the year. North American Specialty total revenue, including new and used equipment, merchandise and consumable sales, was $3,487m (2024: $3,250m).

This performance combined with our focus on the cost base, lower scaffold erection and dismantling revenue and recovery in the Film & TV business, contributed to North American Specialty EBITDA of $1,672m (2024: $1,438m) and an EBITDA margin of 47.9% (2024: 44.3%). After higher depreciation on a larger fleet, this contributed to adjusted operating profit increasing by 17% to $1,135m (2024: $968m) with a margin of 32.5% (2024: 29.8%).

UK

The UK business generated rental only revenue of $599m, up 2% on the prior year (2024: $586m). Rental only revenue growth has been driven by both rate and volume improvement. Rental revenue increased 5% to $778m (2024: $742m), while total revenue increased 2% to $907m (2024: $888m).

In the UK, the focus remains on delivering operational efficiency and long-term, sustainable returns in the business.

While we continue to improve rental rates, this remains an area of focus. The UK generated EBITDA of $240m (2024: $235m) at a margin of 26.4% (2024: 26.5%) and adjusted operating profit of $69m (2024: $71m) at a margin of 7.6% (2024: 8.0%).

Group

Group revenue was $10,792m (2024: $10,859m) during the year. This revenue and our focus on the cost base, but with lower used equipment sales, resulted in adjusted EBITDA increasing 3% to $5,022m (2024: $4,893m) and after higher depreciation and interest costs, adjusted operating profit decreased 3% to $2,687m (2024: $2,775m). The higher increase in the depreciation charge relative to revenue growth reflects lower utilisation of a larger fleet and the ongoing impact of life cycle fleet inflation, contributing to the decline in adjusted operating profit. In addition, increased financing costs due to higher average debt levels resulted in adjusted profit before tax being 5% lower than the comparative period.

Overall, including central costs, Group adjusted operating profit decreased to $2,687m (2024: $2,775m). We invested in the infrastructure of the business during Sunbelt 3.0 to support the growth of the business now and into the future. Our intention is to leverage this infrastructure during Sunbelt 4.0 as we look to improve operating performance. After increased net financing costs of $559m (2024: $545m), reflecting higher average debt levels, Group adjusted profit before tax was $2,128m (2024: $2,230m).

Statutory profit before tax was $1,998m (2024: $2,110m). This is after non-recurring costs of $15m (2024: $nil) associated with the move of the Group's primary listing to the US and amortisation of $114m (2024: $121m).

Taxation

Tax charge for the year

The tax charge for the year was $488m (2024: $511m), representing an effective rate of 24% (2024: 24%) of pre-tax profit of $1,998m (2024: $2,110m). The cash tax charge was also 24%.

Tax strategy and governance

The Group believes it has a corporate responsibility to act with integrity in all tax matters. It is the Group's policy to comply with all relevant tax laws, regulations and obligations including claiming available tax incentives and reliefs in the countries in which it operates. The Group's appetite for tax risk is considered to be cautious and this policy has remained unchanged for a number of years. This approach to taxation is reviewed and approved by the Board on a periodic basis.

While the Board retains ultimate responsibility for the tax affairs of the Group, we have a dedicated internal tax function which takes day-to-day responsibility for the Group's tax affairs. In addition, we seek regular professional advice to ensure that we remain in compliance with changes in tax legislation, disclosure requirements and best practice.

Tax risks are monitored on an ongoing basis and tax matters are reported to the Audit Committee as part of our routine reporting on a quarterly basis.

The Group is committed to having a transparent and constructive working relationship with all tax authorities, including seeking to obtain agreement from tax authorities prior to undertaking material transactions where there is a degree of uncertainty surrounding the appropriate tax treatment.

Legislative changes

We continue to monitor developments in the OECD's work on Base Erosion and Profit Shifting ('BEPS') to ensure continued compliance in an ever-changing environment. In December 2021, the OECD published a framework for the Pillar Two model rules which introduced a global minimum corporation tax rate of 15% for groups with global revenues of over €750m. We do not expect that the 15% global minimum tax rate will affect materially the amount of tax the Group pays, as corporation tax rates in the jurisdictions in which the Group operates exceed 15%. We continue to follow the guidance issued and other developments closely.

Total tax contribution

For the year ended 30 April 2025, total taxes paid by the Group were $1,936m, comprising taxes borne by the Group of $782m and taxes collected on behalf of tax authorities of $1,154m.

Taxes borne by the Group by type of tax

As a profitable group, a significant portion of the taxes borne by the Group relate to taxes paid on profits. The $425m net tax paid on profits (as shown in the consolidated cash flow statement for the year ended 30 April 2025) is lower than the $480m current tax charge for the year (as shown in Note 6 to the consolidated financial statements). This is partly because payments made during the year are generally based on estimates of the full-year tax liability in each jurisdiction, which can differ to the tax charge for the year calculated once the Group's results are known, but also because of the state aid repayment and credits receivable under the Inflation Reduction Act in relation to investment in green technology.

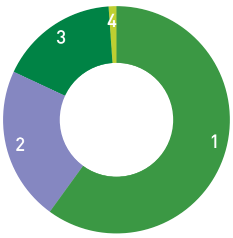
Given the Group's large number of employees, significant employer social security contribution payments are made during the year. Product taxes include taxes incurred on the purchase and ongoing ownership of the Group's rental fleet and other operational expenditure. The Group also paid property taxes and business rates in relation to the extensive network of stores from which it operates.

Taxes collected of $1,154m comprise $642m of net sales taxes on the products and services we provide to customers and $512m in relation to taxes and social security contributions withheld on behalf of our employees.

Taxes by jurisdiction

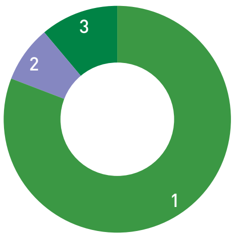
The Group's operations are based in the locations and jurisdictions necessary to best serve our customers and the Group pays tax in accordance with relevant tax laws and regulations in those jurisdictions. As with the split of the Group's revenue, the majority of taxes borne and collected have been paid in the US.

Taxes borne by the Group by type of tax



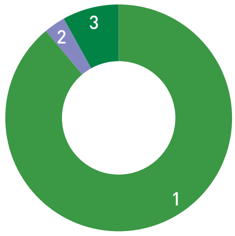
Type of tax		
1 Profit	$466m	60%
2 People	$176m	22%
3 Product	$131m	17%
4 Property	$9m	1%
	$782m	100%

Taxes collected on behalf of tax authorities by jurisdiction



1 US	81%
2 Canada	8%
3 UK	11%

Taxes borne by the Group by jurisdiction



1 US	89%
2 Canada	3%
3 UK	8%

Earnings per share

Adjusted earnings per share were 369.5¢ (2024: 386.5¢) while basic earnings per share were 346.5¢ (2024: 365.8¢). Details of the calculation of basic earnings per share are included in Note 7 to the financial statements while details of the calculation of adjusted earnings per share are included in the Glossary of Terms on page 167.

Return on investment

The Group return on investment was 15% (2024: 16%). For North America General Tool, return on investment (excluding goodwill and intangible assets) in the 12 months to 30 April 2025 was 20% (2024: 25%), while for North America Specialty it was 30% (2024: 27%). The reduction in North America General Tool return on investment reflects principally the impact of lower utilisation of a larger fleet. In the UK, return on investment (excluding goodwill and intangible assets) was 7% (2024: 7%). Return on investment excludes the impact of IFRS 16.

01 Taxes borne by the Group by jurisdiction

$m	Revenue	Tax collected		Tax borne	
US	86%	936	81%	697	89%
Canada	6%	87	8%	26	3%
UK	8%	131	11%	59	8%
	100%	1,154	100%	782	100%

Balance sheet

Property, plant and equipment

Capital expenditure in the year totalled $2,401m (2024: $4,311m) with $1,946m invested in the rental fleet (2024: $3,624m). Expenditure on rental equipment was 81% of total capital expenditure with the balance relating to the delivery vehicle fleet, property improvements and IT equipment. Capital expenditure by division is shown in Table 02 below.

In the North American General Tool business, $485m of rental equipment capital expenditure was spent on growth while $909m was invested in replacement of existing fleet, while in the North American Specialty business, $127m of rental equipment capital expenditure was spent on growth while $286m was invested in replacement of existing fleet. The growth proportion is estimated based on the assumption that replacement capital expenditure in any period is equal to the original cost of equipment sold. In a period of inflation, this understates replacement capital expenditure and overstates growth capital expenditure. Life cycle inflation is c. 20%.

The average age of the Group's serialised rental equipment, which constitutes the substantial majority of our fleet, at 30 April 2025 was 49 months (2024: 45 months) on an original cost basis. The North America General Tool fleet had an average age of 48 months (2024: 44 months), the North America Specialty fleet had an average age of 53 months (2024: 48 months) and the UK fleet had an average age of 54 months (2024: 50 months).

Dollar utilisation was 48% for North America General Tool (2024: 51%), 74% for North America Specialty (2024: 74%) and 53% for the UK (2024: 53%). The decrease in North America General Tool dollar utilisation is due principally to lower physical utilisation and fleet inflation.

Trade receivables

Receivable days at 30 April 2025 were 47 days (2024: 50 days). The bad debt charge for the last 12 months ended 30 April 2025 as a percentage of total turnover was 0.3% (2024: 0.8%). Trade receivables at 30 April 2025 of $1,481m (2024: $1,528m) are stated net of allowances for bad debts and credit notes of $102m (2024: $141m), with the provision representing 6% (2024: 8%) of gross receivables.

Trade and other payables

Group payable days were 64 days at 30 April 2025 (2024: 60 days) with capital expenditure related payables totalling $225m (2024: $512m). Payment periods for purchases other than rental equipment vary between seven and 60 days and for rental equipment between 30 and 120 days.

Provisions

Provisions of $163m (2024: $118m) relate predominantly to the provision for uninsured risk. The Group's business exposes it to the risk of claims for personal injury, death or property damage resulting from the use of the equipment it rents and from injuries caused in motor vehicle accidents in which its vehicles are involved. The Group carries insurance covering a wide range of potential claims at levels it believes are sufficient to cover existing and future claims.

Our US liability insurance programmes provide that we can recover our liability related to each and every valid claim in excess of an agreed excess amount of $2m in relation to workers' compensation, $5m in relation to general liability and $4m in relation to motor vehicle claims. In the UK our self-insured excess per claim is much lower than in the US and is typically £50,000 to £100,000 per claim. Our liability insurance coverage is limited to a maximum of £175m.

Pensions

The Group operates a number of pension plans for the benefit of employees, for which the overall charge included in the financial statements was $48m (2024: $48m). Amongst these, the Group has one defined benefit pension plan which was closed to new members in 2001, closed to future benefit accrual in

02 Capital expenditure

	2025			2024
	Replacement	**Growth**	**Total**	Total
North America General Tool	**909.3**	**485.2**	**1,394.5**	2,490.3
North America Specialty	**285.7**	**127.4**	**413.1**	915.1
UK	**128.1**	**10.2**	**138.3**	218.6
Total rental equipment	**1,323.1**	**622.8**	**1,945.9**	3,624.0
Delivery vehicles, property improvements & IT equipment			**455.6**	686.7
Total additions			**2,401.5**	4,310.7

03 Fleet and utilisation

	Rental fleet at original cost			LTM rental revenue	LTM dollar utilisation
	30 April 2025	30 April 2024	LTM average		
North America General Tool	**12,523**	11,940	12,350	5,889	48%
North America Specialty	**4,494**	4,391	4,501	3,313	74%
UK	**1,521**	1,414	1,470	778	53%
	18,538	17,745	18,321	9,980	

October 2020 and in respect of which the Group completed a 'buy-in' with the purchase of a bulk annuity policy in March 2024. All our ongoing pension plans are defined contribution plans.

The Group's defined benefit pension plan, measured in accordance with the accounting standard IAS 19, Employee Benefits, was $0.5m in deficit at 30 April 2025 (2024: $0.4m). The most recent triennial actuarial valuation was carried out as at 30 April 2022 by a qualified independent actuary and showed a funding surplus of £11m ($15m at April 2025 exchange rate).

Contingent liabilities

The Group is subject to periodic legal claims in the ordinary course of its business, none of which is expected to have a material impact on the Group's financial position. We continue to monitor this on an ongoing basis.

Cash flow

Cash inflow from operations before non-recurring costs and the net investment in the rental fleet was $4,954m (2024: $4,541m). The conversion ratio for the period was 99% (2024: 93%).

Total payments for capital expenditure (rental equipment and other PPE) during the year were $2,707m (2024: $4,445m). Disposal proceeds received totalled $523m (2024: $879m), giving net payments for capital expenditure of $2,184m in the year (2024: $3,566m). Financing costs paid totalled $555m (2024: $513m) while tax payments (net) were $425m (2024: $246m). Financing costs paid typically differ from the charge in the income statement due to the timing of interest payments in the period and non-cash interest charges.

Accordingly, the Group generated free cash flow of $1,790m (2024: $216m) and, after non-recurring costs of $10m (2024: $nil), acquisition and investment related expenditure of $147m (2024: $889m), a cash flow of $1,632m (2024: outflow of $672m), before returns to shareholders.

Capital structure and allocation

The Group's capital structure is kept under regular review. Our operations are financed by a combination of debt and equity. We seek to minimise the cost of capital while recognising the constraints of the debt and equity markets. At 30 April 2025 our average cost of capital was approximately 10%.

The Group remains disciplined in its approach to allocation of capital with the overriding objective being to enhance shareholder value.

Our capital allocation framework remains unchanged and prioritises:

- organic fleet growth;
  - same-stores;
  - greenfields;
- bolt-on acquisitions; and
- a progressive dividend with consideration to both profitability and cash generation that is sustainable through the cycle.

Additionally, we consider further returns to shareholders. In this regard, we assess continuously our medium-term plans which take account of investment in the business, growth prospects, cash generation, net debt and leverage. As we execute on Sunbelt 4.0, we expect a number of years of strong earnings and free cash flow generation. Given this outlook, we have the opportunity to enhance returns to shareholders, while maintaining leverage towards the middle of our target range of 1.0 to 2.0 times net debt to adjusted EBITDA (excluding the IFRS 16).

We spent $342m (2024: $78m) under the buyback programme of up to $1.5bn announced in December 2024.

04 Cash flow

	Year to 30 April	
	2025 $m	2024 $m
Adjusted EBITDA	**5,021.7**	4,892.6
Cash inflow from operations before non-recurring costs and changes in rental equipment	**4,953.5**	4,541.0
Cash conversion ratio*	**98.6%**	92.8%
Rental capital expenditure	**(2,251.2)**	(3,759.2)
Payments for non-rental capital expenditure	**(455.6)**	(685.6)
Rental equipment disposal proceeds	**461.7**	831.7
Other property, plant and equipment disposal proceeds	**61.2**	47.5
Tax paid (net)	**(424.8)**	(245.8)
Financing costs	**(554.9)**	(513.1)
Free cash flow	**1,789.9**	216.5
Non-recurring costs	**(10.4)**	–
Business acquisitions	**(147.4)**	(875.6)
Business disposals	**–**	1.9
Financial asset investments	**–**	(15.0)
Total cash generated/(absorbed)	**1,632.1**	(672.2)
Dividends	**(544.2)**	(436.1)
Purchase of own shares by the ESOT	**(85.5)**	(29.9)
Purchase of own shares by the Company	**(341.9)**	(78.4)
Decrease/(increase) in net debt due to cash flow	**660.5**	(1,216.6)

* Cash inflow from operations before non-recurring costs and changes in rental equipment as a percentage of adjusted EBITDA.

Dividends

The Company has a progressive dividend policy, which considers both profitability and cash generation, and results in a dividend that is sustainable across the cycle. Our intention has always been to increase the dividend as profits increase and be able to maintain it when profits decline. This, combined with the Board's decision to rebalance the split between the interim and the final dividend, to broadly one third interim, two thirds final, results in the Board recommending a final dividend of 72.0¢ per share (2024: 89.25¢) making 108.0¢ for the year (2024: 105.0¢), an increase of 3%. If approved at the forthcoming Annual General Meeting, the final dividend will be paid on 10 September 2025 to shareholders on the register on 8 August 2025.

In determining the level of dividend in any year, the Board considers a number of factors that influence the proposed dividend as detailed above. Ashtead Group plc, the parent company of the Group, is a non-trading investment holding company which derives its distributable reserves from dividends paid by subsidiary companies which are planned on a regular basis to maintain a suitable level of distributable reserves at the parent company.

Net debt

Chart 05 shows how net debt (excluding IFRS 16) and leverage (excluding IFRS 16), measured at constant April 2025 exchange rates, has changed over the cycle.

In greater detail, closing net debt (including IFRS 16) at 30 April 2025 is set out in Table 06 on page 49.

Net debt at 30 April 2025 was $10,331m with the decrease since 30 April 2024 reflecting the cash inflow set out above, partially offset by additional lease commitments as we continue our greenfield and bolt-on expansion. The Group's adjusted EBITDA for the year ended 30 April 2025 was $5,022m. Excluding the impact of IFRS 16, the ratio of net debt to adjusted EBITDA was 1.6 times (2024: 1.7 times) on a constant currency and a reported basis as at 30 April 2025. Including the impact of IFRS 16, the ratio of net debt to adjusted EBITDA was 2.1 times (2024: 2.2 times) as at 30 April 2025.

Our debt package is well structured for our business across the economic cycle. We retain substantial headroom on facilities which are committed for the long-term, with an average of six years remaining at 30 April 2025. The weighted average interest cost of these facilities (including non-cash amortisation of deferred debt raising costs) is 5%.

Debt facilities

The Group's principal debt facilities are discussed below.

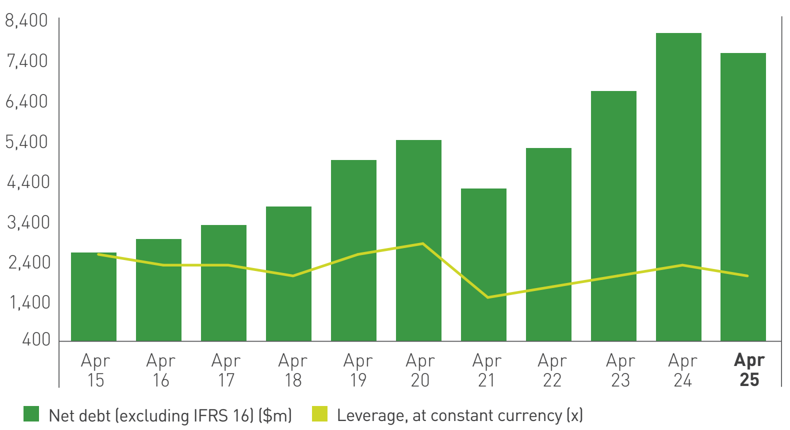
First priority senior secured credit facility

At 30 April 2025, $4.75bn was committed by our senior lenders under the asset-based senior secured revolving credit facility ('ABL facility') until November 2029. The amount utilised was $1,351m (including letters of credit totalling $5m). The ABL facility is secured by a first priority interest in substantially all of the Group's assets. Pricing for the $4.75bn revolving credit facility is based on average availability according to a grid, varying from the applicable interest rate plus 125bp to 137.5bp. The applicable interest rate is based on SOFR for US dollar loans, CORRA for Canadian dollar loans and SONIA for sterling loans. At 30 April 2025, the borrowing rate was the applicable interest rate plus 125bp.

The only financial performance covenant under the asset-based first priority senior bank facility is a fixed charge ratio (comprising LTM EBITDA before exceptional items less LTM net capital expenditure paid in cash over the sum of scheduled debt repayments plus cash interest, cash tax payments and dividends paid in the last 12 months) which must be equal to or greater than 1.0 times.

This covenant does not, however, apply when availability (the difference between the borrowing base and facility utilisation) exceeds $475m. At 30 April 2025, the fixed charge ratio exceeded the covenant requirement. At 30 April 2025, availability under the senior secured debt facility was $3,616m with an additional $6,194m of suppressed availability meaning that the covenant was not measured at 30 April 2025 and is unlikely to be measured in forthcoming quarters.

05 Net debt and leverage



Senior notes
At 30 April 2025 the Group, through its wholly owned subsidiary Ashtead Capital, Inc., had nine series of senior notes outstanding. The $550m 1.500% notes are due on 12 August 2026, the $600m 4.375% notes are due on 15 August 2027, the $600m 4.000% notes are due on 1 May 2028, the $600m 4.250% notes are due on 1 November 2029, the $750m 2.450% notes are due on 12 August 2031, the $750m 5.500% notes are due on 11 August 2032, the $750m 5.550% notes are due on 30 May 2033, the $750m 5.950% senior notes mature on 15 October 2033 and the $850m 5.800% senior notes mature on 15 April 2034.

Minimum contracted debt commitments

Table 07 below summarises the maturity of the Group's borrowings at 30 April 2025 by year of expiry.

Except for the Group's $5m of standby letters of credit issued at 30 April 2025 relating to the Group's insurance programmes and $7m of performance bonds granted by Sunbelt, we have no material commitments that we could be obligated to pay in the future which are not included in the Group's consolidated balance sheet.

Current trading and outlook

Our business operates from a position of significant strength and demonstrates consistent resilience regardless of the market conditions. We generate strong cash flow regardless of the market cycle and we are disciplined in deploying capital to both fuel growth and reward shareholders. We are growing in our core markets as well as emerging adjacencies, we are increasing our addressable market, and we are diversifying our business mix.

06 Net debt

	2025 $m	2024 $m
First priority senior secured bank debt	**1,345.7**	1,848.0
1.500% senior notes, due 2026	**548.7**	547.8
4.375% senior notes, due 2027	**597.6**	596.6
4.000% senior notes, due 2028	**597.0**	596.0
4.250% senior notes, due 2029	**596.1**	595.3
2.450% senior notes, due 2031	**745.3**	744.6
5.500% senior notes, due 2032	**739.9**	738.8
5.550% senior notes, due 2033	**744.0**	743.4
5.950% senior notes, due 2033	**744.6**	744.1
5.800% senior notes, due 2034	**841.2**	840.5
Total external borrowings	**7,500.1**	7,995.1
Lease liabilities	**2,852.1**	2,680.6
Total gross debt	**10,352.2**	10,675.7
Cash and cash equivalents	**(21.0)**	(20.8)
Total net debt	**10,331.2**	10,654.9

07 Minimum contracted debt commitments

	2026 $m	2027 $m	2028 $m	2029 $m	2030 $m	Thereafter $m	Total $m
Bank and other debt	–	–	–	–	1,345.7	–	1,345.7
1.500% senior notes	–	550.0	–	–	–	–	550.0
4.375% senior notes	–	–	600.0	–	–	–	600.0
4.000% senior notes	–	–	–	600.0	–	–	600.0
4.250% senior notes	–	–	–	–	600.0	–	600.0
2.450% senior notes	–	–	–	–	–	750.0	750.0
5.500% senior notes	–	–	–	–	–	750.0	750.0
5.550% senior notes	–	–	–	–	–	750.0	750.0
5.950% senior notes	–	–	–	–	–	750.0	750.0
5.800% senior notes	–	–	–	–	–	850.0	850.0
	–	550.0	600.0	600.0	1,945.7	3,850.0	7,545.7
Deferred costs of raising finance	–	(0.9)	(2.4)	(3.0)	(3.9)	(23.0)	(33.2)
Discount on issue of debt	–	(0.3)	–	–	–	(12.1)	(12.4)
Cash at bank and in hand	(21.0)	–	–	–	–	–	(21.0)
Net borrowings	(21.0)	548.8	597.6	597.0	1,941.8	3,814.9	7,479.1

04 ACTIONABLE COMPONENT

SUSTAINABILITY

Advance our position as a thriving, growing enterprise to deliver long-term sustainable values for our people, customers, communities and investors.

2025 highlights

- Laying foundations for enhanced community involvement through signature partnerships, local giving and disaster relief efforts
- Rollout of company matching, 'Dollars for Doers' and 'Pounds for Purpose' volunteerism programmes
- Launch of Driver Profile to further increase driver safety and reduce any vehicle incidents

SUSTAINABILITY THROUGH THE POWER OF RENTAL

Sustainability remains a priority for the Group and is embedded within our core strategic actionable components. We have always prioritised our people and their safety, while providing our customers with a reliable alternative to ownership, supporting the communities we serve across our store network, limiting the environmental impact of our operations and ensuring a strong governance framework. We are committed to delivering long-term sustainable success of the Group for the benefit of all our stakeholders. Our latest strategic plan, Sunbelt 4.0, solidifies the focus on sustainability across the Group.

Sustainability under Sunbelt 4.0 is about advancing our customer centric approach, while strengthening our operational focus targeted to Sunbelt's key impacts and opportunities. The best way to engage our people on the value of sustainability is by connecting it to the organisational principle of customer obsession. We are strengthening our sustainability focus across four core areas:

Operations: when it comes to our direct operational impacts, we continue to focus on opportunities to reduce our direct carbon footprint (Scope 1 and 2) and our management of waste and water;

Customers: rental is inherently a sustainable business model, but through providing the linkage between customers and original equipment manufacturers ('OEMs'), we can drive sustainable practices through the value chain. Specifically, by leveraging our platform, expert teams and unmatched partnerships with OEMs, we help to accelerate the transition to lower carbon solutions;

People: health and safety remains our key priority, and we are committed to continually improving our safety performance, both in how we operate and the equipment and services we provide our customers. Our people strategy under Sunbelt 4.0 is centred around attracting, developing and retaining our team members while enhancing our inclusive culture; and

Communities: we strive to drive greater impact by investing more in our community and finding new ways to connect with our customers on shared values. Our community investment areas of focus include supporting our veterans, youth support and empowerment, improving health and well-being and supporting communities to recover and rebuild after disasters.

This Responsible business report works alongside the Group's more detailed disclosures within the Sustainability report, to provide information for stakeholders on our activities on sustainability. We expect this year's Sustainability report to be published in the autumn of 2025.

Material topics

As part of our risk management process, we assess regularly the most material matters to the Group, including those related to sustainability, and assess their potential impact on our business and the generation of long-term value. Following a formal materiality assessment completed in 2020, we have reviewed our material topics on an annual basis, taking into account any new emerging risks and opportunities. We have prioritised our material topics based on their potential impact on our business operations and importance to our stakeholders, structuring our considerations around our four key sustainability areas: operations; customers; people; and communities.

To evolve our approach, we are undertaking a double materiality assessment. This assessment considers the Group's impact on the environment and society, as well as the potential

OUR COMMITMENT TO THE UNGC AND SDGs

The Group's activities are also consistent with the intent of the United Nations Sustainable Development Goals ('SDGs'). To date we have identified eight goals to which we believe we can make the most contribution through our focus on recruitment and training, inclusion, the development of our products and management of our operations. Further details are provided in our Sustainability report.

Evidencing our commitment to both the principles of the United Nations Global Compact ('UNGC') and the 17 SDGs, the Group is a signatory to the UNGC. Our commitment requires us to uphold the UNGC's Ten Principles on human rights, labour, environment and anti-corruption, and incorporate those into the core of our strategy, company culture, and daily operations.

financial impact of sustainability-related topics for our business. This assessment will offer a more comprehensive view of material topics from multiple perspectives and provide deeper insight into where sustainability issues intersect with our wider supply chain. We believe this holistic process will strengthen our resilience and enhance the value of our sustainability values and expect to summarise the outcome of this process in our 2025 Sustainability report.

How we monitor our work

A robust approach to corporate governance is the foundation for delivering our strategy and ensuring our growth is achieved in a way that is both responsible and sustainable. Strong leadership, company culture, risk management and transparency are all elements that are essential to our business performance and its sustainability. We have identified and monitor several metrics to evaluate and measure our performance. Included in this report are metrics on health and safety incident rates, employee engagement, staff turnover and GHG intensity.

The Group's Board of directors is responsible for monitoring the progress we make against our strategic sustainability objectives and the targets we have set. The Board is assisted in this function by the Group Risk Committee which is chaired by our chief financial officer. For further information on the Group Risk Committee, its members and priorities in current and forthcoming years, please see pages 32 to 37.

Current material topics

Topics		Business impact		
		Low	Medium	High
HEALTH AND SAFETY	Operations, Customers, Our people			✓
CLIMATE ACTION	Operations, Customers			✓
WASTE AND WATER	Operations	✓		
SUSTAINABLE VALUE CHAINS	Operations, Customers			✓
TALENT ATTRACTION AND RETENTION	Our people			✓
TALENT DEVELOPMENT	Our people			✓
INCLUSION	Our people		✓	
COMMUNITY ENGAGEMENT	Communities		✓	
CHARITABLE GIVING	Communities	✓		
VETERAN ENGAGEMENT	Communities, Our people		✓	
CORPORATE BEHAVIOUR	Operations, Our people			✓

Key:

Linkage to sustainability strategy core areas:

- Operations
- Customers
- Our people
- Communities

Health and Safety

Our success is built on a culture that places health and safety at its core. We are committed to improving continually our safety performance, both in how we operate and the equipment and services we provide for customers. This year we achieved our safest year yet in terms of Total Recordable Incident Rate (TRIR). We believe that being known for excellence in health and safety provides us with a significant competitive advantage.

Health and safety is fundamental to our operations and a primary business goal. It is a line of responsibility that begins with management and extends to all stores across the Group. The Group acknowledges its responsibility to provide and maintain a suitable, safe and healthy working environment, safe systems and safe methods of work to employees, contractors and customers.

The Group is committed to the following basic principles across all of our operations:

- strict adherence to occupational health and safety ('OHS') legislation: the Group's Health, Safety and Environmental specialists, and our operational audit teams, continually assess the Group's regulatory compliance with relevant OHS legislation and best-in-class practices;
- continuous identification and assessment of occupational risks and adoption of measures to control and mitigate them;
- establishment of quantitative and qualitative targets and close monitoring of TRIR, as well as other leading and lagging indicators relevant to the Group's operations;
- continuous provision of information and training to personnel, business partners and customers to ensure competency, equipment quality and safe working practices; and
- the maintenance and update of suitable emergency preparedness plans.

We target safety improvement through health and safety programmes and encouraging employees to always keep their own safety, and that of their teammates, in mind. Our safety training for employees, managers and leaders reinforces the importance of a safety-first mindset and we pay particular attention to near misses as a way of continuing to understand and focus on safety risks. All incidents and near misses are investigated and responded to swiftly.

Safety initiatives

We seek to engage our team members in their safety and well-being every day. We encourage staff to take responsibility for their own safety and have core safety processes across all our stores. These include:

- regular training on the safe use of relevant equipment for their role, including company-wide weekly safety training videos which offer a more effective way to continuously engage staff compared to lengthy, one-time safety presentations;
- the near miss programme, which provides insights into our exposures across our business;
- the pre-task planning programme (Take 10 Programme), which requires everyone to take at least 10 seconds to think through the job they are about to do using a pre-task planning checklist. Examples of tasks where this is applied are loading/unloading, wash bay work, checking equipment in and technicians repairing or conducting routine maintenance on the equipment;

ENGAGE FOR LIFE

Our Engage for Life programme forms the backbone of our health and safety work and is built on three pillars: culture, community and commitment. We are building a culture that eliminates serious injuries or fatalities ('SIFs'), aligns best practices, and ensures we all have the right skills to complete work safely. An important component of Engage for Life is that we demonstrate our dedication to the well-being of our team members, their families and communities, while supporting and encouraging team members' safety development. This is an area where we will always strive to do more, and we are committed to embedding the whole ethos of Engage for Life ever deeper within our culture.

At the heart of our Engage for Life programme lies a new initiative: the Principles for Life. Launched alongside our latest growth strategy, Sunbelt 4.0, these principles target six critical areas where we can have the greatest impact in reducing health and safety incidence. Each principle offers practical guidance for reducing incidents in high-risk areas. This programme will be important for continual reduction in our TRIR.

- introduction of critical control checks as a foundational element of our safety protocols. These checks involve the systematic identification and verification of critical controls essential for preventing incidents and minimising hazards;
- the Green Guide to Engage for Life, a guide which aims to help our team members understand exposures and key actions required. It provides practical steps on emergency preparedness, transportation safety and injury management. The environmental aspects of the guide include consideration of water usage, waste, chemical storage and environmental permits, and they help our team members to consider the environmental impact of our activities and how it overlaps with health and safety;
- Ready2Go, a company-wide quarterly initiative to declutter, clean and organise our stores in a way that best supports safety, efficiency and workflow; and
- annual safety weeks designed to increase awareness of the importance of safety across the business. Safety Week serves as a platform for promoting collaboration and knowledge sharing among team members, stakeholders and industry partners reinforcing our collective commitment to prioritising safety as a core organisational value.

Our senior leadership teams have weekly safety meetings to provide focus towards developing solutions that can be replicated across the Group. Since we launched our Engage for Life focus on safety, we have worked with DEKRA, a global leader in quality and safety, to further enhance our leadership in this area, helping our operational leaders embed safety, risk and exposure principles in everything we do. DEKRA continues to help us equip our leaders with the tools needed to drive change in all our locations, so that we can achieve the goal of proactive intervention and prevention of incidents before they escalate.

Driver safety programmes

We deliver to customers across all 50 states in the US, eight provinces in Canada and across the UK. Covering this distance means safety on the road for our drivers and other road users is paramount. While we have one of the safest fleets in the equipment rental industry, we continue to focus on safety through our commercial vehicle training programmes and defensive driving courses so we can target ways in which we can further reduce our incident rate.

We make use of technology in our driver safety programme, such as onboard telematics to help us prevent unsafe behaviours on the road and dash cameras enabling real-time feedback on behaviours which could lead to vehicle incidents (e.g., lane departures, critical distance or in-cab behaviours). Together, this is known as our Road Intelligence Transportation Assistant ('RITA'). To date, over 98% of our vehicle fleet in North America is equipped with telematics and c. 93% are equipped with cameras with ambitions for our entire fleet to be technology enabled. RITA also enables recognition of positive actions, can assist with exoneration in the event of an incident and can assist with customer safety. Onboard technologies can also provide incremental benefits through reduced fuel use, enhanced engine and vehicle maintenance and route optimisation.

CASE STUDY: SUPPORTING THE CALIFORNIA WILDFIRE RESPONSE: SAFETY, LEADERSHIP AND RESILIENCE

During the catastrophic wildfires in Southern California in 2025, widespread utility failures left entire communities without power. Our utility customers engaged us to deploy generators, ensuring critical power restoration for affected residents. We have a long-standing partnership with utility providers for disaster response efforts like this and we work closely across our network to deliver rapid and reliable power restoration solutions in times of crisis. Operating in high-risk environments, where conditions shift rapidly due to evolving fire activity, demands a high level of adaptability and vigilance to ensure safety remains our top priority.

To manage these challenges, we conducted daily safety stand-up meetings with our customers, field teams, and leadership on the ground in Southern California. These meetings provided a structured forum to assess emerging risks, implement mitigation strategies, and ensure seamless coordination among all stakeholders. This included doing our vital Power-up and Take-10 safety exercises. What truly sets us apart in situations like this is our leadership approach – leading from the front, not just from an office. Our leaders were out in the field, working alongside crews to ensure safe, efficient and effective disaster response.

To further accelerate our driver safety programme, this year we launched our new system of Driver Profiles – a robust risk assessment tool that uses five data sources: driver's licence records, telematics events, RITA behaviours, preventable collisions and Department of Transportation (DOT) records, to create safety scores for team members. The goal of the Driver Safety Profile programme is to assess driving behaviours and provide training and support to our drivers and reduce on-road risk.

How we monitor performance

This year, we again had our safest year yet in terms of Total Recordable Incident Rate (TRIR). We monitor and analyse health and safety incidents and 'near misses', investigating and analysing root causes to help identify recurrent issues and risks, and implement preventative controls. The importance of health and safety is reflected in the fact that the number of reportable accidents is one of our group-wide KPIs (see page 31).

We continue to develop and improve our incident management system, including the introduction of Driver Profiles above, which enables us to manage incidents while allowing us to investigate, analyse root causes and track corrective/preventative actions. The tracking and reporting of 'near misses' is an area we are improving continually as the lessons learnt are as instructive or often more so than from actual incidents.

Reportable incidents are measured differently in North America and the UK due to different regulatory frameworks. In the US and Canada, reportable accidents are reported in accordance with OSHA (Occupational Safety and Health Administration), referenced as a Total Recordable Incident Rate ('TRIR') whereas in the UK, reportable accidents are reported in accordance with RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations). Under the different definitions, more incidents are generally identified in North America as being reportable than in the UK.

To compare performance between our main operating countries we measure incidents using TRIR, as shown in Table 01. All safety and health reporting is made through our online reporting system.

We remain committed to reducing these rates as much as possible and continue to see progress across the businesses.

In addition to monitoring reportable incidents, we have developed a set of performance predictors. These are a set of six leading indicators that monitor each month's activities supporting our safety culture and performance. The leading indicators are mostly centred on engagement and include topics such as safety meeting attendance, safety committee participation and defensive driving programmes. These are recorded in our online safety reporting system.

Working on safety with our customers and suppliers

Being a responsible business means sharing and promoting our safety culture with our customers and suppliers whenever possible. We have the highest safety expectations for all our equipment suppliers. Our near miss reporting programme mentioned above is an important tool we use to feedback and collaborate with suppliers and OEMs based on what we find. For example, if we identify any heightened risk in a particular asset, we work with the OEMs to fix and repair or to innovate their equipment. Being at the intersection of customers and suppliers, we can influence and innovate both ways. For our customers, we have dedicated equipment trainers and we offer customised training programmes to meet their needs. We work with customers' safety teams to develop customised training courses, sometimes for a specific jobsite and participate in training days for major customers, demonstrating safe use of equipment and running training seminars. This is in addition to the routine safety briefings that accompany equipment rental. We offer dedicated full-time safety trainers for our customers in 126 markets across North America and have 33 training centres in the UK.

In the UK we are increasing the number of sustainability-related health and safety customer courses for example domestic and commercial electric vehicle charging installation and site environmental awareness training courses. This reflects the strong link between health and safety and advances in low-carbon technology and regulation. We see this as an area of added value and a way to enhance safety with those we work with and across our sector more widely.

01 Recordable accidents

	2025		2024	
	TRIR	**RIDDOR**	TRIR	RIDDOR
North America General Tool	0.89	n/a	1.14	n/a
North America Specialty	0.54	n/a	0.53	n/a
North America	**0.65**	**n/a**	**0.76**	**n/a**
UK	**0.61**	**0.14**	**0.80**	**0.19**

Our customer training covers a broad range of topics including:

Operator training

- Mobile elevating work platforms, boom lifts and scissor lifts
- Forklifts, warehouse and telehandler rough terrain
- Earth moving equipment, loaders, excavators, backhoes
- Fall protection
  - Authorised User
  - Competent Person

Train the trainer

- Mobile elevating work platforms
- Forklifts
- Earth moving equipment
- Fall protection

Scaffolding

- Scaffolding (Supported & Suspended)
  - Competent Person
  - User Awareness
- Trench Safety
  - Confined Space Awareness
  - Competent Person Excavation
  - Evacuation Awareness
- Customised courses available

Climate action

Advancing sustainability through the power of rental

Protecting the environment is not just the right thing to do; we believe rental has a significant part to play in the transition to a low carbon economy and as such sustainability is a key element of our business strategy. The environmental benefits of renting equipment rather than ownership accrue when many customers rent one piece of well-maintained and safe equipment only when they need it, as opposed to multiple customers purchasing that same piece of equipment, using it a few times, and then disposing of it.

Through our scale, processes and technology, we believe that we are better equipped to reduce the greenhouse gas ('GHG') impact of equipment ownership, operations and disposals than equipment operators. Our scale and market reach enable us to achieve a high utilisation rate for each piece of equipment, reducing the overall number of assets required to be manufactured. Our large inventory of rental assets means that our customers can use the right equipment for the right job. Furthermore, they can be given training to operate those machines in the most efficient way possible, minimising fuel consumption and carbon emissions during operation and, by positioning our assets where they are required, reducing transportation requirements. Furthermore, our rigorous maintenance programmes ensure all equipment performs at optimal capacity, maximising efficiency, extending its useful life and minimising environmental impact.

Finally, our investment in technology including battery electric vehicle fleets and telematics, combined with our geographic reach, enable us to reduce transportation emissions by maximising load capacity and route optimisation.

Our commitments and progress

We have made a commitment to be Net Zero within our operations (Scope 1 and 2 emissions) by 2050. We have a tangible pathway to enable us to reach this goal. In the short-term, we have a target of a 50% reduction in Scope 1 and 2 GHG intensity (from a baseline of 2024), and we were progressing in line with our short-term target at April 2025.

We are focused on expanding electric and hybrid solutions applicable to light, medium and heavy-duty fleet, leveraging clustered markets to optimise deliveries and reduce miles driven and increasingly using renewable diesel, renewable electricity and expanding our LED lighting programme.

We know that our Net Zero pathway relies on innovation, advancements and refinements in technology and infrastructure. As such our Net Zero roadmap is dynamic and designed to be flexible as both known and unknown factors develop. Accordingly, we have structured our targets to align with the deployment of available technologies. We review our Net Zero road map and progress bi-annually.

Scope 1 and 2 greenhouse gas emissions

The Group's direct energy consumption arises predominantly from the diesel and petrol used in our vehicle fleet, the gas consumption in our facilities and our purchased electricity.

Our Scope 1 (fuel combustion and operation of facilities) and Scope 2 (purchased electricity) GHG emissions are reported in Table 02 on page 58, together with details of the energy consumption used to calculate those emissions.

In order to calculate the GHG emissions and total energy consumption in mWh, we have used a 'market-based method' in accordance with the GHG Protocol Corporate Accounting and Reporting Standard (revised edition), together with emission factors from the UK Government's GHG Conversion Factors for Company Reporting 2024, the latest available emission factors from the US Environmental Protection Agency and the Environment and Climate Change Canada. In addition:

- in North America, due to the size of our operation and range of fuel and electricity providers, we collect data from the significant vendors and then use this to estimate emissions attributable to the balance. In addition, we are required to estimate electricity usage between the most recent meter reading and the year-end date. As such, for the year-end 30 April 2025, approximately 10% of the North American emissions balance was estimated; and
- in the UK, we collect data from all Scope 1 and 2 suppliers and hence, there is no estimation involved. However, we estimate an amount for invoices not yet received and as such, for the year ended 30 April 2025, 1% of the UK emission balance was estimated.

NET ZERO BY 2050

In the current year, our total Scope 2 emissions resulting from our US operations have been reduced by the sourcing of electricity in certain locations from renewable sources which are REC (renewable energy certificate) backed (38% of our US consumption). We will continue to explore the options available to us to extend the sourcing of purchased electricity from renewable sources where market regulation allows. In the UK, we source electricity from renewable sources which are REGO (renewal energy guarantees of origin) backed except for a small number of locations where energy is sourced by a third party, accounting for approximately 18% of UK consumption.

Our level of GHG emissions vary with our activity levels which are in part reflected in our revenue levels. Accordingly, we have concluded that the most appropriate intensity ratio for Ashtead is on a rental revenue basis. This reflects progress made by the Group without the potential for volatility in the level of used equipment sales, which are included in total revenue.

tCO_2e/\$m	**2025**	2024
GHG intensity ratio – emissions per \$m of rental revenue	**40.6**	42.2

On a constant currency basis (using this year's exchange rates) our intensity ratio has reduced 3.6% from 42.2 to 40.6.

Over 80% of our Scope 1 and 2 GHG emissions come from our vehicle fleet. Tackling emissions from our vehicle fleet is therefore a key area of focus for us and we are doing this in three ways:

- using the vehicles we have in the most efficient way possible using onboard telematics;
- where available, using renewable diesel as a transitional fuel source, particularly in the transition period as alternative technologies are developed; and
- incorporating lower-carbon options into our vehicle fleet. For example, we are working with our manufacturers to test a range of EVs for the business across our sales, service and delivery fleet.

Scope 3 value chain emissions

Our Scope 3 emissions for 2023/24 were disclosed in our 2024 Sustainability report based on GHG Protocol and the European Rental Association's sector-specific guidance. Our Scope 3 emissions for 2024/25 will be reported in our 2025 Sustainability report. Most of our Scope 3 emissions arise through our customers' use of our equipment on their sites and projects (category 13), emissions from the use of sold rental equipment subsequent to our ownership (category 11), all of which are required to be accounted for in the year of disposal, and the embedded carbon in our supply chain (category 2). Consequently, they are based on broad assumptions across a huge number of assets which are inherently difficult to validate, including annual hours of use, average fuel consumption, average engine load factor and, for category 11, the total lifetime hours of use of assets after our ownership. Accordingly, our Scope 3 emissions will always be subject to an application of significant judgement and hence a high degree of estimation uncertainty.

As we look to the future, we recognise that our Scope 3 emissions are likely to increase in the short- to medium-term as we grow. Future reductions in our Scope 3 emissions will be dependent upon the development of technological solutions to allow for current equipment to be replaced by equipment with low- or zero-carbon emissions, the availability of renewable diesel, and the adoption of these options by customers. Nevertheless, during Sunbelt 4.0, we continue to engage with our rental equipment suppliers, understanding their commitments to reducing their own emissions, which over time can positively impact our Scope 3 emissions.

02 Greenhouse gas emissions

		2025		2024	
		UK	**Total**	UK	Total
Scope 1	tCO_2e/year[1]	**30,188**	**380,445**	31,000	371,404
Scope 2	tCO_2e/year[1]	**568**	**25,088**	748	34,544
Total	tCO_2e/year[1]	**30,756**	**405,533**	31,748	405,948
Biogenic Emissions[2]	tCO_2e/year[1]	**–**	**1,207**	–	–
Energy consumption used to calculate emissions	mWh	**132,545**	**1,685,926**	145,344	1,646,300

1 tCO_2e/year defined as tonnes of CO_2 equivalent per year.
2 Biogenic emissions arise from the use of renewable diesel at select locations in California. In line with the GHG Protocol, CO_2 emissions generated from biogenic sources are reported separately from Scope 1 and 2 emissions, while CH_4 and N_2O biogenic emissions are reported within Scope 1.

Waste and water

Waste

Reducing waste going to landfill, increasing recycling and reducing water use are all important to our sustainability efforts. Our business model necessarily promotes less waste overall going to landfill because we are renting the same piece of equipment to many customers and maintaining it to such an extent that it has a long product life.

A key part of our efforts to reduce waste is to refurbish equipment rather than disposing of it. Several of our suppliers have dedicated facilities to refurbish our equipment, where original equipment gets stripped down, new components are added, and the equipment is returned to service. Reconditioned machines that are maintained and serviced to a high standard can extend an asset lifespan by up to 50% and save embedded carbon because of decreased steel extraction and waste generation.

Reducing packaging is also key. In the UK, we're working with suppliers to streamline packaging processes. For example, some assets were being packaged twice – initially by OEMs and then repackaged and rebranded by suppliers before arriving at our stores.

Through our North American waste workstream programme, local branches are working with waste contractors to identify opportunities to improve efficiencies, decrease cost, increase recycling diversion rates and improve data collection. Our waste tonnage data will be disclosed in our 2025 Sustainability report.

Water

We are not a water-intensive business with most of our water usage arising from washing our equipment. Nevertheless, we recognise the value in measuring our consumption and seeking to reduce water consumption across our operations.

Our approach to water stewardship is to focus our efforts where water is scarce. We have used the World Resources Institute's Aqueduct tool to map where we are operating in areas of water stress or high-water stress. Across the Group, c. 30% of our stores are in areas of water stress or high-water stress, principally in California and the southwest and central states of the US. This provides a blueprint for where we are targeting water-saving initiatives by introducing technology to help reduce water use in these areas.

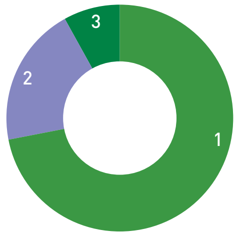
Water saving initiatives available to us include the use of closed loop wash systems where we reuse water many times over, as well as water recovery systems where we capture water run-off for use within wash-bays.

Sustainable value chains

We have hundreds of thousands of rental customers and are a major buyer of equipment from large manufacturers. We work with suppliers and customers to build sustainable value chains for the equipment we rent out. We are in a strong position to understand customer demand for low- or zero-carbon equipment and to appreciate the everyday demands made of equipment. This enables us to inform and support manufacturers in their product development to meet equipment requirements as well as end user sustainability goals. At the same time, our desire to invest in new low- or zero-carbon technology demonstrates to manufacturers there is existing demand for their new products. By bringing new products to a wide audience of customers in the rental market, we help develop acceptance of new equipment and help drive further demand. By leveraging low-carbon assets to support large and small customers, we enable them to meet their sustainability goals.

As well as maintaining one of the most modern fleets of rental equipment in the industry, we have invested heavily in one of the widest ranges of equipment on the market, including electric and low- or zero-emission models. Every year we invest millions of dollars in new rental fleet which produces less carbon, less particulate matter and needs less maintenance and servicing than our existing and replaced fleet.

03 Group fleet composition



1 Fossil fuel 72%
2 Electric 20%
3 Other, including non-powered 8%

Chart 03 shows the composition of our rental fleet today. While it will take time for a greater proportion of our fleet to transition from diesel power to more low-carbon options, approximately 20% of our rental fleet is already powered by alternatives to traditional diesel power, including battery, electric and hybrid options. The large majority of our diesel-powered fleet also meets the most stringent North American and European emissions standards and we have one of the most modern fleets of rental equipment in the industry. We are investing in next generation, low- and zero-emission technology including battery, electric, solar and hybrid options where the use cases and customer demand are strongest.

Our investment in innovation is a key driver in addressing Scope 3 emissions. We work closely with manufacturers to help them design, develop, trial and bring to market innovative, environmentally sustainable equipment, including electric versions of the most widely used pieces of rental equipment, often getting earlier access to sustainable products than others. We are also testing and providing feedback on emerging technologies including solar power, batteries, water purification systems and hydrogen technologies.

Talent attraction and retention

Our people are our priority. They give us an enormous competitive advantage, provide superior service to our customers, and exemplify our exceptional culture. Recruiting and retaining the best talent is critical for supporting our growth plans under Sunbelt 4.0.

Our people strategy is focused on accurate recruitment which means finding the right people for the right openings and accurately communicating to candidates what the job entails alongside the benefits of working for Sunbelt. Once through the door, our investments in safety and well-being, personal and professional growth, compensation and reward structure and inclusion are important retention enablers.

There continues to be a shortage of skilled trade workers, with more skilled trade workers retiring than entering the workforce. We work hard to both find and train talented employees, and ensure they stay with us. In the US, we have our Technician Co-op Programme whereby trade school students who are one year or less from graduation are placed in one of our stores for 20 to 30 hours per week as part of their programme. They learn key aspects of the rental industry, our culture, safety and our equipment and the core skills they will need as technicians if hired after graduation. This year our summer intern programme saw 37 university students learning and contributing innovative ideas to various projects and initiatives across the organisation. In the UK, a key component of recruitment at a junior level are our formal apprenticeship programmes. Our apprentice programmes take between one and three years to complete and usually include outside training and a formal NVQ qualification, in addition to on-the-job training. We have six apprentice streams – plant maintenance, customer service, driver, electro technical, mechanical engineering and civil engineering.

To help us attract top talent efficiently, we developed our Sonny recruitment chatbot which provides instant support and personalised assistance to candidates, while freeing up valuable time for recruiters. Sonny can effortlessly handle over 500 questions, seamlessly switch languages and intelligently match candidates to suitable positions based on skills and location. Acting as a virtual recruiting assistant, Sonny can also schedule phone screens for recruiters, ensuring a smooth and efficient recruitment journey. We also developed a new talent selection tool kit including screening and interview guides, best practices for candidate evaluation and communication and compensation. This highly structured talent selection process improves the candidate experience and helps managers conduct better interviews and make better hiring decisions.

We are also committed to supporting veterans and aspire to be an employer of choice for people leaving the military. Approximately 9% of our workforce in North America and 4% of our workforce in the UK are military veterans and this is a number we are aiming to grow. Our goal is to enable veterans to find a fulfilling workplace at Sunbelt where they can enrich our culture and contribute to achieving our goals. The skills gained during active service match well with the skills we are looking for in positions across our business, from our skilled trades to leadership roles.

We have developed a robust programme for recruiting and retaining veteran employees and we actively recruit members of the armed forces through job fairs, strategic partnerships and programmes such as the US Chamber of Commerce's Hiring Our Heroes programme and partnering with the US Department of Defense, where we are an official Skillbridge provider. We were honoured to be recognised as a 2025 Military Friendly Employer for the fifth year in a row and to be awarded the VETS Index Employer Award for our commitment to recruiting, hiring, retaining, developing and supporting veterans and the military-connected community.

Our commitment to employing military service leavers and veterans is the same in the UK as in the US and our businesses work together on veteran recruitment strategy, pooling our collective experience and resources. We have an official network of veteran ambassadors across North America and the UK to support existing veteran staff and help attract more team members.

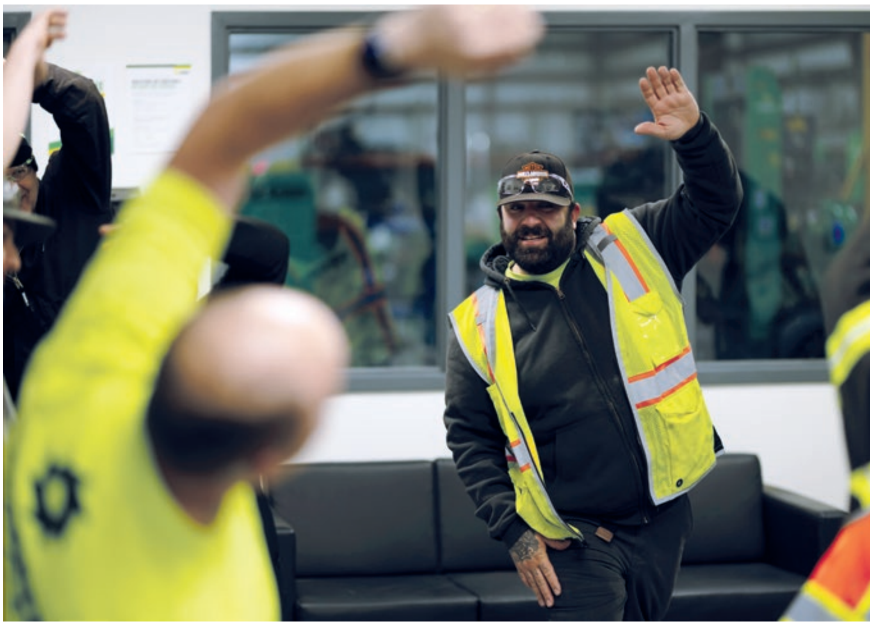
Pay and benefits

Pay and benefits are one of the most significant factors in attracting and retaining the best people.

Our employees' pay and benefits are made up of competitive fixed pay and a range of benefits and incentive programmes to motivate employees and support our business' success. In North America we have adopted a Leading Wage approach to ensure all employees are paid an hourly rate more than the state and federal recommended rates and at a level which is competitive to the market. Sunbelt UK is an accredited Living Wage Employer. We recognise the strong link between financial well-being and employee engagement, including mental health and well-being. We closely monitor industry pay, and benchmark our salaries, to ensure a competitive package is offered to attract, retain and appropriately reward our employees.

In addition, we provide a comprehensive package of benefits ensuring they represent affordable and smart choices for employees. Each benefit offering has been designed to work with another, providing a financial safety net that serves those employees in need, as well as providing us all with a proper sense of security. In the US we offer robust and comprehensive medical coverage and have limited increases in member contribution rates despite the increasing costs of healthcare. By continuing to promote wellness, we intend to maintain a fair and balanced health plan that is considered one of the best in our industry. Our retirement plans are well received with a 94% enrolment rate in our US 401(k) plan, 100% enrolment rate in Canada and 92% of UK employees participating in the pension plan.

We recognise that mental health is another vital part of overall well-being, and as such we have an employee assistance helpline which offers free confidential support and advice to those in need. We also have other benefits to promote good health amongst our employees. In the UK we have a flexible holiday arrangement enabling employees to purchase additional holiday entitlement or sell unused or unwanted holiday back to the company, giving the employee more flexibility and choice in how they use their contractual benefits. We offer paid parental leave group-wide and in the US, employees can use pre-tax money to contribute to health-related purchases and dependent care expenses – including the cost of childcare, babysitters and after school programmes.



Employee engagement and well-being

Getting ongoing feedback on how our staff are feeling and then making any changes necessary, is crucial to maintaining a happy and fulfilled workforce. We pride ourselves on having a strong culture, with a strong sense of purpose amongst our team members who take their responsibilities to assist customers and communities seriously. There is also a strong sense of pride in a job well done, such as when we are helping people get back to normal after a natural disaster. We conduct regular employee surveys in North America and the UK, which have received excellent levels of response. We have been delighted with the results so far, which show a high degree of employee engagement and satisfaction but highlight areas where we can improve.

In North America, our latest Express Yourself Survey received a 75% participation rate with an 88% engagement score. In the UK, participation in the latest survey was 71% with an 82% engagement rating. Responses to the surveys are overwhelmingly positive. We analyse the results and identify areas for improvement, developing action plans down to a local level and report to the Board on progress. Since the launch of the Express Yourself Survey, we have put in place a number of employee initiatives as a result of this feedback and enhanced our employee communication activities to allow better two-way engagement with our team members. We have seen an increase in employee engagement scores year-on-year highlighting the effectiveness of measures taken.

Going forward, we are looking to supplement our annual engagement surveys with more frequent, targeted pulse surveys. These will allow us to focus on key areas of improvement and assess the impact of our initiatives both across the Company and within different team member demographics. We see this as an opportunity to make a more incremental impact on our people, our culture and our overall engagements scores.

When our staff are on top form, they provide the best service to our customers. We promote employee well-being on a daily basis. We recognise the link between mental health and well-being, flexible working and managing work related stress. We offer remote or hybrid work opportunities in some cases and locations and where the role allows for it. In some roles, remote work opportunities may not be possible (for instance drivers and technicians), but flexibility is still possible through proactive shift management.

We take action to minimise work related stress including supporting our team in recognising stress triggers and managing workloads. We are also there to help when employees find themselves in difficulties. We have mental health support initiatives across the Group and employees can get help quickly via an app or through our employee assistance programme as needed. For example, in the UK our 'Let's Talk Mental Health' programme included an initiative which saw volunteers completing a two-day professional Mental Health First Aider course (MHFA England) and becoming mental health ambassadors within the business.

In North America, the Sunbelt Rentals Employee Relief Fund was created to support employees who are facing financial hardships after a natural disaster or other life-changing events. The fund was established initially to help the victims of Hurricane Charley in 2004 and is now a part of our long-term strategy to assist team members through catastrophic financial hardship. Any employee is eligible to receive relief from this fund for the benefit of themselves or their immediate family members living in their household.

Workforce turnover

Our sector generally suffers from high turnover rates, especially in some of our skilled trades, such as drivers and mechanics. Our voluntary staff turnover is 14% in North America General Tool (total staff turnover is 19%), 17% in North America Specialty (total staff turnover is 24%) and 19% in the UK (total staff turnover is 28%). Our analysis shows that around two-thirds of turnover happens within the first two years of an employee starting to work for us. As a result, we continue to focus on improving our recruitment process, which means finding the right employees for the right openings. We prioritise our employee onboarding to ensure new recruits get the support and guidance they need from the very beginning of their career with us. Beyond two years, employee turnover drops drastically.

Talent development

Developing our people is crucial to our success. The commitment and skills of our workforce contribute directly to how well we do. Whatever level an employee is at in the business, we aim to train them to improve their skills and give them opportunities for career development through clearly defined, but flexible career pathways. To keep the best talent in the business, we need to match our people's career ambitions by providing a clear route for progress and development. We offer a wide range of technical, sales, management and leadership training to all employees.

For our largest group of employees, skilled trades, we have two main approaches to develop talent: career pathing and career progression. Career pathing is about providing employees with a clear promotion pathway within the business. For example, for a driver or technician to become a store manager, we have a career pathway with associated training courses that provide the skills needed for the next step on that particular career pathway. With this option, a team member can see the skills they need to develop and demonstrate to progress in their career towards a management role.

For those that want to progress within their specific job area, we offer career progression. For example, technicians can achieve four skill levels, with each level requiring progressively more in-depth and expert skill and knowledge. To pass from one level to the next, the team member has to pass an evaluation that shows their skills match the next step on the ladder.

For frontline leaders in our store network and other leaders in central operations, we offer a range of leadership or senior leadership training. These courses ensure our leaders are equipped with the skills to deliver on our business strategy. These include inclusive leadership, coaching, performance and financial management, training skills and customer experience.

Our career development and training initiatives include:

- technician apprenticeship and training programmes;
- paid apprenticeships for trade school students approaching graduation;
- sales training;
- Manager In Training programme;
- intern programmes both in stores and at the support office;
- a leadership curriculum for all store managers;
- an Executive Leadership Development programme;
- women in leadership development apprenticeship programme (UK); and
- coaching skills training for store managers to enable better coaching and mentoring of staff.

To assess the effectiveness of our people development programmes, we have implemented a robust performance management process. Our cyclical performance management process applies to all employees and provides a standardised framework to help team members with skill development and career growth. Regular feedback and evaluations enable team members to track their progress, identify areas for improvement, and receive recognition for their achievements. We understand that an employee's ambition and priorities can change over time for example to balance family life, caring responsibilities or health issues. Our career progression and career pathing pathway enable flexibility and tailoring to balance these needs. We make every reasonable effort to give disabled applicants and existing employees becoming disabled, opportunities for work, training and career development in keeping with their aptitudes and abilities.

Inclusion

Creating an inclusive work environment where everyone can thrive is crucial to our business and culture. We work to ensure an inclusive workplace, which provides equal opportunities for all a priority for the Group. We do not discriminate based on a protected status, such as sex, colour, race, religion, native origin or age.

Despite working in a traditionally white male-dominated sector, we want to make our workforce reflect the communities which we work in and recruit from. Our focus on inclusion has been a key element of our sustainability journey. We have nine employee resource groups (ERGs) between North America and the UK, and their mission is to help advance an inclusive culture that empowers

Our North American ERGs

WISE Women: Inspired. Supported. Empowered. at Sunbelt Rentals

SERVE Sunbelt Empowering and Recognizing Veterans & Extended Families at Sunbelt Rentals

PROUD Promoting Respect, Openness, Unity & Dialogue at Sunbelt Rentals

BOLD Black Originators Leading and Doing at Sunbelt Rentals

JUNTOS (Together) at Sunbelt Rentals

Our UK ERGs

Parents & Caregivers

Pride

Roots

Gender Equality

individuals and provides equitable opportunity for team members and the communities we serve. We recognise that fostering an inclusive environment leads to a better work culture that supports employee mental health.

In the US we are required by law to monitor ethnicity in our workforce and we maintain a diverse workforce with c. 31% of the US workforce identifying themselves as being non-white. We also gather diversity data as part of the recruitment process in the UK and seek to monitor our diversity, although the information held is less complete than data in North America where information has been gathered over a longer period. We are committed to providing opportunities for people across our organisation regardless of gender, ethnicity or other characteristic.

Our goal is to respect our collective experiences and unique perspectives from across the Group.

Workforce by gender

We are focused on the gender composition of our workforce but recognise our workforce reflects the nature of our business, the industry in which we operate and the markets we serve, with just 13% of the Group's workforce being female. A significant proportion of our workforce are mechanics, technicians and drivers, virtually all of whom have been male historically. Therefore, while across our workforce we seek to promote an increasing presence of women in the business, and we have seen success in some areas of our business such as within professional functions, sales and customer service, we recognise that some roles will continue to attract fewer women.

While our industry has traditionally had many more men than women, we do have women at all levels of the Group, from the Board to store level. We have highly skilled women on our Board, within senior management teams and as store managers and sales executives, and we are committed to growing this number of talented women throughout the business.

We continue to prioritise recruiting the best people for every role and are working to make it easier for more highly qualified women to join and remain with the organisation. We believe that in doing so, we will move towards achieving a greater level of female representation across the Group at all levels starting from the grassroots of our organisation.

Ashtead pays men and women the same salary for the same role with the actual remuneration being based on skills, experience and performance.

However, as a result of our mix of employees and the roles they undertake, the average pay of men and women differs across the business. Summarised in Table 05 is the amount by which average pay for men exceeds that for women.

04 Workforce by gender

Number of employees	Male	Female	Female %
Board directors	**4**	**4**	**50%**
Senior management	**25**	**7**	**22%**
All staff	**21,891**	**3,157**	**13%**
By segment			
North America General Tool	**11,706**	**989**	**8%**
North America Specialty	**5,886**	**558**	**9%**
UK	**3,547**	**779**	**18%**
Corporate	**752**	**831**	**52%**
By region			
US	**16,447**	**2,063**	**11%**
Canada	**1,881**	**303**	**14%**
UK	**3,563**	**791**	**18%**

Data presented as at 30 April 2025

05 Pay gap

	Pay gap
US	**3%**
Canada	**4%**
UK	**1%**

Community engagement

Community engagement and investment is an important area of focus for us in Sunbelt 4.0. With over 1,500 stores, we have a strong presence in many local communities. We strive to have a positive impact in these communities through job creation, charity support, volunteering and responding to emergencies. Working with local and national charities is important to us, but the value we can bring to communities is broader than just supporting charitable causes. When we open new stores, we bring opportunities through recruitment, economic activity and a new avenue for local support into these communities. Both through the service we provide and the goods and services we procure, we help entrepreneurs and small businesses grow and, together with our customers, we help build thriving communities. Our stores are active in their local communities supporting causes relevant to their people.

Supporting communities in times of need

In the event of natural disasters or other emergency situations, we are often called in as a first responder. We provide equipment and power to restore services and support clean-up operations, with the aim of getting communities up and running again as fast as possible. In North America, we have an emergency response team ('ERT') which activates in response to weather-related disasters, such as hurricanes and tornadoes, fires, floods and snowstorms, or other everyday emergency situations where communities need rapid support. Every emergency situation is different and members of the ERT are experts in their field and are able to respond with the right quantity and type of resources for the situation at hand. Involvement in the ERT by our employees is voluntary and all are ready to deploy at a moment's notice in the event of an emergency.

This year we were particularly active during and after the California wildfires and hurricanes Helene and Milton. Each of these had a devastating impact on the local community and we were there to help support customers, communities and our own team members who were affected.

Charitable giving

We have always had a volunteering allowance for staff, but under Sunbelt 4.0, we are seeking to enhance the employee uptake of volunteering opportunities and improve co-ordination of volunteering activities to have the greatest impact in our communities. We are doing this through a programme for team members to give back to the charities of their choice, elevated by company matching. With our 'Dollars for Doers' and 'Pounds for Purpose' programmes, team members can earn money for the organisations for which they volunteer. These work alongside our local giving programmes, through which local teams support local causes that are meaningful to them.

Our community investment is made in several ways. Firstly, we will continue to work closely with our designated signature charitable partners: the Gary Sinise Foundation, Habitat for Humanity, who we also now work with in Canada, and the Leukaemia & Lymphoma Society. Last year we also partnered with GiGi's playhouse, a network of achievement centres for individuals with Downs Syndrome. These partnerships align with causes which are important to us and provide opportunities for long-term relationships where we can make a difference.

We also continue to work with other designated charitable partners. In the US, we work with the American Red Cross and its affiliates such as the Second Harvest Food Bank. In addition to financial donations made to the American Red Cross, we often send equipment and support to disaster-affected areas within the US. In the UK, we also work regularly with several charities, such as: Apex Scotland, where we help give people with criminal convictions the necessary skills to improve their lives; Forests with Impact, an innovative social enterprise creating employability opportunities by establishing commercial tree nurseries in prisons; and Beacon Skills Academy, which provides skills for life, employability and work experience programmes.

We are committed to making it as easy and accessible as possible for our people and partners to support local communities and charities. We have invested in a single streamlined platform to manage donations, grant applications and sponsorship payments across our community engagement activities. This platform will help us confirm that all activity meets the appropriate charitable standards and will deliver real-time data, reporting and insights – making it a highly effective and efficient tool to manage and track our community engagement activities.

Veteran engagement

A big part of our community impact comes through supporting veterans and the military-connected community. The mission of our Veterans programme is to implement innovative and valuable solutions to improve the short-term and long-term well-being of teammates and their families. Creating a community through which colleagues can connect over their shared experiences is one of the cornerstones of Sunbelt's veteran retention efforts.

CASE STUDY: DISASTER RECOVERY

Through our community engagement efforts, we support communities to recover and rebuild after natural disasters through charitable donations and volunteerism. We work with partners like the American Red Cross, Team Rubicon and Operation BBQ to identify support needed in communities impacted by these events. In the current year, through these partnerships, we provided support towards immediate relief efforts and long-term recovery following hurricanes Helene and Milton, including food, shelters, long-term recovery planning and financial assistance. In addition, Sunbelt volunteers participated in clean-up activities in Asheville, North Carolina – where the storm devastated the community. Our team members rolled up their sleeves and worked hard to remove thousands of pounds of debris from the riverbank.

Furthermore, our team members stepped up by donating and taking advantage of the Sunbelt Gives Matching Gift program where Sunbelt doubled team member donations to the American Red Cross through the month of January to amplify their impact.

We are in the tenth year of our partnership with the Gary Sinise Foundation, which works to honour America's defenders, military veterans, first responders, their families and those in need. Last year we contributed over $2m to the Foundation through monetary and in-kind donations. In addition to our partnership with the Gary Sinise Foundation, our SERVE employee resource group works with specific charitable organisations. This year, we continued our partnership with Wreaths Across America and Wreaths Across Canada to reinforce our commitment to our veteran community. In the UK, we work with Walking with the Wounded, who support armed forces veterans in many ways, including finding sustainable employment. We also have volunteering opportunities for team members through our partnership with Camp Southern Ground, which works with veterans and young people on summer camp.

Corporate behaviour

We have the same governance processes for sustainability as for any other aspect of the business. How these function and how we have performed is disclosed with the Corporate governance report on page 82.

Business ethics

Our commitment to the highest ethical standards means that the Group Risk Committee works to ensure these are communicated and upheld throughout the business. We believe in the rights of individuals and take our responsibilities to all our employees seriously and those who may be affected by our activities. The Group's modern slavery and human trafficking policy, business ethics and conduct policy and ethical sourcing policy are available on the Group's website. These policies inform our way of doing business and are embedded in our operations. They are also communicated directly to employees through dedicated communication and training programmes.

Senior employees across the Group receive regular business ethics training to ensure they are aware of their obligations and responsibilities with regard to competing fairly, the UK Bribery Act and money laundering and, in the US, the Foreign Corrupt Practices Act. This takes place every two years in North America with 2024/25 being a year of training, while in the UK, it is undertaken annually. Completion of training is monitored and reported to the Group Risk Committee. Anti-corruption and bribery policies are maintained and reviewed on a regular basis with relevant guidance incorporated into our employee handbooks and available on our intranet pages.

Building a responsible business means considering environmental impact, human rights, and modern slavery across the entire value chain. Our commitment to these values extends to how we engage with suppliers. For more details on our approach, including our due diligence process, please refer to the Governance section on page 76.

Human rights and modern slavery

At Ashtead we believe in the rights of individuals and take our responsibilities seriously to all our employees and those who may be affected by our activities. Our human rights policy is guided by the principles contained within the United Nations Universal Declaration of Human Rights and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. We have group-wide policies in place, all of which protect our employees as they go about their work which relate to our business and our suppliers. These policies form part of our way of doing business and are embedded in our operations. Our ethical sourcing policy addresses matters such as child and forced labour, freedom of association, working conditions, pay and hours, discrimination and harsh or inhumane treatment.

Modern slavery is an abuse of human rights and we have a separate human rights policy that commits the Group to ensuring there is no modern slavery or known breaches of human rights in our business or our supply chain. The policy applies to all employees across the Group and our subcontractors, and we expect similar commitments from our suppliers. Any suspicion that our policy is being breached or at risk of being breached can be reported through our anonymous whistle-blowing lines in North America and the UK.

In relation to our supply chain, while the Group sources goods and services from a wide range of suppliers, the Group predominately works with a small number of major equipment suppliers, of which the majority are based in North America and Europe. The Group's main suppliers relate to its rental equipment and have strong reputations for product quality and reliability. Outside of the Group's expenditure on equipment, its key expenditure relates to its workforce and goods and services procured locally to its stores.

In the UK, we have entered into a partnership with the Slave-Free Alliance to help us keep up-to-date with the constantly evolving risks associated with modern slavery and to help the Group strengthen further actions taken in relation to modern slavery risks.

Whistle-blowing

Our confidential, third party operated whistle-blowing service is available to all employees and third parties to raise any concerns that they may have about alleged unethical or illegal behaviour, or potential breaches of our ethical policies.

All whistle-blowing matters are investigated and outcomes are reported to the Board together with any action taken. Our approach is one of non-retaliation and we confirm that no employee will suffer any detriment from raising genuine concerns about ethical conduct.

Public affairs

The Group's policy is to prohibit donations of a political nature and hence no political donations have been made during the year (2024: none). In addition, the Group does not participate in political lobbying activities, either directly or through intermediaries.

During the Group's normal activities and its participation in the rental industry, the Group is a member of trade associations that do in some cases conduct lobbying campaigns with standardisation or regulatory authorities. The most significant of these trade associations are the American Rental Association ('ARA') in North America and the European Rental Association ('ERA') in the UK. Our total membership fees paid to the ARA, ERA and other trade associations in 2024/25 was $191,990, including a non tax-exempt portion of $20,419.

Cyber security

As the world continues to move online, at least in the short- to medium-term, awareness, monitoring and adaptability to cyber security issues is ever more crucial for us. We are prioritising the monitoring of any potential cyber security vulnerabilities and working to ensure business continuity under all potential scenarios. This year we held our sixth annual cyber security month. While securing hardware is an important facet of information security, protecting the data on our assets is critical to our success. We have encrypted email for all team members and our Information Security SharePoint site is also available for all team members. For more on cyber security, see page 35.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

The Task Force on Climate-related Financial Disclosures ('TCFD') provides a disclosure framework for companies to explain how they are responding to the risks and opportunities arising from climate change. UK Listing Rules require premium listed companies to make disclosures consistent with the recommendations of the TCFD and, where they have not complied, provide an explanation including details of the steps being taken to ensure future compliance. Responding to the risks and opportunities arising from climate change is an integral part of our business and is embedded throughout the Group and discussed throughout this Annual Report. We set out below our climate-related financial disclosures consistent with the TCFD recommendations across all four pillars and 11 recommendations, including guidance provided in the TCFD Annexes and the requirements of Listing Rule 9.8.6R, except in the area of metrics and targets, details of which are set out below.

These disclosures also address the requirements set out under the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022.

Metrics and targets:
The Group's disclosures are not fully consistent with the recommended disclosures relating to metrics and targets.

Scope 3 emissions are a material component of the Group's carbon footprint, with the most significant components arising from category 2 (capital goods), category 11 (use of sold products) and category 13 (downstream leased assets). We disclosed our Scope 3 emissions for the first time in our 2023 Sustainability report and continue to do so. However as commented on page 58, our quantification of Scope 3 emissions for 2024/25 is ongoing and hence we have not disclosed Scope 3 emissions for 2024/25 as required by recommended disclosure (b) within this Annual Report. Instead, as in previous years, our Scope 3 emissions for 2024/25 will be disclosed in the Group's 2025 Sustainability report.

Developments in the current year

We continue to evolve the Group's sustainability disclosures through the Group's Annual Report and Accounts and the supplementary disclosures provided in our Sustainability report to provide increased insight into our material sustainability topics, including in relation to the potential impact of climate change on the Group.

Developments in the current year include disclosure of the Group's Scope 3 emissions for 2023/24 in accordance with the GHG Protocol and the European Rental Association's ('ERA's') recently issued sector-specific guidance. We participated in the industry-wide initiative led by the ERA to develop guidance tailored to the rental industry's unique value chain. We will update our Scope 3 disclosures in the Group's 2025 Sustainability report.

Governance

The Group's Board of directors is responsible for setting the Group's strategy, taking into account all relevant risks and opportunities, including those related to climate matters. The Group's rigorous risk management framework is designed to identify and assess the likelihood and consequences of risks and to manage the actions necessary to mitigate their impact, including those related to climate-related matters, and is detailed on pages 36 and 37.

The Group launched its latest strategic growth plan, Sunbelt 4.0, in April 2024 which enhanced our focus on climate-related considerations as part of the 'Sustainability' actionable component, including a commitment to reduce our Scope 1 and 2 GHG intensity by 50% by 2034 (from a baseline of 2024) on a journey to Net Zero by 2050. Further details as to how climate-related considerations are incorporated into the strategy are on page 27 and in our Responsible business report on page 57. The Board receives updates at each Board meeting as to the Group's progress against our strategic goals, with a formal strategic review undertaken on an annual basis. In addition, sustainability metrics have been embedded in the Group's remuneration arrangements as part of the annual Long-Term Incentive Plan award criteria. This is overseen by the Remuneration Committee, as detailed on page 96.

The Board of directors is assisted in monitoring the success of our sustainability initiatives through the work of the Group Risk Committee, which monitors the progress we make against our strategic sustainability objectives and the targets we have set. The Group Risk Committee is chaired by our chief financial officer and reports formally to the Audit Committee on an annual basis.

One of the principal risks and opportunities faced by the business relates to environmental matters, including those contributing to climate change. On a day-to-day basis, the Group's response to climate-related risks and opportunities is led by Brendan Horgan, the Group's chief executive, who has over 25 years' experience in the rental industry through which he has developed an in-depth knowledge and understanding of current and emerging technologies as they apply to our business, including their environmental impact. Activities include overseeing the Group's work with suppliers and customers on developing and bringing more environmentally friendly equipment options to market as discussed in more detail on page 59, directing the business in relation to reducing emissions through direct operations and approving associated capital expenditure plans.

Our actions across each of these areas are embedded within our operational activities across the business, supported by the Group's SVP of Sustainability and dedicated specialists in North America and the UK. The Group's sustainability working group, which includes representation from the Group's core sustainability team as well as from across the business, monitors progress of our sustainability-related initiatives and performance against the targets we have set for ourselves. This includes developing a clear and dynamic strategy to support the Group's transition to a low-carbon economy.

These primary roles and responsibilities for the assessment and management of climate-related risks can be summarised as follows:

	Frequency of review	Roles and responsibilities	Areas of focus in 2024/25
The Board	Regularly, as required, formally on a bi-annual basis.	– Oversight of risks and opportunities and how these are reflected in the Group's strategy – Assessment of the Group's risks related to climate and actions taken to mitigate – Approval of the Group's budget, including fleet and other capital expenditure plans necessary to progress sustainability priorities	– Review of Group strategy and progress against actionable components of Sunbelt 4.0, including our Net Zero commitment – Review of the Group's key performance indicators and progress against the sustainability targets established by the Group – Review and approval of TCFD and other sustainability-related disclosures – Approval of the Group's budget
Remuneration Committee	As required.	– Assessment of remuneration policies and targets to ensure that they appropriately incorporate sustainability elements	– Review of performance against existing sustainability-related targets
Nomination Committee	As required.	– Ensuring the Board composition reflects the skills and experience required, including those related to climate-related matters	– Continued consideration of board composition
Audit Committee	Formal annual review of Group risk register with periodic detailed reviews of specific risks. Formally reports to the Board after each Board meeting.	– Oversight of the Group's corporate financial reporting, including sustainability related disclosures – Oversees risk management processing, including oversight of the work of the Group Risk Committee – Oversight of the Group's assurance framework, including in relation to sustainability metrics and reporting	– Review of TCFD and other sustainability related disclosures – Consideration of the impact of climate-related matters in the Group's financial reporting
Risk Committee	Bi-annual review of key and emerging risks. Reports annually through the Audit Committee to the Board.	– Responsible for oversight of the Group's approach to risk management, including review of the identification and management of significant risks, including those related to climate matters – Local Risk Committees in North America and the UK include sustainability experts and report on local sustainability issues to the Group Risk Committee	– Consideration of the impact of climate-related matters on the Group's risk landscape

Management teams involved day-to-day in managing climate-related matters include:

- **sustainability working group:** ongoing development, implementation and monitoring of company-wide net zero strategies and initiatives including oversight over data gathering and reporting process. Areas of work include continuous assessment and updated modelling to support the Group's carbon reduction plans;
- **environmental specialists:** supporting broader management teams in the development of strategies to deliver the Group's sustainability priorities, and considering transition plans to support a low-carbon economy. In addition, supporting operational activities to respond to new and emerging legislation relating to carbon reduction;
- **fleet management:** engagement with our key fleet suppliers in the development and bringing to market of new technologies, as well as promoting new alternative technologies across the business;
- **customer engagement:** working with customers to deliver low- or zero-carbon solutions;
- **vehicle procurement:** developing vehicle procurement plans which reflect transition to low- or zero-carbon solutions, including the use of alternative fuels and battery or other power sources;
- **property and utilities:** assessment of property standards and implementation of energy improvement programmes (e.g. LED retrofit programme) and management of energy procurement; and
- **finance:** supporting the measurement and reporting of climate-related matters, including assessment of risks and opportunities and consideration of the impact on accounting matters.

Strategy

Climate-related risks and opportunities

The Group's rigorous risk management framework is designed to identify and assess the likelihood and consequences of risks and to manage the actions necessary to mitigate their impact, including those related to climate-related matters, and is detailed on pages 36 and 37. We do not consider the risk arising from climate-change to represent a separate principal risk for the Group as it is intrinsically linked to the Group's other principal risks and the day-to-day management of the Group.

As part of the Group's risk management process, the Group reviews its material issues on an annual basis, including consideration of any emerging risks, further details of which are provided on page 37. The results of our material issues assessment are detailed on pages 52 and 53 within our Responsible business report. We are currently undertaking a double materiality assessment which will provide an updated view of material topics from multiple perspectives. We have aligned climate-related matters including fleet electrification and GHG emission reporting, within 'the operations' area but importantly the Group believes climate-related matters represent significant opportunities as well as posing certain risks for the Group. The Group believes that its market position and financial strength brings it significant competitive advantage in responding to these risks and maximising the opportunities. Specifically, the Group has identified opportunities arising from the development of new products, solutions and services which support the transition to a lower-carbon economy, the shift in customer preference from ownership to rental and the overall benefits to the environment as a whole which arise from sharing assets over their life cycle, described in more detail on page 57 within the Responsible business report. The transition to a lower-carbon economy also poses certain risks to the Group including an increase in capital expenditure for low- or zero-emission technologies and an increase in operating expense associated with transportation cost and staff cost as a result of rising energy prices and long-term heat stress, respectively.

The Group considers the range of climate-related risks and opportunities over the short, medium and long-term. In assessing these time horizons, the Group has defined the following time horizons:

- short-term – over the next three years: this timeframe coincides with our annual budgeting and planning time horizon;
- medium-term – three to five years: ongoing market and technology developments, but with uncertainty related to pace of change. Slowly increasing adoption of low-carbon solutions, specifically by larger customers. Uncertainty around increased availability of alternative fuels due to feedstock availability and potential changes to legislative incentives, especially in the US; and
- long-term – beyond five years: while we believe there is far greater uncertainty, but in addition to those risks and opportunities arising in the short- to medium-term, there is potential for technological advancement in battery technology, alternative power sources, alternative fuels and commercial production enabling a more rapid move towards a lower-carbon environment.

Each risk and opportunity considered, regardless of the applicable time horizon, is factored into the Group's strategic planning on an ongoing basis. As commented above, given the nature in which these risks and opportunities are intrinsically linked to the Group's day-to-day operations, they form part of our financial planning and budgeting processes, instead of being assessed as a standalone matter. For example, the costs associated with the purchase of battery powered rental fleet, or the property upgrades as part of the LED retrofit programme and solar installations, form part of the Group's capital expenditure plans.

Physical risk (medium and long-term)

Overall, we believe that the climate-related risks relevant to the Group are those associated primarily with transition risks rather than physical (acute and chronic) risks, brought about by extreme weather events or changing weather patterns. Physical risks are mitigated by the diverse nature of the Group's operations. The Group operates from over 1,500 stores across the US (where we are present in all 50 states), Canada (where we are present in eight provinces) and the UK. Our largest store has c. $130m of rental fleet at cost (c. 1% of the Group's fleet) while c. 98% of our locations have less than $50m of rental fleet at cost, the majority of which is out on rent at any particular time. As a result, no one store is material to the Group such that a natural disaster or other physical risk would have a significant impact on the Group's ability to operate.

Acute physical risks

Acute physical risks are physical risks arising from an increased severity of extreme weather events in the future, such as hurricanes or tornadoes. Our business growth model considers adaptation to a changing climate, which we believe presents both challenges and opportunities. In the event of natural disasters or other emergency situations, we are often called upon as a first responder. We provide equipment and power to restore services and support clean-up operations and our highly experienced Emergency Response Team are equipped to get communities back on their feet quickly.

Furthermore, while we believe the direct impact of physical risks on the Group are mitigated by its diverse operations, they could have a more significant impact on the Group's supply chain. If a supplier was disrupted due to an acute weather event, it may affect our ability to acquire new fleet. However, we have inherent flexibility within the Group's business model with a rental fleet of c. $19bn (original equipment cost) and could continue to operate although it may affect our ability to grow as planned. In this scenario, we would delay equipment disposals in the short-term.

Chronic physical risks

Chronic physical risks are physical risks arising from long-term changes in climate, such as rising mean temperatures or rising sea levels. In relation to temperature increases, in the medium- to long-term, increased temperatures may give rise to general heat stress concerns across the communities in which we operate, resulting in a decrease in possible labour working time for those team members which are based in the field – predominantly our technicians within our store network. While there are actions we would take, the unmitigated impact on our business may be an increase in labour costs as a result of lower labour productivity, as well as the need to invest further in employee health and well-being programmes.

We have also considered the impact of water scarcity and temperature increases on our business. We are not a water intensive business but do utilise water for cleaning and maintenance activities and are mindful of our water consumption, in particular in water stressed areas. Our impact is mitigated by our water saving initiatives in place, further details of which are provided on page 59.

Policy and legal risk (short, medium and long-term)

Legal compliance covers matters such as wastewater, storm water, solid and hazardous wastes and materials, and air quality. Breaches potentially create litigation for the Group which may result in fines and penalties for non-compliance. The Group's Health and Safety and Environmental Compliance departments and our operational audit teams continually assess the Group's regulatory environmental compliance. These audits have a built-in corrective action process to ensure any identified non-compliance is addressed in a timely manner.

The Group monitors current and emerging regulation to ensure our policies and practices remain appropriate. Specific examples of current regulation which impacts the Group relate to ensuring our rental and vehicle fleet is compliant with engine emission standards such as the Californian Air Emissions Standards or the London Ultra-low Emission Zone requirements. We believe that regulation will increase over time and the potential for government-imposed restrictions on greenhouse gas emissions, through carbon taxes and import carbon pricing mechanisms, could lead to higher operating and capital costs for the Group in the future. However, these costs are associated with the use of an asset, whether it is owned or rented, and so we expect these costs to be borne by the user of the asset and hence, in the case of rental, be reflected in rental rates.

Technology risk (short, medium and long-term)

A significant proportion of our fleet today contains a diesel engine, further details of which are provided on page 59. While we will seek to replace these assets with assets using alternative fuel sources as they become available, this will take time. Indeed, there are a lack of alternative assets available today and limited manufacturing capacity and so we expect any transition to happen gradually and to incur higher costs in the short- to medium-term. Compared to internal combustion engines ('ICE'), we have experienced a 10% premium for light weight battery electric vehicles ('BEVs'), 213% premium for medium duty BEVs and 100% premium for heavy duty BEVs. Over time, we expect the cost of greener technology to reduce, but the rate of this decline and the inflection point at which ICE prices exceed those of EVs will depend on battery technology development in addition to the level of policy ambition, timing and coordination.

We will seek to manage this transition in the same manner as we managed the transition from Tier 0 to Tier 4/5 diesel engines from 1994 to 2018. On average, we own assets for seven to eight years and therefore expect the full transition of our fleet will only occur over the longer-term as projected in our net zero road map.

We believe the shift to low- or zero-emission technologies will also increase the cost of rental assets. As an example, we have experienced costs which are three times greater for a battery version of a diesel machine in early phase of production. However, over time, we expect the cost of greener technology to reduce as production volumes increase and reach commercial levels.

We are working closely with suppliers and customers to develop new technology, including investment in partners to assist in the development of battery, solar and other technology. We also believe the development of R99/HVO or other lower carbon alternative fuels may provide an additional fuel source to complement use of diesel fuel in certain locations, particularly in the transition period as alternative technologies are developed.

Our strategy is to ensure we have a sustainable business over the long-term. This is an integral part of Sunbelt 4.0. Through our 'Sustainability' component, we are looking to drive environmental efficiencies in our transportation fleet and the facilities we operate. The costs of this transition are included in our financial plans. This is underpinned by the foundational elements 'Platform' and 'Innovation' which deliver a leading technology platform, capturing the benefits of scale and enhancing customer service.

Market risk (medium- to long-term)

Emerging market developments are monitored, using both third party risk analysis, as well as internal views of emerging trends. Specifically, these market factors include changing customer requirements as a result of the environmental standards to which they operate to support their own low-carbon objectives.

Furthermore, we believe that market risk arises from potential changes in the cost of transportation and logistics associated with changes in energy prices and availability of alternative energy sources. Changes in fossil fuel prices over the medium-term may impact the pace of global investment in green technology and renewable energy. Overall energy demand Is projected to increase significantly due to Artificial Intelligence and other technological advancements, resulting in potential rises in energy prices, which could impact our transportation and other energy costs. Our net zero model which we developed in support of our net zero commitment is dynamic and designed to be adapted as key known and unknown factors develop – for example, the financial impacts arising as electric power displaces petroleum fuel and evolving projections around pace, scale and cost of low-carbon technology and infrastructure.

To optimise costs and performance, we are working closely with fleet specialists to improve the efficiency of our current fossil-fuel rental and transportation fleet through:

- transport route optimisation and equipment loading, reducing miles travelled to deliver the same amount of fleet, resulting in lower costs and carbon emissions; and
- increased asset utilisation, through use of enhanced telematics to maximise asset uptime, reducing the number of assets required for a certain activity level.

Reputation risk (short, medium and long-term)

Breaches of environmental regulation potentially create hazards to our employees, damage to our reputation and expose the Group to, among other things, the cost of investigation and remediating contamination and also fines and penalties for non-compliance.

Failure to meet the Group's climate-related commitments, or breach of environmental regulation, could result in loss of revenue or financial penalty. In relation to the Group's Scope 1 and 2 GHG intensity reduction targets which form part of the Group's Sunbelt 4.0 actionable components, the associated costs are reflected within our financial performance and plans.

Management of the impact of these climate-related transition risks and opportunities forms part of the day-to-day operational activities of the Group and our financial planning reflects the financial impacts and investments anticipated with examples of their activities provided in the Responsible business report on pages 57 to 59.

Opportunities (short, medium and long-term)

While we believe physical risks brought about by extreme weather events or changing weather patterns are mitigated by the diverse nature of the Group's operations, our products are in high demand to respond to the consequences of events such as hurricanes, wildfires and flooding. Increased frequency of extreme weather events brought about by climate change will result in increased demand for our products and services.

As environmental regulations surrounding GHG emissions and waste tighten over the medium- to long-term, this will promote a shift from ownership to rental. The rental sector supports many of the principles of a circular economy. These include shared use, efficient and reduced use of resources, high levels of maintenance and repair, and ensuring further use or recycling of equipment at the end of its useful life. At the end of its service life with us, our equipment has many years of use remaining and, as such, we sell it in the secondary market. This results in:

- lower emissions generated in the manufacturing phase and fewer natural resources being utilised;
- lower emissions through transportation of equipment, as relevant equipment is located locally to job sites;
- more efficient use of assets as the optimal asset can be used for a customer's job with assets maintained to a higher standard; and
- consequently, fewer assets reaching end of life and requiring disposal.

Increasingly, we are providing lower carbon solutions using existing technologies as customers seek to reduce their carbon footprint. As an example, we are able to reduce emissions by using battery storage technology combined with diesel generators so that the generator operates at optimum efficiency for a shorter period of time and hence, uses less fuel. This combination of equipment also provides the benefit of lower noise pollution.

The increasing level and pace of regulatory requirements make it more complicated and expensive for customers to maintain compliance. Emerging technology is more complicated, requires a different skill set to maintain, and is more expensive, at least initially, than existing technology. As such, it will be more efficient for customers to rent rather than buy a new asset, providing an additional impetus to the shift from ownership to rental. This will contribute to a larger rental market, from which we are well positioned to benefit.

Resilience of the Group's strategy

The Group has a business model that is both resilient and adaptable to change. Furthermore, it benefits from a distributed operating structure such that it is not reliant on any particular location. The Group's strategy seeks to take advantage of these benefits of the business model, while recognising the risks inherent in the business and the environment in which we operate, whether that be economic factors, competitor actions, cyber threats or environmental considerations such as climate change. We discuss our thinking on climate-related matters on a regular basis assessing how changes may affect the business and how the business would respond. While we consider a wide range of scenarios, we have outlined our thinking below under three climate scenarios: an increase in average temperatures by 1.5°C, 2°C and over 3°C.

Scenario analysis

In evolving our analysis of the potential impact of alternative climate-related scenarios on the Group, the Group has considered certain risks and opportunities as identified above. We used the Group's net zero road map as a foundation for our analysis but have overlayed alternative climate scenarios to test the resilience of our strategy. In line with TCFD recommendations, our analysis considered three plausible climate scenarios:

- current policies (>3°C rise in temperatures by 2100, aligning with RCP 8.5 pathway) – this scenario considers our resilience in an environment with high global warming and physical climate change;
- delayed transition (<2°C rise in temperatures by 2100, aligning with RCP 4.5 pathway) – this scenario considers our resilience in an environment where delayed transition means that rapid policy change is required in the longer-term to mitigate the extent of global warming and physical climate change; and
- net zero (1.5°C rise in temperatures by 2100, aligning with RCP 2.6 pathway) – this scenario considers our resilience in an environment where policy change is implemented immediately and therefore global temperature rises are contained.

For transition risks, we have used the Network for Greening the Financial System (NGFS) as a basis for our scenario analysis, while for physical risks, we used the Intergovernmental Panel on Climate Change Representative Concentration Pathways (RCPs) and research from the International Labour Organization database.

Climate-related risks and opportunities have been evaluated based on our assessment of their likelihood as well as based on our assessment of the potential impact on our business operations, including the financial impact in relation to capital expenditure, operating expenditure or revenue. However, we highlight that in relation to operational and financial impacts, we expect the Group to be able to implement a range of mitigating actions against the impact of the risks identified. Specifically, as commented above, we expect the transition to low-carbon assets to be undertaken in an orderly manner and, as these risks are reflective of broad societal impacts, we expect to be able to increase rental rates and delivery charges to reflect the increase in the cost of assets and higher transportation costs.

Nevertheless, we recognise the inherent uncertainty in assessing these scenarios, including the likelihood of risks, the potential for emerging opportunities and technology, and our ability to capitalise on them fully. We therefore consider this uncertainty when assessing our strategic resilience to these climate-related risks and opportunities. We have quantified the potential operational and financial impact using illustrative financial data together with available third party data relevant to the risks and opportunities considered. However, in general, the financial impacts on the Group are mitigated by the breadth and nature of the Group's products and the fact that our rental product range adapts to meet the requirements of our end markets in the ordinary course of business. Furthermore, as we have defined short-term as being over the next three years, we believe that the potential impact over that time horizon is very low in all scenarios.

Illustration of our scenario analysis relating to risks and opportunities:

Type of risk or opportunity	Description of risk or opportunity	Potential operational and financial impact		Potential mitigating actions
Physical risk				
Chronic risk – impact of heat stress	Heat stress may significantly impact worker health, safety, and productivity, potentially leading to higher costs associated with increased staffing requirements and medical coverage.	Approximately 25% of our workforce are field-based technicians, and it is this workforce which we believe would be most impacted by heat stress. The International Labour Organisation has estimated there will be a 1% greater loss of worker productivity in the US by 2030 in a 1.5°C scenario. Given the sector's high exposure to outdoor work and rising temperatures, productivity losses could increase exponentially under higher warming scenarios. If we were to assume a 1% increase in labour costs for technicians in the US, the incremental cost to the Group today would be approximately $4m per annum.		Over the medium- to long-term, we believe that we would seek to recover incremental costs arising in our business due to heat stress through rental rate, although recognise that it may not be possible to fully cover these costs. Nevertheless, we expect the impact to be low.
		1.5°C	In a 1.5°C scenario, there would be no incremental costs to the Group.	
		<2°C	In a <2°C scenario, while there would be some impact in the long-term, we do not believe that this is significant and estimate that it would represent the mid-point between the 1.5°C and the >3°C scenario.	
		>3°C	In a >3°C scenario, in the long-term, incremental costs could arise due to lost labour productivity as well as increased energy costs associated with cooling and staff medical costs. In addition, we may need to upgrade our locations to provide enhanced facilities for team members. Nevertheless, based on the analysis above, we do not believe that this would be significant.	
Transition risks				
Technology risk – transition to low-carbon assets	Transitioning to a low-carbon economy will require significant capital investment in our rental and transportation fleet.	Our current rental fleet has an original equipment cost of c. $19bn with a seven- to eight-year replacement cycle. Thus, on average, we replace $2.4bn per year (using eight years) of which c. 70% ($1.7bn) is reliant on fossil fuels. If we were to assume the cost of a lower-carbon asset to be c. 25% greater than its diesel equivalent, the incremental cost would be $415m, with a resultant higher depreciation charge arising over the life of the asset. It should be noted that this is an illustrative figure only. This cost is embedded within our capital expenditure plans going forward and will not be a discrete one-off item of capital expenditure. Furthermore, it is unlikely that any individual year would see an immediate shift away from diesel assets but instead will be a more progressive transition.		Given the long-term nature of our assets, we believe that the transition of our rental and non-rental fleet will be undertaken in an orderly fashion. Furthermore, we would expect rental rates to increase to reflect the changing asset cost base, and therefore to have a limited net financial impact on the Group. Based on the incremental capital expenditure figure we have identified, we would estimate incremental annual rental revenue of $250m (based on an assumption of 60% dollar utilisation), or $2.0bn over an asset's life (assuming an eight-year life).
		1.5°C	In a 1.5°C scenario, in the short-term we believe the impact would be insignificant as while the cost of alternative assets today is higher than their diesel equivalents, there is a lack of production capacity which limits transition. In the medium- to longer-term, we expect the cost of lower-carbon assets to reduce as technology develops and production capacity shifts to facilitate their manufacture.	
		<2°C	In a <2°C scenario, we expect transition to low-carbon assets to be slower and therefore any incremental costs arising to be incurred over a longer period of time when compared to a 1.5°C scenario.	
		>3°C	In a >3°C scenario, transition to alternative asset types would be limited and therefore no incremental cost to the business.	

Type of risk or opportunity	Description of risk or opportunity	Potential operational and financial impact		Potential mitigating actions
Market risk – impact on transportation cost	Increased cost of transportation and logistics associated with the cost of energy.	Based on the cost of fuel and transportation services purchased by the Group today, a 1% change in the cost due to the adoption of alternative fuel types where feasible, the incremental cost or saving to the Group would be $6m.		In the medium-term, alternative fuels (where available) are likely to result in a premium for substitute fuels, but we believe that as a range of low-carbon solutions emerge over the long-term, this will normalise. Nevertheless, we expect to continue to recover all our transportation costs through delivery charges.
		1.5°C	In a 1.5°C scenario, we would expect incremental transportation costs to rise in the medium-term while production volumes of alternative fuels remain limited. In the longer-term, we would expect these to moderate as alternative technologies become available.	
		<2°C	In a <2°C scenario, we would expect some impact to the Group, but that this would be less than that arising from the 1.5°C scenario.	
		>3°C	In a >3°C scenario, there would be no incremental costs to the Group as the transition to alternative fuels and technologies is not implemented. We note that this scenario is not in line with the Group's net zero pathway.	
Transition opportunity				
Market opportunity – change in customer behaviour	The shift to a low- or zero-carbon economy will promote a shift from ownership to rental. This could see an expansion in our customer base in the medium- to long-term.	We believe that it is difficult to quantify the market opportunity due to changes in customer behaviour as it is embedded within the ongoing trend of a shift to rental. Today, rental makes up approximately 55% of the US market but that the transition to lower-carbon assets will accelerate the shift from ownership to rental. The North American rental market is estimated as $84bn[1], and therefore a 1% increase in rental penetration would increase the size of the rental market by $1.5bn – with a 11% market share in North America, would equate to c. $170m of incremental rental revenue.		Not applicable.
		1.5°C <2°C >3°C	It is difficult to analyse the opportunity from a shift in customer behaviour across different climate scenarios. However, we believe that the transition to lower-carbon assets provides a further incentive for customers to rent rather than own.	

1 S&P Global Market Intelligence (May 2025) – market size estimate for 2024

In a 2°C or less scenario, we believe that the risks and opportunities faced by the Group will be related principally to transition risks (e.g., the application of policy or regulatory initiatives including increased pricing of GHG emissions, changes in technology and changes in customer preferences). In this scenario, as we, our suppliers and our customers look to reduce GHG emissions, we are likely to face increasing costs whether that be through increased cost of our rental fleet, or the cost associated with the pricing of GHG emissions. While we believe these factors will crystallise over the medium- to longer-term as new technologies develop, we are working with our suppliers and other parties to advance these technologies. In the near- to medium-term, the availability of new technology will be constrained by production capacity, and we would expect to transition our rental fleet to the latest technology gradually as we replace c. 15% of our rental fleet every year. We believe that increased costs and complexity will provide additional impetus to the shift from ownership to rental, increasing our addressable market. We expect rental and transportation rates to reflect the increased cost of rental and transportation equipment, enabling us to maintain similar levels of dollar utilisation and therefore returns. We expect to continue to dispose of old rental fleet in the used equipment market, replacing other organisations' older, less environmentally friendly equipment.

In a 3°C and over scenario, in addition to the transition risks discussed above we would expect to see an increase in physical risks (e.g., increased instances of extreme weather events, rising mean temperatures and rising sea levels). As discussed above, the diversified nature of the Group's operations means that no location is material to the Group, mitigating the immediate impact of physical risks on our operations and enabling us to plan for the longer-term. We recognise the impact heat stress may have on our people and infrastructure and this will be a key consideration in our people and growth strategy.

In any scenario, the speed of the transition of assets will be constrained by the availability of new technologies and manufacturing capacity. Given our partnership with key suppliers and our regular replacement cycle, we expect to be able to transition our fleet more quickly than many other organisations. These discussions and considerations are factored into our routine financial planning activities – for example, through our capital allocation decisions.

In considering the impact of the above risks and opportunities on the Group's financial statements for 2024/25, we do not believe that there are any specific adjustments required. Specifically, the Group has considered if there is any potential impact on rental asset lives and residual values. The Group assesses asset lives and residual values on an annual basis to determine that the Group's estimates remain appropriate. In doing so, the Group has considered the impact of transition to alternative technologies on its existing rental fleet, or the introduction of legislation in relation to emissions. However, as we note above under the 'technology' risk, we believe that any transition in technologies will be gradual and therefore asset lives and residual values remain appropriate.

Risk management

The process for identifying, assessing and managing climate-related risks is the same as for all the risks faced by the Group and is described on pages 32 to 37, including our description of the Group's overall risk management framework on page 33 and our assessment in relation to emerging risks on page 37.

As discussed above, our response to these risks and our actions are embedded within our operational activities, supported by dedicated specialists in North America and the UK. Our sustainability working group, with oversight from the Group's risk committee, monitors progress of our sustainability related initiatives and performance against the targets we have set ourselves.

The Board has overall responsibility for risk management, setting risk appetite and implementation of the risk management policy – this includes responsibility for climate-related risks and actions taken to manage those risks where relevant. This approach is designed to enable the Group to take advantage of attractive opportunities, yet to do so within the risk appetite of the Board, mindful of risks which have been identified and any emerging risks which may impact the Group. The Group's Risk Committee monitors the actions taken across the Group to manage the Group's Risk and ensure that adequate assurance is obtained over them. In addition, the Group's Risk Committee ensures that risks have been appropriately assessed in relation to risk rating.

The Board recognises that climate-related risks present significant new and emerging risks to organisations and therefore are mindful of the need to continuously consider developments in this area, both in terms of new risks which have emerged as well as the change in their relative significance. Included within the Group's considerations is the impact of existing and emerging regulatory requirements on the Group, such as potential future limits on emissions, further details of which we have detailed within the strategy section above.

Metrics and targets

Our KPI associated with environmental risk is that of GHG intensity for our Scope 1 and 2 GHG emissions. We have set a target to reduce our Scope 1 and 2 GHG intensity by 50% by 2034 (compared to a base year of 2023/24) and to be Scope 1 and 2 Net Zero by 2050. Details as to how we plan to achieve these commitments, our performance in the current year and progress over the prior years can be found on pages 57 and 58 within our Responsible business report.

Our GHG intensity reduction targets are incorporated into our annual Long-Term Incentive Plan. Further details are set out in our Remuneration report on page 108.

Greenhouse gas (GHG) emissions

Our Scope 1 and 2 GHG emissions are disclosed on pages 57 and 58 of this report and have been determined in line with the GHG Protocol methodology. Unlike many organisations, the nature of the Group's operations is that the majority of our Scope 1 and 2 emissions arise from Scope 1 emissions, relating to the transportation and delivery of our rental fleet to customers.

Our Scope 3 GHG emissions are disclosed in the Group's Sustainability report. The most significant components of our Scope 3 emissions relate to our customers' use of our assets during the rental period, the use of sold product (principally the use of used equipment after our ownership) and the embedded carbon in our supply chain. This is discussed in more detail within the Responsible business report on page 59.

Measuring Scope 3 emissions involves a significant application of judgement, in particular in relation to the use of sold assets when we dispose of rental assets to the used equipment market and end of life treatment of these assets. Accordingly, our Scope 3 emissions will always be subject to a significant degree of estimation uncertainty.

Other metrics

We have considered what other metrics and targets may be relevant to the Group. In doing so, we have considered internal areas of focus, the risks and opportunities analysis summarised above and external reporting frameworks, such as the Industrial Machinery & Goods SASB standard applicable to the Group, which we report against within the Group's Sustainability report. In addition to the metrics provided within this report, we report on water consumption within the Group's Sustainability report. However, as part of our ongoing focus on the environmental impact of the Group more broadly, we are in the process of developing metrics and targets to monitor and measure our impact in other areas which are less material to the Group. These include the diversion rate of waste from landfill. While we have several programmes in place to manage waste across the business and have reliable data in the UK relating to waste diversion given the legislative environment, we have undertaken a waste mapping exercise in North America to understand our waste composition in more detail. We are working with our waste management suppliers and our locations to increase our diversion rate of waste from landfill. This will enable us to better track our progress in the future.

Details as to our work in these areas is discussed on page 59.

» 05 ACTIONABLE COMPONENT

INVESTMENT

Disciplined capital allocation driving profitable growth, strong cash generation and enhanced shareholder value.

2025 highlights

- New share buyback program of up to $1.5 billion over 18 months
- Net debt to EBITDA ratio (excluding IFRS 16) maintained at 1.6 times, comfortably within our long-term range of 1 to 2 times
- Amended and extended $4.75bn senior credit facility, which matures in November 2029

NON-FINANCIAL AND SUSTAINABILITY INFORMATION STATEMENT

The non-financial and sustainability reporting regulations in section 414CA and 414CB of the Companies Act 2006 require the disclosure of specific information relating to environmental matters, the Company's employees, social matters, respect for human rights and anti-corruption and anti-bribery matters, a summary of which is set out below.

Environmental matters

We seek to minimise the environmental impact of everything we do. In addition, our commitment to improving energy performance is intended to reduce our impact on the environment and could deliver significant cost savings over time.

Further details of our policies, including disclosure of carbon emission and energy usage data, is provided on pages 57 to 59. A summary of our climate-related financial disclosure approach is included in our TCFD statement on pages 66 to 73, which includes details on governance, strategy (including responding to the risks and opportunities arising from climate change), risk management and measuring performance.

Related principal risks: see 'environmental' risk on page 36.

Employees

Our employee policies are designed to ensure that we recruit the best people, train them well and look after them so that they provide the best possible service for our customers, suppliers and communities. Furthermore, health and safety policies are core to our operations and we maintain and continuously seek to enhance our health and safety programmes to minimise any risk to our people.

Specific policies provide equal opportunities to all of our staff and ensure that we maintain an inclusive culture. Employee policies are available to all employees through the employee handbooks and on our employee intranet.

Further details of our policies, including details on our safety programmes, training and recruitment activities, is provided on pages 54 to 56 and pages 60 to 63.

Related principal risks: see 'people and culture' risk on page 35.

Social matters

Playing a big role in our local communities is of crucial importance to our business. As we expand our market share, particularly in North America, we have ever more impact and influence over the communities where we hire staff and make an economic contribution. Our responsibility to those communities increases likewise. The Group has policies to support employee volunteering for programmes which positively impact our communities.

Further details of our contribution to society and the communities in which we operate is provided on page 64.

Related principal risks: while social matters are not considered a principal risk to the Group, we believe there is an important link between social matters and the risk identified in relation to our people and culture as outlined on page 35.

Human rights

We believe in the rights of individuals and take our responsibilities seriously to all our employees and those who may be affected by our activities and, last year, adopted a formal human rights policy. While we do not manage human rights matters separately, we continue to assess potential risks and do not believe they raise particular issues for the business.

Further details of our policies are provided on page 65. Our human rights policy, business ethics and conduct policy, modern slavery and human trafficking policy and modern slavery and human trafficking statement are available on our website.

Related principal risks: see 'laws and regulations' risk on page 36.

Anti-corruption and anti-bribery

Anti-corruption and bribery policies are maintained and reviewed on a regular basis with relevant guidance included in employee handbooks and available on our employee intranet. These policies include matters relating to money laundering and anti-competitive behaviour.

Further details of our policies, including details on training required to be undertaken by our employees, is provided on page 62.

Related principal risks: see 'laws and regulations' risk on page 36.

In addition, information required in relation to the Group's business model, principal risks, including those which relate to the matters above, and key performance indicators are provided on pages 16 to 21 and pages 30 to 37 of the Annual Report.

APPROVAL OF THE STRATEGIC REPORT

The Strategic report set out on pages 1 to 76 was approved by the Board on 16 June 2025 and has been signed on its behalf by:

Brendan Horgan
Chief executive
16 June 2025

Alex Pease
Chief financial officer
16 June 2025

DIRECTORS' REPORT

Contents

STRONG CORPORATE GOVERNANCE

Dear Shareholder

As chair, it is my role to ensure that the governance regime remains appropriately robust and that the Board operates effectively. I am therefore pleased to introduce the corporate governance report for 2024/25. This report details the matters addressed by the Board and its committees during the year.

The Group launched Sunbelt 4.0 in April of last year, the next iteration of the Group's strategy. This year has been focused on the implementation of this plan, particularly embedding our integrated technology ecosystem. The business continues to perform well and in executing against the Group's strategy, the Board continues to consider all the Group's stakeholders and seeks to take actions that support the Group's overall purpose of providing a reliable alternative to ownership for our customers while providing sustainable returns to all our stakeholders. I believe that our Sunbelt 4.0 strategic actionable components, underpinned by our culture and foundational elements, will provide the Group with the basis for continuing development and growth in the years to come.

In particular, the Board is focused on ensuring the sustainable success of the Group over the longer-term, through its business model, strategy and governance structures. We recognise that good governance is essential in promoting the success of the business for the benefit of its members as a whole and that our governance environment is underpinned by the culture of our Group, led by the 'tone from the top' of the organisation through the actions of the Board and senior leadership teams. Ensuring a robust corporate governance environment is key in supporting the delivery of our strategy and as such, it is crucial that our governance structures keep pace with changes in the Group so that we can ensure our development and growth is both responsible and sustainable. We need to manage our risks efficiently and ensure transparency across the business. I am confident that your Board is well placed to do that and we remain committed to maintaining the highest standards of governance.

In executing our responsibilities, we recognise that good stakeholder engagement is important in ensuring a broad range of views is considered by the Board. During the year, the Board had the opportunity to meet with team members across the organisation and I met with a number of investors to discuss a range of topics, particularly the intention to move our primary listing to the US. In addition, the chief executive updates the Board regularly on operational matters, including relationships with customers and suppliers.

Areas of Board focus

The Board has played an active role in the Group's delivery against its strategic objectives, further details of which are set out within the Strategic review. In addition, the Board has invested significant time over the last year in reviewing and assessing:

- our operating model and structure to ensure they remain fit for purpose as the business grows and markets change;
- the effectiveness of our health and safety practices and identifying areas for improvement;
- our key management resource to ensure it remains motivated and appropriately rewarded;
- succession planning and ongoing senior recruitment;
- the effectiveness of our capital structure and capital allocation priorities;
- the importance of good corporate governance in the long-term sustainable success of a company; and
- our cyber security policies and procedures to ensure they remain fit for purpose.

Compliance

We endeavour to monitor and comply with ongoing changes in corporate governance and evolving best practice in this area. I am pleased to report that the Company has complied in full throughout the year with the provisions set out in the Code, issued by the Financial Reporting Council ('FRC') and available to view at www.frc.org.uk. A summary of how we have applied the principles set out in the Code is presented in the table. In addition, I can confirm this report provides a fair, balanced and understandable view of the Group's position and prospects.

PAUL WALKER
Chair

The governance section has been set out to illustrate how we have applied the principles of the Code together with information contained elsewhere in the Annual Report. Further information can be found as follows:

The 2018 UK Corporate Governance Code

Board leadership and company purpose	Further information
A. Effective and entrepreneurial board	Pages 82 and 83
B. Purpose, values and culture	Page 82
C. Board framework and resources	Page 86
D. Board engagement with stakeholders	Pages 83 and 84
E. Workforce policies and practices	Page 83
Division of responsibilities	
F. Board roles	Page 84
G. Division of responsibilities	Pages 84 and 85
H. Commitment to the Board	Page 86
I. Operation of the Board	Page 86
Composition, succession and evaluation	
J. Appointments to the Board	Pages 86 and 87
K. Board skills, experience and knowledge	Page 86
L. Board evaluation of effectiveness	Page 88
Audit, risk and internal control	
M. Independence and effectiveness of internal and external audit Integrity of financial and narrative statements	Pages 92 to 94
N. Fair, balanced and understandable assessment	Page 93
O. Internal control framework and risk management	Pages 93 and 94
Remuneration	
P. Remuneration designed to support purpose and strategy	Pages 96 and 97
Q. Remuneration policy	Page 98
R. Remuneration outcomes	Pages 96 and 97

LEADERSHIP

Key

- A Audit Committee
- B Member of the Board of directors
- F Finance and Administration Committee
- G Group Risk Committee
- N Nomination Committee
- R Remuneration Committee
- Denotes chair

PAUL WALKER, 68 B N F
INDEPENDENT NON-EXECUTIVE CHAIR

Appointed to Board – July 2018

Appointment to current role
Paul Walker was appointed as a non-executive director in July 2018 and non-executive chair in September 2018.

Skills
Paul spent 16 years as chief executive officer of The Sage Group plc ('Sage'), giving him a deep insight of the challenges of running a global business. He has a strong financial background and high-level non-executive experience, which adds to the Board's strength.

Experience
Paul's roles at Sage included chief executive officer, finance director and financial controller. He has also been a non-executive director at Diageo plc, Experian plc, Halma plc, Sophos Group plc and MyTravel Group plc.

Qualifications
– Graduated in economics from York University
– Chartered accountant (UK)

Other roles
Non-executive chair of RELX plc.

Nationality – British

BRENDAN HORGAN, 51 B F
CHIEF EXECUTIVE

Appointed to Board – January 2011

Appointment to current role
Brendan Horgan was appointed as chief executive in May 2019, having served as chief operating officer of the Group since January 2018 and as the chief executive of Sunbelt US and a director since January 2011.

Skills
Brendan has worked in the business for more than 25 years and has a detailed knowledge of the operations and brings strong leadership and management skills to his role.

Experience
Brendan joined Sunbelt in 1996 and has held a number of senior management positions including chief sales officer and chief operating officer.

Qualifications
– Graduated in business from Radford University

Other roles
None

Nationality – American

ALEX PEASE, 53 F G
CHIEF FINANCIAL OFFICER

Appointed to Board – N/A

Appointment to current role
Alex Pease was appointed as chief financial officer in March 2025.

Skills
Alex brings over 20 years of experience in finance, corporate strategy, M&A, capital markets, portfolio optimisation and broad-based business transformation.

Experience
Alex was formally chief financial officer of WestRock Company from 2021 until its merger with Smurfit Kappa in 2024. Before that, Alex served as chief financial officer for three public companies of increasing global scale and complexity. Prior to this, Alex spent more than 10 years with McKinsey & Company in a wide range of advisory roles.

Qualifications
– Graduated from the United States Naval Academy and holds an MBA from the Tuck School of Business at Dartmouth College.

Other roles
Non-executive director of Reworld.

Nationality – American

ANGUS COCKBURN, 62 B A N R
SENIOR INDEPENDENT DIRECTOR

Appointed to Board – October 2018

Appointment to current role
Angus Cockburn was appointed as a non-executive director in October 2018 and as senior independent non-executive director in January 2019.

Skills
Angus brings knowledge of the rental market and specialty businesses, along with a good understanding of the associated strategic and financial issues of operating an international business with a substantial North American presence.

Experience
Angus was chief financial officer of Serco Group plc between October 2014 and April 2021. He has also been a non-executive director of GKN plc and Howden Joinery Group plc, as well as chief financial officer and interim chief executive of Aggreko plc.

Qualifications
– Graduated in Business Studies and Accounting from the University of Edinburgh and holds an MBA from IMD Business School
– Chartered accountant (UK)

Other roles
Non-executive chair of James Fisher and Sons plc and non-executive director of BAE Systems plc, Securities Trust of Scotland plc and Edrington Group Limited.

Nationality – British

JILL EASTERBROOK, 54 B A N R
INDEPENDENT NON-EXECUTIVE DIRECTOR

Appointed to Board – January 2020

Appointment to current role
Jill Easterbrook was appointed as a non-executive director in January 2020.

Skills
Jill brings strong digital experience within retail environments to the Board.

Experience
Jill was previously the chief executive officer of JP Boden & Co and formerly held a number of senior positions with Tesco PLC.

Qualifications
– Graduated in economics from Leeds University.

Other roles
Non-executive chair of Headland Consultancy and Tracsis PLC.

Nationality – British

TANYA FRATTO, 64 B A N R
INDEPENDENT NON-EXECUTIVE DIRECTOR

Appointed to Board – July 2016

Appointment to current role
Tanya Fratto was appointed as a non-executive director in July 2016.

Skills
Tanya has wide experience in product innovation, sales and marketing and engineering in a range of sectors and has extensive knowledge of operating in the US.

Experience
Tanya enjoyed a 20-year career with General Electric where she ran a number of businesses. Previously a non-executive director of Smiths Group plc and Mondi Group.

Qualifications
- Graduated in electrical engineering from the University of South Alabama.

Other roles
Non-executive director of Advanced Drainage Systems Inc..

Nationality – American

RENATA RIBEIRO, 53 B A N R
INDEPENDENT NON-EXECUTIVE DIRECTOR

Appointed to Board – January 2022

Appointment to current role
Renata Ribeiro was appointed as a non-executive director in January 2022.

Skills
Renata brings strong commercial and digital experience to the Board.

Experience
Renata is currently Senior Vice President, Strategic Operations for Carnival Corporation & plc where she has worked since 2008.

Qualifications
- Graduated in business administration from Fundação Getuilo Vargas, São Paulo and holds an MBA in business administration from Wake Forest University.

Other roles
Senior Vice President, Strategic Operations for Carnival Corporation & plc.

Nationality – Brazilian and American

LUCINDA RICHES, 63 B A N R
INDEPENDENT NON-EXECUTIVE DIRECTOR

Appointed to Board – June 2016

Appointment to current role
Lucinda Riches was appointed as a non-executive director in June 2016.

Skills
Lucinda has extensive investment banking and capital markets experience.

Experience
Lucinda was formerly global head of Equity Capital Markets and a member of the board of UBS Investment Bank. She has held a range of non-executive roles with public companies.

Qualifications
- Graduated in philosophy, politics and economics from Oxford University and a Masters in political science from the University of Pennsylvania.

Other roles
Non-executive chair of Peel Hunt Limited and Greencoat UK Wind Plc and non-executive director of Kingfisher plc and LGT Capital Partners.

Nationality – British

ROY TWITE, 58 B A N R
INDEPENDENT NON-EXECUTIVE DIRECTOR

Appointed to Board – June 2024

Appointment to current role
Roy Twite was appointed as a non-executive director in June 2024.

Skills
Roy brings wide-ranging knowledge of the global industrial sector along with extensive strategic, management and operational experience.

Experience
Roy is currently chief executive of IMI plc where he has worked in a variety of senior roles including leading the Automation, Climate Control, Retail Dispense and Automotive sectors. In addition, Roy was previously a non-executive director of Halma plc.

Qualifications
- Graduated in Engineering from the University of Nottingham and a Masters degree from the University of Cambridge.

Other roles
Chief executive of IMI plc.

Nationality – British

+ Details of the directors' contracts, emoluments and share interests can be found in the Directors' remuneration report.

CORPORATE GOVERNANCE REPORT

Board leadership and company purpose

Role of the Board

The Board is responsible for setting the Group's strategy and ensuring the necessary resources and capabilities are in place to deliver its strategic aims and objectives. It determines the Group's key policies and reviews management and financial performance. The Group's governance framework is designed to facilitate a combination of effective, entrepreneurial and prudent management of the business.

The Group's risk management framework, as detailed on pages 32 to 37, ensures that the Board considers risks on an ongoing basis and that it reviews formally the Group's risk register on an annual basis including consideration of emerging risks.

The Group's key performance indicators, as detailed on pages 30 and 31, also enable the Board to have visibility as to the progress the Group is making against our strategic priorities.

Company purpose, values and culture

One of the primary responsibilities of the Board is to ensure that the Group delivers against its purpose, which is "to provide a reliable alternative to ownership for our customers across a wide range of applications and markets".

In setting, reviewing and ensuring the implementation of the Group's strategy, the Board ensures that the objectives of our purpose are met while taking into account risks and opportunities facing the Group and its long-term sustainability. These activities are underpinned by the Group's values and culture. We believe that there are four key cornerstones of our culture which drive the success of our Group: a priority on safety; ensuring the best levels of customer service; working in partnership with our customers, suppliers and communities to make it happen; and being innovative in our approach both in relation to products and markets.

The Board is responsible for the culture of the Group, with its role being to influence and monitor culture to ensure that our policy, practices and behaviour throughout our entire organisation are aligned with the Group's purpose, values and strategy. This is reflected in the Group's strategy and its foundational element, but also in the value we ascribe to the Group's culture of investing in our people, fostering a culture of entrepreneurialism with scale and continuously delivering on our customer promise of Availability, Reliability and Ease. Where issues are identified, it is the Board's responsibility to ensure corrective action is taken.

During the year, the Board has monitored culture in a number of ways, including:

- receiving health and safety statistics at all Board meetings, together with regular updates on the Group's activities to enhance further the culture of safety within the business;
- through the Group's employee engagement activities including employee surveys, feedback on the Group's inclusion programmes and through direct engagement with employees during the course of the year;
- monitoring findings from the Group's external audit, internal audit and performance standards functions;
- receiving regular updates on whistle-blowing matters; and
- reviewing key policies including the annual updates to the Group's business ethics and conduct policy.

Summary of the Board's work during the year

At each Board meeting, the Board receives:

- a report from the chief executive providing an update on strategic, operational, business development and health and safety matters, supported by reports from the businesses;
- a report from the chief financial officer on the financial performance and position of the Group, including treasury matters; and
- an update from the committees of the Board on matters discussed at their meetings.

The principal matters considered by the Board during 2024/25 were:

Strategic and financial review	Further information
Review of Group performance	See strategic review on pages 8 to 15 and financial review on pages 43 to 49
Review of health and safety	See health and safety review on pages 54 to 56
Review of the strategic plan	See pages 22 to 27
Review of the Group's succession plans	See page 95
Review of M&A opportunities	Acquisitions completed in year detailed in Note 26 of the financial statements
Review of the Group's share buyback programme	See pages 27 and 47
Received updates on the Group's diversity, equity and inclusion initiatives	See page 62
Review and approval of the Group's tax strategy	See www.ashtead-group.com
Review and approval of the Group's Modern Slavery Act statement and related policies	See www.ashtead-group.com
Risks	**Further information**
Ongoing monitoring of risks	See pages 32 to 37
Received updates from Group Risk Committee	See page 32
Completed formal annual review of Group's risk register	See page 32
Completed annual insurance review	See page 46
Governance	**Further information**
Proposed US listing	See page 41
Shareholder analysis	
Review of feedback from shareholders and analysts	
Shareholder engagement following AGM	See page 96
Reports from committees	
Review of results announcements	All results announcements available on the Group's website
Board evaluation undertaken	See page 88

Engagement with our stakeholders

An overview of the nature and extent of our engagement with stakeholders is provided on pages 40 and 41 of the Strategic report. In relation to the Board's activities, these are discussed below.

Workforce engagement

The Group employs c. 25,000 individuals in North America, the UK and Europe and as such, ensuring efficient, two-way workforce engagement is critical to the success of the business. Our workforce is central to the decisions the Board makes in relation to our employment policies, our culture and our strategy.

We have considered the methods of workforce engagement proposed under the Code in conjunction with our existing methods of engagement. Given the nature and extent of our workforce and its geographical distribution across a large number of locations, we have concluded that no single method of engagement is suitable to ensure that we engage appropriately across the entire workforce and ensured the feedback received is reflective of the whole of the organisation. Instead we believe that a combination of methods of engagement is appropriate, consistent with the approach we have taken previously, including:

- regular update calls – business unit level calls are held on a regular basis to provide employees with insight into the performance of the business and ongoing business initiatives, led by senior executives of the North American and UK businesses. These calls provide employees with the opportunity to raise any questions or concerns in person or virtually and are held at least quarterly, following the announcement of the Group's quarterly results;
- employee surveys – the Board received updates on the actions taken as a result of and feedback from employee surveys. The latest employee survey results in North America received a 75% participation rate with an 88% engagement score, while the UK survey received a participation rate of 71% with an 82% engagement score;
- 'town hall' events – throughout the year, a series of 'town hall' events were held in North America and the UK which provided employees with the opportunity to be briefed on the latest developments by executive management across the business and raise any questions or concerns; and
- business review – the business review meetings held in conjunction with the Board meetings held in Fort Mill in October 2024 and April 2025, provided the senior North American and UK management with the opportunity to meet, discuss the business and strategic initiatives in detail and obtain detailed insight into market dynamics.

In addition, a rolling programme of presentations from management across the Group, on a range of topics, ensures the Board has exposure to different employees and business functions during the year. Furthermore, any matters highlighted through the Group's employee whistle-blowing hotlines are reported to the Board to enable the Group to understand matters arising, including any concentration of matters or emerging trends.

Engagement with our customer and suppliers

We have a range of key customer and supplier stakeholders which the Board considers when taking important decisions. Engaging with these stakeholders is therefore critical to the Group and a key priority of the Board, and is achieved through a variety of means.

Details of our engagement with our customers and suppliers is provided in the Strategic report on pages 40 and 41, the Responsible business report on pages 56 to 65 and throughout this Corporate governance report. The chief executive updates the Board on a regular basis on operational matters, including feedback from customers and suppliers and further information is provided through strategic updates.

Engagement with our communities

We seek to make a positive contribution to the communities in which we operate, both through our economic impact but also as a result of our community initiatives and the way in which we are involved in our communities and the support we can provide in a time of need. Accordingly, it is important that the Board considers our communities in developing and implementing our strategy.

Details of our engagement with communities is provided in the Strategic report on pages 40 and 41 and within the Responsible business report on page 64.

Dialogue with shareholders

We engage actively with analysts and investors and are open and transparent in our communications. This enables us to understand what analysts and investors think about our strategy and performance as we drive the business forward. The Board is updated regularly on the views of shareholders through briefings and reports from those who have had interaction with shareholders including the directors and the Company's brokers.

Regular dialogue is maintained with analysts and investors through telephone calls, meetings, presentations, conferences, site visits and ad hoc events. During the year, senior management conducted over 400 virtual and in-person meetings and calls and attended four broker conferences, with investors across all geographies. This includes regular interaction with private investors who often contact the Group with questions.

The chair and the senior independent non-executive director are available to meet institutional shareholders to discuss any issues or concerns in relation to the Group's governance and strategy. The chair met with several investors following announcement of our intention to move our primary listing to the US to discuss the timing and rationale to the proposed change. In addition, the Company continued to engage with shareholders, following approval of its new Remuneration policy at the Annual General Meeting, inviting shareholders comprising a majority of the Company's issued share capital to meet with the chair. Further details are provided in the Remuneration report.

The Group's results and other news releases are published via the London Stock Exchange's Regulatory News Service. In addition, these news releases are published in the Investor Relations section of the Group's website at www.ashtead-group.com. Shareholders and other interested parties can subscribe to receive these news updates by email through registering online via the website. In addition, all results and capital markets presentations are webcast live (and for playback) on the website for shareholders, analysts, employees and other interested stakeholders who are unable to attend in person.

DIALOGUE WITH SHAREHOLDERS

JUNE 2024	SEPTEMBER 2024	DECEMBER 2024	MARCH 2025
– Annual results announcement and presentation – Bondholder call – Investor roadshow following annual results presentation	– First quarter results announcement and presentation – Bondholder call – Annual General Meeting – Conference calls with investors following Q1 results	– Half-year results announcement and presentation – Bondholder call – Investor roadshow following half-year results presentation	– Third quarter results announcement and presentation – Bondholder call – Conference calls with investors following Q3 results

Ongoing shareholder engagement between chair and chair of Remuneration Committee in relation to the Group's Remuneration policy, as well as engagement on the Group's proposed US relisting

THE ANNUAL GENERAL MEETING

The 2025 AGM will be held in London on Tuesday, 2 September 2025. An update on first quarter trading will be provided during the meeting.

We continue to recognise the importance of ongoing engagement with our shareholders who will be encouraged to raise questions on the business at the AGM. Shareholders are encouraged to submit questions in advance of the meeting via our website (www.ashtead-group.com) and where appropriate we will provide written answers to questions and will publish answers to frequently asked questions on the website.

All resolutions at the AGM will be put to a vote on a poll, rather than being decided on a show of hands. The Board believes that this results in a more accurate reflection of the views of shareholders and ensures that their votes are recognised whether or not they are able to attend the meeting. On a poll, each shareholder has one vote for every share held. The results of the voting on the resolutions will be announced to the London Stock Exchange and published on our website as soon as possible after the conclusion of the meeting. Notice of the AGM will be sent to shareholders at least 20 working days before the meeting.

Division of responsibilities

Board roles and division of responsibilities

An appropriate division of responsibilities between Board members is critical in delivering the Group's strategic objectives. A key element in delivering this is a strong working relationship between the directors and, in particular, the chair and chief executive.

A summary of the roles of the Board members are set out below:

Chair	Paul Walker	Independent non-executive chair, responsible for leadership of the Board and acts as a sounding board for the chief executive. Agrees Board agendas and ensures its effectiveness by requiring the provision of timely, accurate and clear information on all aspects of the Group's business, to enable the Board to take sound decisions and promote the success of the business.
Chief executive	Brendan Horgan	Responsible for developing the strategy for the business, in conjunction with the Board, ensuring it is implemented, and the operational management of the business.
Senior independent non-executive director	Angus Cockburn	Provides a sounding board for the chair and is available to shareholders, if they have reason for concern that contact through the normal channels of chair or chief executive has failed to resolve.
Independent non-executive directors	Jill Easterbrook Tanya Fratto Renata Ribeiro Lucinda Riches Roy Twite	Provide a constructive contribution to the Board by providing objective challenge and critique for executive management based on insights drawn from their broad experience.
Chief financial officer*	Alex Pease	Supports the chief executive in developing and implementing the strategy and is responsible for the reporting of the financial and operational performance of the business.

* Given the Group's intention to move its primary listing to the US, in common with US practice, Alex Pease has not been appointed as a director of Ashtead but works closely with the Board of directors.

THE BOARD AND ITS COMMITTEES

THE BOARD

The Board is responsible for setting the Group's strategy and ensuring the necessary resources and capabilities are in place to deliver the strategic aims and objectives.

AUDIT COMMITTEE	NOMINATION COMMITTEE	REMUNERATION COMMITTEE	FINANCE AND ADMINISTRATION COMMITTEE	GROUP RISK COMMITTEE
Chaired by Angus Cockburn. Monitors and reviews the Group's financial reporting, relationship with the external auditor, internal control, internal audit and risk management.	Chaired by Paul Walker. Monitors and reviews the Board's structure, size, composition and balance and oversees the appointment and reappointment of directors.	Chaired by Lucinda Riches. Responsible for determining the Group's Remuneration policy and its application, with specific responsibility for the remuneration of the chair and executive directors.	Chaired by Brendan Horgan. Responsible for routine finance and administrative matters between Board meetings subject to clearly defined limits delegated by the Board.	Chaired by Alex Pease. Responsible for monitoring of risk across the Group, the implementation of our risk framework and reporting of Group risk and mitigating actions.
See Audit Committee report on page 90 for further details.	**See Nomination Committee report on page 95 for further details.**	**See Remuneration Committee report on page 96 for further details.**	**See below for further details.**	**See below for further details.**

Board committee   Non-Board committee

Delegated authority
There is a schedule of matters reserved for the Board for decision while other matters are delegated to Board committees. Matters reserved for the Board include:

- treasury policy;
- acquisitions and disposals;
- appointment and removal of directors or the company secretary;
- appointment and removal of the auditor;
- approval of the annual accounts and the quarterly financial reports to shareholders;
- approval of the annual budget;
- approval of the issue of shares and debentures;
- the setting of dividend policy; and
- the buyback of shares.

Board committees
The Board has standing Audit, Nomination and Remuneration Committees. The membership, roles and activities of the Audit and Nomination Committees are detailed on pages 90 to 95 and the Remuneration Committee in the report on pages 96 to 117. Each committee reports to, and has its terms of reference agreed by, the Board. The terms of reference of these committees are available on our website.

Finance and Administration Committee
The Finance and Administration Committee comprises Brendan Horgan (chair), Alex Pease and Paul Walker. The Board of directors has delegated authority to this committee to deal with routine financial and administrative matters between Board meetings. The Committee meets as necessary to perform its role and has a quorum requirement of two members with certain matters requiring the participation of the chair of the Board, including, for example, the approval of material announcements to the London Stock Exchange.

Group Risk Committee
The Group Risk Committee is chaired by Alex Pease and comprises representatives from Sunbelt in North America and the UK, as well as the Group chief accounting officer and Group company secretary. The work of the Group Risk Committee is supported by the risk committees of Sunbelt in North America and the UK, which meet regularly to ensure continued focus on risks and mitigating actions. Further details of the work of the Group Risk Committee are provided in the Responsible business report on page 53.

Commitment to the Board
As part of the appointment process, prospective directors are required to confirm that they will be able to devote sufficient time to the Company to discharge their responsibilities effectively. Furthermore, all directors are required to inform the Company of changes in their commitments to ensure that they continue to be able to devote sufficient time to the Company.

Operation of the Board
The principal activities of the Board are conducted at regular scheduled meetings of the Board and its committees. The Board normally meets six times a year, with at least two of these meetings being held in North America. The Board and its committees conducted successfully all its routine and non-routine business throughout the year. Additional ad hoc meetings and calls are arranged outside the scheduled meetings to take decisions or receive updates as required.

The chair and chief executive maintain regular contact with the other directors to discuss matters relating to the Group and the Board receives regular reports and briefings to ensure the directors are suitably briefed to fulfil their roles. Additionally, detailed management accounts are sent monthly to all Board members and, in advance of all Board meetings, an agenda and appropriate documentation in respect of each item to be discussed is circulated.

The company secretary is responsible for ensuring compliance with board and committee procedures and advising the Board on all governance-related matters.

The company secretary also supports the chair in the delivery of information to directors in advance of board and committee meetings and acts as a key point of contact for the chair and non-executive directors.

Each director has access to the company secretary and is able to seek independent advice at the Company's expense.

The appointment and removal of the company secretary is a matter reserved for the Board.

Composition, succession and evaluation

Composition of the Board
The Board comprises the chair, the chief executive, the senior independent non-executive director and the other independent non-executive directors.

Each member of the Board must be able to demonstrate the skills, experience and knowledge required to contribute to the effectiveness of the Board. Short biographies of the directors are given on pages 80 and 81 detailing the skills, experience and knowledge of each of the board members. The directors are of the view that the Board and its committees consist of directors with the appropriate balance of skills, experience, independence and knowledge of the Group to discharge their duties and responsibilities effectively.

Maintaining the appropriate mixture of skills, experience and knowledge is important to the Board, including ensuring that we address issues of diversity in terms of skills, gender, ethnicity and experience relevant to our business. The Nomination Committee is responsible for reviewing the structure, size and composition of the Board and making recommendations to the Board on any changes required.

Details of the work of the Nomination Committee in relation to the composition of the Board are provided in the Nomination Committee report on page 95.

Non-executive directors
In the recruitment of non-executive directors, it is the Company's practice to utilise the services of an external search consultancy.

Non-executive directors are appointed for specified terms not exceeding three years and are subject to annual re-election and the provisions of the Companies Act 2006 relating to the removal of a director.

The approval of the Board is required before a non-executive can take on other non-executive director roles.

Board diversity policy
Across the Group, we aim to ensure that our workforce has a broad range of skills, backgrounds and experience, while ensuring that we appoint the best people for the relevant roles. At board level, under the direction of the chair, the Group applies these same principles.

As a result, the Group seeks to maintain a board where the skills, backgrounds and experiences of the non-executive directors complement those of the executive directors. In this way, we aim to ensure that the skills, backgrounds and experiences represented on the Board and its committees reflect the business environments in which we operate and bring experience of areas of development for the Group, such as in the areas of technology and logistics.

We do not have formal targets or quotas associated with diversity for the composition of the Board but instead focus on ensuring the best individuals are appointed who meet the Group's needs from as wide a range of backgrounds as possible to facilitate the formulation and implementation of the Group's strategy, while benefitting from the long-term industry experience of our executive directors.

Board attendance table

	Board	Audit	Nomination	Remuneration
Chair				
Paul Walker	6/6	6/6[2]	5/5	5/5
Executive				
Brendan Horgan	6/6	6/6[2]	–	–
Michael Pratt[1]	5/5	4/4[2]	–	–
Non-executive				
Angus Cockburn	6/6	6/6	5/5	5/5
Jill Easterbrook	6/6	6/6	5/5	5/5
Tanya Fratto	6/6	6/6	5/5	5/5
Renata Ribeiro	6/6	6/6	5/5	5/5
Lucinda Riches	6/6	6/6	5/5	5/5
Lindsley Ruth[1]	2/2	2/2	2/2	2/2
Roy Twite	6/6	6/6	5/5	5/5

1 Michael Pratt retired from the Board on 28 February 2025 and Lindsley Ruth retired on 4 September 2024 and as such their attendance is shown in relation to meetings which occurred prior to these dates.
2. While not members of the Audit Committee, Paul Walker, Brendan Horgan and Michael Pratt attended Audit Committee meetings during the year.

Nevertheless, we are mindful of the recommendations of the FTSE Women Leaders Review on gender diversity and the Parker Review on ethnic diversity and believe that over time, greater diversity will be reflected throughout our organisation, including at Board level. Our current position is set out in the Board diversity and inclusion statement below.

Board diversity and inclusion statement

As shown in the tables opposite, as at 30 April 2025, we had 50% female Board members, compared with a target set out in the FTSE Women Leaders Review of 40%, and one member of the board is from a minority ethnic background, in line with the target set out by the Parker Review. Nevertheless, we recognise that there is further progress to be made, as none of the senior positions on the Board (chair, senior independent director, chief executive or chief financial officer) is held by a woman. The individuals within these roles were appointed with a focus on ensuring the best individuals who met the Group's needs were selected. As part of the Group's succession planning activities, the Group is focused on ensuring a broad and diverse talent pool is in place, while being sympathetic to female representation in one of the senior positions on the Board.

In preparing the data shown opposite, we surveyed individual board members on a self-identifying basis via a written questionnaire. This data is used for statistical reporting purposes and provided with consent. Board members are asked to identify their gender and ethnicity based on the categories set out in the tables opposite.

Election of directors

All directors will retire at this year's AGM and each will offer themselves for re-election in accordance with the Code except for Lucinda Riches and Tanya Fratto, who have notified the Board that they will be stepping down at the AGM in September 2025, by which time they will have served on the Board for nine years.

In addition, Nando Cesarone and James (Jamie) Singleton will be appointed as non-executive directors of the Company with effect from 1 August 2025 and will offer themselves for election at the AGM.

Reporting table on gender identity representation

	Number of Board members	Percentage of the Board	Number of senior positions on the Board	Number in executive management	Percentage of executive management
Men	4	50%	3	10	83%
Women	4	50%	–	2	17%
Not specified/ prefer not to say	–	–%	–	–	–%

Reporting table on ethnicity representation

	Number of Board members	Percentage of the Board	Number of senior positions on the Board	Number in executive management	Percentage of executive management
White British or other white	7	88%	3	11	92%
Mixed/multiple ethnic groups	–	–%	–	–	–%
Asian/Asian British	–	–%	–	–	–%
Black/African Caribbean/ Black British	–	–%	–	1	8%
Other ethnic group, including Arab	1	12%	–	–	–%
Not specified/ prefer not to say	–	–%	–	–	–%

Note:
Michael Pratt stepped down as a director of the Company and chief financial officer of the Group on 28 February 2025 and Alex Pease then assumed the role with effect from 1 March 2025. Given the Group's intention to move its primary listing to the US, in common with US practice, Alex was not appointed as a director of the Company.

BOARD DEVELOPMENT AND TRAINING

All newly appointed directors undertake an induction to all parts of the Group's business. This includes visits to the North American and UK businesses and meetings with their management teams. The company secretary also provides directors with an overview of their responsibilities as directors, corporate governance policies and Board policies and procedures.

The chair and chief executive assess regularly the development needs of the Board as a whole with the intention of identifying any additional training requirements.

Board evaluation

The performance of the chair, chief executive, the Board and its committees is evaluated formally annually against, amongst other things, their respective role profiles and terms of reference. The executive directors are evaluated additionally against the agreed budget for the generation of revenue, profit and value to stakeholders.

In accordance with the Code, the Board and its committees' performance is evaluated by an external third party every three years. The next external Board evaluation will be conducted in 2026.

The 2024/25 Board evaluation was conducted by way of directors questionnaires. The results of the questionnaires were collated by the company secretary and presented to the Group's chair who subsequently held individual meetings with each of the directors. The conclusion from the questionnaires and meetings was that the Board and its committees had performed satisfactorily. The Group's proposed US relisting, succession planning, health and safety and cyber security will continue to be specific areas of focus for the Board in the coming year.

In accordance with the Code, the non-executive directors (including the chair) met in the absence of the executive directors to appraise the performance of the executive directors and management and the non-executive directors, led by the senior independent director, met in the absence of the chair to appraise his performance.

Audit, risk and internal control

Audit Committee

The Board has delegated responsibility for oversight of corporate reporting, risk management and internal control and maintaining an appropriate relationship with the Group's internal and external auditors to the Audit Committee. The Audit Committee report on pages 90 to 94 contains full details of the role and activities of the Audit Committee.

Financial and business reporting

The Board is committed to providing stakeholders with a fair, balanced and understandable assessment of the Group's position and prospects. This is achieved through the Strategic report, which includes an explanation of the Group's business model, and other information included within this Annual Report. The responsibilities of the directors in respect of the preparation of this Annual Report are set out on page 120 and the Auditor's report on page 122 includes a statement by PwC about its reporting responsibilities. As set out on page 119, the directors are of the opinion that the Group is a going concern.

Internal control framework and risk management

The Board is responsible for the Group's internal control framework and risk management. It has established a process for identifying, evaluating and managing the principal risks faced by the Group and in identifying and responding to emerging risks. This robust process has been in place for the full financial year, is ongoing and is consistent with the FRC's 'Guidance on Risk Management, Internal Control and Related Financial and Business Reporting' published in 2014. Under its terms of reference, the Group Risk Committee meets semi-annually or more frequently if required.

As described more fully on pages 32 to 37, the Group reviews and assesses the risks it faces in its business, changes in principal risks facing the Group and how these risks are managed, with consideration given to the Board's assessment of risk appetite. These reviews are conducted throughout the year in conjunction with the management teams of each of the Group's businesses and are documented in an annual risk assessment, including the updated risk register. The reviews consider whether any matters have arisen since the last report was prepared which might indicate omissions or inadequacies in that assessment. It also considers whether, as a result of changes in either the internal or external environment,

THREE LINES OF DEFENCE IN RISK MANAGEMENT

1 FIRST LINE OF DEFENCE	2 SECOND LINE OF DEFENCE	3 THIRD LINE OF DEFENCE
Business operations – Implementation of policies and procedures – Operational control activities	**Corporate oversight** – Establishment of policies and procedures – Monitoring of control activities – Internal financial and non-financial reporting assurance function – Group Risk Committee	**Independent assurance** – Internal audit – Operational audit (Performance Standards) – Other third party specialist assurance providers

any significant new risks have arisen or whether there are any emerging risks which may impact the Group. The Group Risk Committee report for 2025 was presented to, discussed and endorsed by the Audit Committee on 15 May 2025 and the Group Board on 11 June 2025.

The Board monitors the risk management framework and internal control systems on an ongoing basis and reviews their effectiveness formally each year.

The Group follows a three lines of defence approach to risk management with executive management responsible for the oversight and management of the first and second lines of defence while the Audit Committee takes primary responsibility for the third line of defence. The Audit Committee is supported in this activity by the Group's performance standards function and outsourced internal audit.

The Board reassesses continually the effectiveness of the Group's control framework and seeks to identify ways in which to improve and strengthen it further.

As detailed further on pages 93 and 94, as part of the Board's monitoring, through the Audit Committee, it received reports from the Group's assurance function, operational audit teams and the head of internal audit as to the existence and operation of controls, how those controls have been monitored throughout the year. Furthermore, the Audit Committee considered the internal control improvement recommendations made by the Group's internal auditors and its external auditor and the resultant implementation plans of management. The control system includes written policies and control procedures, clearly drawn lines of accountability and delegation of authority, and comprehensive reporting and analysis against budgets and latest forecasts.

In a group of the size, complexity and geographical diversity of Ashtead, minor breakdowns in established control procedures can occur. There are supporting policies and procedures for investigation and management of control breakdowns at any of the Group's stores or elsewhere. The Audit Committee also meets regularly with the internal and external auditor to discuss their work.

The Board considers that the Group's internal control systems are designed appropriately to manage, rather than eliminate, the risk of failure to achieve its business objectives. Any such control system, however, can only provide reasonable and not absolute assurance against material misstatement or loss.

Remuneration

Remuneration Committee

The Board has delegated responsibility for developing remuneration policy and fixing the remuneration packages of individual directors to the Remuneration Committee. The Remuneration Committee report on pages 96 to 117 contains full details of the role and activities of the Remuneration Committee.

AUDIT COMMITTEE REPORT

ANGUS COCKBURN
AUDIT COMMITTEE CHAIR

Members of the Audit Committee are:

Angus Cockburn (chair)
Jill Easterbrook
Tanya Fratto
Renata Ribeiro
Lucinda Riches
Roy Twite (appointed 10 June 2024)

Details of meeting attendance are provided on page 86. The Audit Committee's terms of reference are available on the Group's website.

I am pleased to introduce the report of the Audit Committee for 2024/25. The Committee assists the Board in discharging its responsibility for oversight and monitoring of financial reporting, risk management and internal control. As chair of the Committee, it is my responsibility to ensure that the Committee fulfils its responsibilities in a rigorous and effective manner. The Committee's agenda is designed, in conjunction with the Board's, to ensure that all significant areas of risk are covered and to enable it to provide timely input to Board deliberations.

In 2024/25, the Committee's main activities related to ensuring the integrity of financial reporting, the continued effectiveness of the Group's financial controls and assurance programme, reviewing the work of the Group's internal audit function, receiving both reports from the Group Risk Committee and detailed presentations on specific Group risks and maintaining oversight of the project to prepare financial information in accordance with US GAAP and preparation to comply with Sarbanes Oxley, in preparation for a US listing.

In addition, the Committee has maintained regular dialogue with the senior management team throughout the year to understand how business processes and controls continue to operate effectively to ensure the timely and accurate preparation of financial information.

I am satisfied that the Committee was provided with high quality and timely material to allow proper consideration to be given to the topics under review. I am also satisfied that the meetings were scheduled to allow sufficient time to ensure all matters were considered fully.

For the forthcoming year, the Committee will continue to focus on the preparation for our US listing and the integrity of financial reporting and the effectiveness of the Group's controls and assurance programme.

One of the Code's principles is that the Board should present a fair, balanced and understandable assessment of the Company's position and prospects through its financial reporting. We have always sought to ensure our financial and other external reporting is fair, balanced and understandable. The Committee has kept this principle at the forefront of its thought process as it reviewed all the Company's financial reports in advance of publication and is satisfied that they provide a fair, balanced and understandable assessment of the Company's position and prospects.

Angus G Cockburn

ANGUS COCKBURN
Chair, Audit Committee

Role of the Audit Committee

The Audit Committee assists the Board in its oversight and monitoring of financial reporting, risk management and internal controls.

The principal responsibilities of the Committee are to:

- monitor the integrity of the quarterly and annual results, including a review of the significant financial reporting judgements contained therein;
- establish and oversee the Company's relationship with the external auditor, including the external audit process, their audit and non-audit fees and independence and make recommendations to the Board on the appointment of the external auditor;
- consider the Company's assessment of emerging and principal risks, including understanding and monitoring the way in which these are being managed;
- review and assess the effectiveness of the Company's internal financial controls and internal control and risk management systems;
- oversee the nature, scope and effectiveness of the internal audit work undertaken; and
- monitor the Company's policies and procedures for handling allegations from whistle-blowers.

The Committee reports to the Board on its activities and minutes of meetings are available to the Board.

Composition of the Audit Committee

The members of the Committee, each of whom is independent, provide the wide range of financial and commercial experience needed for the Committee to undertake its duties and each member brings an appropriate mix of senior financial and commercial experience, combined with a thorough understanding of the Group's business. As chair of the Committee, Angus Cockburn has recent and relevant financial experience, having held a number of senior international finance roles. Details of the experience of each member of the Committee is provided on page 80.

The company secretary is secretary to the Committee. Paul Walker, Brendan Horgan, Alex Pease, the Group's chief accounting officer, the Group's head of internal audit and the Group's external audit partner routinely attend meetings by invitation. In addition, the Committee meets other executive management, including subject matter experts, where the agenda requires.

Main activities of the Audit Committee during the year

The Committee met on six occasions during the year. Meetings are generally scheduled to coincide with our financial reporting cycle, with four regular meetings scheduled prior to our quarterly, half-year and annual results announcements and a further meeting scheduled outside this timetable to enable a formal annual review of the Group's risk register and the work undertaken by the Board throughout the year in reviewing these risks.

At each meeting, the Committee receives papers from management which comment on the principal balances in the financial statements and discusses any significant judgements and matters of a financial reporting nature arising since the last meeting. In the current year, these have included consideration of:

- the application of routine period-end accounting policies and procedures; and
- the going concern and viability statements to ensure that they are appropriate, are based upon suitable assumptions and consider the risks to which the Group is exposed appropriately.

The Committee typically receives reports from the external auditor at three of the meetings. The first, in December, contains the results of the external auditor's review of our half-year results. The half-year review also informs the external auditor's planning for the annual audit. Their full audit plan and proposed audit fee is presented to the February/March meeting of the Committee. The external auditor's final report of the year is presented at the June committee meeting when we review the draft Annual Report. The external auditor's report contains the findings from their audit work, including comments on the draft Annual Report. The Committee is responsible for the Group's relationship with the external auditors, including assessing the audit plan, setting the audit fee, monitoring independence and reviewing effectiveness.

The Audit Committee has received reports from the Group's head of internal audit on internal audit activities, focused on the effectiveness of the Group's financial controls and assurance programme.

Further details of the activities of the Audit Committee during the year are set out on the next page.

Integrity of financial reporting

We reviewed the integrity of the quarterly and annual financial statements of the Company. This included the review and discussion of papers prepared by management and took account of the views of the external auditors. The key areas reviewed in the current year are set out below.

Key area	Response	Audit Committee conclusion
Carrying value of rental fleet The carrying value of the Group's rental fleet of $11,312m (2024: $11,451m) makes up 52% (2024: 53%) of the Group's gross assets. Both the useful lives and residual values assigned requires the exercise of judgement by management.	Management undertakes an annual review of the appropriateness of the useful lives and residual values assigned to property, plant and equipment and assesses whether they continue to be appropriate and whether there are any indications of impairment. Among other things this review considers the level of gains on disposal and age of assets at the date of disposal along with the level of second-hand values, while taking into account the impact of the economic cycle.	The Committee reviewed management's assessment of the carrying value of rental assets and judgements associated with the application of useful lives and residual values. The Committee took into account the findings of the external auditor and is satisfied that the judgements taken by management are appropriate and that these are consistent with prior years.
Going concern and financing activities The Group requires ongoing access to its financing arrangements to enable it to benefit from growth opportunities.	Management reviewed the appropriateness of the going concern assumption in preparing the financial statements. The Committee reviewed a paper prepared by management which considered the Group's internal budgets and forecasts of future performance, available financing facilities and facility headroom. In addition, we reviewed scenario planning in assessing the Group's viability over the medium-term. Taking account of reasonably possible changes in trading performance, used equipment values and other factors that might affect availability, the Group expects to maintain significant headroom under its borrowing facilities for the forthcoming year.	The Committee reviewed the assessment of the going concern assumption and long-term viability, including understanding the scenario analysis performed in relation to the potential impact of any economic downturn. The Committee is satisfied that the going concern basis of preparation continues to be appropriate in preparing the financial statements.
Goodwill impairment review The Group's strategy includes growth through bolt-on M&A activity, as a result of which, goodwill arises. The carrying value of goodwill at 30 April 2025 is $3,277m (2024: $3,211m).	The Group undertakes a formal goodwill impairment review as at 30 April each year. This is based on the latest approved budget and three-year plans for the North America and UK businesses. The Group classifies certain specialty businesses as separate cash-generating units ('CGUs'), due to them generating separately identifiable cash flows.	Following the review undertaken, and in light of the Group's current and forecast performance, the Committee is satisfied that the identified CGUs are appropriate to the Group and that there is no impairment of the carrying value of goodwill. Further details are provided in Note 14 to the financial statements.

In addition, the Committee also considered the following matters during the course of the year:

- the change in reportable segments for the Group, details of which are provided in Note 3 to the financial statements;
- the use of alternative performance measures, ensuring these are fair, balanced and understandable;
- the effectiveness of the Group's internal financial controls, as detailed further on the next page;
- the work of the Group's second-line assurance team, which includes monitoring of the Group's control self-certification process, management of financial control documentation and, in the current year, ongoing work to refresh the documentation of our technology processes and controls, as they relate to financial reporting, and the documentation of controls associated with automated controls and system generated reports;
- the internal audit work and reviewing the Group's approach to internal audit, further details of which are set out on the next page;
- the approach taken to ensure material climate-related matters are considered and the disclosure made in accordance with the requirements of the task force on climate-related financial disclosures;
- the Group's tax strategy and received an update on tax compliance matters; and
- the Group's preparation for moving the primary listing to the US, including preparing financial information in accordance with US GAAP and for compliance with the requirements of Sarbanes Oxley.

FAIR, BALANCED AND UNDERSTANDABLE

As part of its responsibilities, the Board has requested that the Audit Committee assess whether, in its opinion, the Annual Report & Accounts 2025, taken as a whole, are a fair, balanced and understandable presentation of the Group's position and prospects.

In making its assessment, the Audit Committee considered a number of factors, including:

- whether the narrative reporting on the performance of the business is consistent with the financial statements presented;
- whether the information presented is complete with no information omitted that should have been included to enable a user to understand the business, its performance and its prospects;
- considering the KPIs utilised by the Group, including alternative performance measures, to ensure that these best reflect its strategic priorities and fairly present business performance;
- assessing areas of judgement which were considered by the Audit Committee during the year and whether these are highlighted appropriately within the Annual Report;
- the outcome of meetings held during the year with PwC as external auditor and the head of internal audit to discuss qualitative accounting judgements and overall controls. The meetings cover suitability, consistency of application in year and across periods and accounting practices of industry peers; and
- assessing whether the report is clear and understandable, with appropriate narrative given to present the whole story.

Following its review, the Committee concluded that the Annual Report & Accounts 2025 are representative of the Group and its performance during the year and that the Annual Report & Accounts 2025 present a fair, balanced and understandable overview.

Financial control and risk management

The Company's objective is to maintain a strong control environment which minimises the financial risk faced by the business. It is the Committee's responsibility to review and assess the effectiveness of the Company's internal financial controls and risk management processes.

The Group's control and monitoring procedures include:

- the maintenance and production of accurate and timely financial management information, including a monthly profit and loss account and selected balance sheet data for each store;
- the control of key financial risks through clearly laid down authority levels and proper segregation of accounting duties at the Group's accounting support centres;
- the preparation of a monthly financial report to the Board;
- the preparation of an annual budget and periodic update forecasts which are reviewed by the executive directors and then by the Board;
- a programme of rental equipment inventories and full inventory counts conducted at each store by equipment type and independently checked on a sample basis by our operational auditors and external auditor;
- comprehensive audits at each store generally carried out at least every two years by internal operational audit. A summary of this work is provided semi-annually to the Audit Committee;
- comprehensive financial assurance activities including routine 'second-line' controls testing to monitor control activities and a controls self-certification programme;
- detailed internal audits at the Group's major accounting centres undertaken by internal audit specialists;
- review of the effectiveness of internal audit; and
- whistle-blowing procedures by which staff may, in confidence, raise concerns about possible improprieties or breaches of company policy or procedure.

The Committee receives regular reports from the Group's head of financial assurance, internal audit, internal operational audit and the Group Risk Committee. The Group's risk management processes are an area of focus as they adapt to reflect changes to our risk profile as a result of our significant growth, both organic and through bolt-on acquisitions.

Financial assurance

The Group follows a 'three lines of defence' approach to risk management and control. As such, as noted above, the Audit Committee receives regular updates on the activities and findings of the Group's financial assurance team. Specific areas of focus in the current year have included:

- monitoring and expanding the Group's financial control self-certification process;
- updating the Group's control documentation in relation to technology controls, specifically in relation to automated controls and system generated reports, as well as in relation to the Group's ongoing technology investments; and
- undertaking routine design and implementation testing of the Group's financial control environment in both North America and the UK.

Internal audit

The Committee is responsible for the Group's overall assurance framework, including ensuring the nature and scope of internal audit activities are appropriate for the Group and that internal audit findings are considered and actioned appropriately.

This year, internal audit work has focused on the design, implementation and operating effectiveness of core financial and general IT controls. The scope of the work undertaken by our internal audit function is designed to provide coverage of our key controls, working alongside the Group's management assurance processes and the work of the external auditor. This work found that an effective control environment was in operation and identified a small number of control enhancement opportunities.

Internal audit prepares detailed reports which are discussed with management and against which detailed action plans are agreed. Key matters are highlighted to the Audit Committee through reports presented at Audit Committee meetings and the Audit Committee receives regular updates as to the status of open recommendations. In 2025/26, the Group's internal audit function will focus on key financial controls, cyber security, compliance matters and preparation for the requirements of Sarbanes Oxley.

In addition, the internal operational audit teams in the businesses undertake operational audits across the store network using a risk-based methodology. Each year the Committee agrees the scope of work and the coverage in the audit plan at the start of the year and receives formal reports on the results of the work at the half-year and full-year. During the year c. 490 audits were completed. The audits are scored and action plans agreed with store management to remedy identified weaknesses. This continual process of reinforcement is key to the store level control environment.

Internal audit effectiveness

The Audit Committee conducts an annual assessment of the scope of internal audit and the effectiveness of the internal auditor's work. The review is based on the Committee's engagement with internal audit and feedback from management. As a result of the review of internal audit effectiveness, the Committee is satisfied that the scope of work and its effectiveness is appropriate.

Going concern and viability statements

The Committee discussed management's approach to the going concern and viability statements and reviewed the work undertaken by management and reviewed a paper summarising their conclusions and proposed statements. In undertaking their work, management considered the Group's three-year budget and plan, as well as potential downside scenarios and their potential impact on the Group's viability.

Following review and challenge, the Committee agreed with management's assessment and the statements were agreed at the June meeting and are included on pages 37 and 119.

External audit

External auditor

The Audit Committee manages the relationship with the Group's external auditor on behalf of the Board and is responsible for making recommendations on the appointment of the external auditor, determining their independence from the Group and its management team, and agreeing the scope and fee for the audit.

PricewaterhouseCoopers LLP ('PwC') was appointed external auditor in September 2023. The external auditor is required to rotate the audit partner responsible for the Group audit every five years and this year is Darryl Phillips' second year as lead audit partner.

The Committee considers the reappointment of the external auditor each year and is recommending to the Board that a proposal be put to shareholders at the 2025 AGM for the re-appointment of PwC. There are no contractual restrictions on the Company's choice of external auditor and in making its recommendation the Committee took into account, amongst other matters, the tenure, objectivity and independence of PwC, as noted above, and its continuing effectiveness and cost.

The Company has complied with the provisions of the Competition and Market Authority's Order on audit tendering and rotation for the financial year under review.

External audit effectiveness

The Committee conducted an assessment of the effectiveness of the audit of the 2024/25 financial statements, based on its own experience and drawing on input from senior corporate management and senior finance management across the Group. The review was based on questionnaires completed by the members of the Committee and senior management. The questionnaires focused on the quality and experience of the team assigned to the audit, the robustness of the audit process, the quality of delivery and communication and governance and independence of the audit firm. This review also considers the role of management in the audit process and therefore enables the Audit Committee to form a view of management's role in ensuring the effectiveness of the external audit.

The questionnaires used enable the Audit Committee to gain a thorough insight into the audit process with sufficient detail to establish an informed view of the audit process across the business and as such form a view as to the effectiveness of the external audit. The feedback received was positive and acknowledged an appropriate focus on the principal risks. Furthermore, the audit work was completed in a rigorous and sceptical manner. At its meeting in June, the Committee discussed the results from the questionnaires and the audit process more generally. As a result of these considerations, the Committee is satisfied that the audit process and strategy for the audit of the 2024/25 financial statements was effective.

Non-audit services and external auditor independence

The Committee monitors the nature and extent of non-audit services on a regular basis to ensure the provision of non-audit services is within the Group's policy and does not impair the auditor's objectivity or independence. While the use of the Group's auditor for non-audit services is not prohibited, the Group typically elects to use an alternative adviser but accepts that certain work of a non-audit nature is best undertaken by the external auditor.

We are satisfied that non-audit services were in line with our policy and did not detract from the objectivity and independence of the external auditor.

The non-audit fees paid to the Company's auditor, PwC, for the year relate principally to their work in connection with the Group's preparation for moving its primary listing to the US. Other non-audit services relate to the review of the Company's interim results and the issue of comfort letters provided in connection with the Group's financings, work typically undertaken by the auditor. Details of the fees payable to the external auditor are given in Note 4 to the financial statements. Non-audit fees represented 53% of the audit fee in the year.

NOMINATION COMMITTEE REPORT

PAUL WALKER
CHAIR, NOMINATION COMMITTEE

Members of the Nomination Committee are:

- Paul Walker (chair)
- Angus Cockburn
- Jill Easterbrook
- Tanya Fratto
- Renata Ribeiro
- Lucinda Riches
- Roy Twite (appointed 10 June 2024)

Details of meeting attendance are provided on page 86. The Nomination Committee's terms of reference are available on the Group's website.

Role of the Nomination Committee

The principal duties of the Committee are making recommendations to the Board on:

- the Board's structure, size, composition and balance; and
- the appointment, reappointment, retirement or continuation of any director.

The chair of the Board chairs the Nomination Committee but is not permitted to participate in the appointment of their successor.

Main activities of the Nomination Committee during the year

The retirement of Michael Pratt as chief financial officer and a director was announced in September 2024. As part of the Group's long-term succession planning, the Committee had identified, following a rigorous search process assisted by Korn Ferry, an independent search firm with no other connection to the Company, Alex Pease, who then joined the Group in October 2024 as CFO Designate.

Michael Pratt stepped down as a director of the Company and chief financial officer of the Group on 28 February 2025 and Alex Pease then assumed the role with effect from 1 March 2025.

The Committee had carefully considered the Group's intention to move its primary listing to the US and determined, in common with US practice, that Alex would not be appointed as a director of the Company.

Appointment of directors

Following a rigorous search process, assisted by Korn Ferry an independent search firm with no other connection to the Company, we were delighted to announce that we will appoint Nando Cesarone and James (Jamie) Singleton as non-executive directors of the Company with effect from 1 August 2025. Nando and Jamie will also join the Audit, Nomination and Remuneration Committees.

Reappointment of directors

Lucinda Riches and Tanya Fratto have served for nine years and will leave the Board at the conclusion of the Group's AGM in September 2025.

In relation to the Group's other directors, the Committee unanimously recommends the election/re-election of each of the directors at the 2025 AGM. In making this recommendation, the Committee evaluated each director in terms of their performance, commitment to the role, and capacity to discharge their responsibilities effectively, given their other external time commitments and responsibilities.

Board composition and diversity

Our objective is to have a broad range of skills, background and experience within the Board as we believe that this ensures the Board is best placed to serve the Group.

While we will continue to ensure that we appoint the best people for the relevant roles, we recognise the benefits of diversity in ensuring a mix of views and providing a broad perspective.

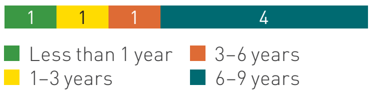
The Group's gender diversity statistics are set out within our Responsible business report including details of its approach to diversity and equal opportunities across the Group. At board level, four out of eight of our Board roles are held by women but we note that diversity extends beyond the measurable statistics of gender and ethnicity. As such, while we do not set any particular targets, we continue to take diversity in its wider context into account when considering any particular appointment.

Succession planning

Succession planning for the Board and senior management continues to be an area of focus for the Board, ensuring that appropriate succession plans are reviewed and updated on a regular basis and that Board rotation is managed so that it is distributed across a number of years. The Board, facilitated by the chief executive, undertook a detailed review of succession plans for the business at its meeting in October 2024.

The tenure of non-executive directors is illustrated in the graph below:

Tenure



Board appointment process

When considering the recruitment of a new director, the Committee considers the required balance of skills, knowledge, experience and diversity to ensure that any new appointment adds to the overall board composition. The Committee utilises the services of independent external advisers to facilitate the search based on the criteria determined by the Committee for the role.

PAUL WALKER
Chair, Nomination Committee

REMUNERATION REPORT

LUCINDA RICHES
REMUNERATION COMMITTEE CHAIR

Members of the Remuneration Committee are:
Lucinda Riches (chair)
Angus Cockburn
Jill Easterbrook
Renata Ribeiro
Tanya Fratto
Roy Twite (appointed 10 June 2024)

Details of meeting attendance are provided on page 86. The Remuneration Committee's terms of reference are available on the Group's website.

Dear Shareholder

I am pleased to present the Remuneration report for 2024/25.

Remuneration policy

The Remuneration Committee is pleased to report that its proposed changes to the Group's Remuneration policy ('the Policy'), which it believes strongly are in the best interests of its stakeholders as a whole, were approved by shareholders at our AGM last September.

In formulating the proposed changes to the Policy, the Committee undertook an extensive consultation exercise with its largest shareholders. We contacted 40 of the Group's largest shareholders (covering >55% of the shareholder register) to consult on the proposed changes to the Remuneration policy and solicit feedback. We are very grateful for the level of engagement on this important topic and the constructive feedback received.

All of the shareholders that we spoke with recognised that Ashtead's approach to remuneration needs to be credible in our relevant talent markets (and accept this is the US for our chief executive). We received broad indications of support for the direction of travel represented by the proposals, including general acceptance of the proposal to introduce RSU awards alongside the PSU awards for US-based directors, where such practice is in line with competitive norms.

In response to feedback received during the consultation, we made a number of changes to our proposals. We introduced a performance underpin at vesting on RSU awards for US-based directors, to mitigate the risk of rewarding for failure. We also extended the RSU time horizon beyond the rateable vesting originally proposed and introduced a post-vesting holding period, and further increased the shareholding guideline for US-based directors. While these revisions depart slightly from competitive US practices, the Committee recognises the need to be sensitive to generally-accepted remuneration governance norms in Ashtead's UK listing environment and the approved Policy strikes a balance between these perspectives. We recognised that not all shareholders would be able to lend their support to the revised proposals for the use and structure of the RSU awards. This was reflected in the voting outcome at the 2024 AGM.

At the 2024 AGM the total votes received in favour of remuneration-related resolutions were 98.02% (Remuneration report), 63.20% (Remuneration policy) and 62.49% (amendment to the rules of the Long-Term Incentive Plan 2021) (the 'Resolutions'). Following the AGM, the Company undertook a further engagement on the Remuneration policy and the amendment to the LTIP rules to seek additional feedback on the Resolutions from investors comprising a majority of the Company's issued share capital.

The additional consultation period ran until 18 September 2024. Shareholders with which the Company had previously engaged during the original consultation (and who had voted in favour of the Resolutions) reaffirmed their original feedback to the Board as well as their continued support for the Policy. They also acknowledged the revisions that had been made to the initial proposals as a direct result of feedback received during that consultation process. Shareholders who voted against the Resolutions reiterated their earlier comments made during the first consultation (as described in the 2024 Annual Report).

A small number of shareholders also contacted the Company directly to share the rationale for their support for (or decision to vote against) the Resolutions. These comments echoed the general themes of feedback received previously and which had been reflected in the proposals tabled for shareholders' approval.

Following closure of the consultation and given the absence of new feedback from investors who did not support the Resolutions, the Policy and the LTIP were implemented on the terms approved by majority shareholder support at the AGM.

Company performance and remuneration in 2024/25

On behalf of the Committee, I wish to thank our entire workforce for their contribution to Ashtead's continued success, further details of which are set out on pages 22 to 27 of the Annual Report. The Group continues to execute against its strategic plan, Sunbelt 4.0, while remaining focused on our core value of ensuring our people remain at the heart of what we do. In line with our philosophy that all team members should share in the Group's success in a meaningful and aligned manner, all staff participate in annual bonus arrangements relevant to the nature of their role and over 450 executives and senior leaders participated in the 2022 PSU. The Group's performance last year has resulted in the following remuneration outcomes for the executive directors in 2024/25:

Annual bonus

Executive directors participate in the deferred bonus plan where performance is measured by reference to Group adjusted pre-tax profit and free cash flow generation. The bonus targets for 2024/25, which were achieved at 78.3% of maximum reflecting the stretching nature of the targets, are set out on page 107.

2022 Performance Share Unit ('PSU') awards under the Long-Term Incentive Plan ('LTIP')

The long-term performance of the Group is reflected in the vesting outcome of 40.6% for this award cycle on completion of its three-year vesting period in July 2025 for awards held by Brendan Horgan and Michael Pratt, which will remain subject to an additional two-year post-vesting holding period.

The measures, targets and performance outcomes against these and the resulting levels of vesting are set out on page 108.

The Committee reviewed the outcomes under the incentive awards for the executive directors in the context of the underlying performance of the Group and the stakeholder experience more broadly. It concluded that no discretion to adjust the formulaic outcomes was required, noting the performance of the Group over the period and their valued contributions to the continued execution of the Group's strategic plans.

Remuneration for 2025/26

Our remuneration principles are designed to:

- support the Group's strategy;
- provide a clear link between remuneration outcomes and overall corporate performance;
- provide alignment between the structures of executive and employee remuneration, reinforcing Ashtead's culture;
- ensure remuneration is competitive against companies of similar size and complexity; and
- provide a policy that reflects best practice governance for a FTSE company whilst being cognisant of the relevant market for executive talent.

Workforce remuneration policies and practices

We continuously review our workforce remuneration policies and practices to ensure our offering at all levels of the Group remains aligned with our pay philosophy, is suitably competitive and reinforces the objectives set as part of the Group's strategic plan, Sunbelt 4.0.

Alignment between executive and employee remuneration is one of the Committee's key principles. We operate a consistent approach to fixed pay (salary, benefits, pension) across the Group, setting these at levels that enable the Group to compete effectively in relevant talent markets.

Each year the Committee reviews the remuneration of the Group's executive directors and has determined to increase the base salary for the chief executive by 3.5% with effect from 1 May 2025, compared with average salary increases of c. 4% given to the general workforce. The Committee considered this level of salary increase to reflect appropriately Brendan's continued strong performance and valued contribution to the ongoing success of the Group. Following Michael Pratt's retirement earlier in the year, Alex Pease was appointed as chief financial officer. Alex is not a Board director and his remuneration is set in a manner consistent with other senior executive colleagues at that level.

Deferred bonus plan award

The Group's chief executive participates in the deferred bonus plan. The Committee sets targets annually with reference to Group adjusted profit before tax and free cash flow.

No changes are proposed to the reward opportunity under the deferred bonus plan for the financial year ending 30 April 2026.

Long-Term Incentive Plan ('LTIP') award for 2025

The LTIP awards to be made in July 2025 to the chief executive are unchanged from last year and will comprise a PSU award of 700% of base salary and a RSU award of 150% of base salary.

We will continue setting stretching through-the-cycle targets for the PSU award to reward sustainable, long-term growth as assessed across a balance of different metrics. The Committee continues to believe that through-the-cycle targets remain the most appropriate measures for a cyclical business and will retain the existing targets for its 2025 award. The RSU award will continue to be subject to a performance underpin. Further details of the PSU scorecard and the RSU underpin are set out on pages 108 and 111.

Chief financial officer transition

We announced Michael Pratt's intention to retire on 3 September 2024 with his 12-month notice period commencing from that date. Michael stepped down from the Board on 28 February 2025 and his remuneration is pro-rated in this report to that date. He will continue to work and remain an employee of the Company until 2 September 2025. The full terms of Michael's retirement are provided in the Payment for loss of office section of this report on page 110 and these are in alignment with the Directors' Remuneration Policy. Alex Pease succeeded Michael as chief financial officer but as disclosed at the time, did not join the Board as a director. Alex's remuneration is not required to be disclosed, nor is he subject to the Directors' Remuneration Policy. However, in the interests of transparency to shareholders, we confirm that Alex's remuneration is within Policy limits.

Conclusion

The key decisions of the Committee relating to remuneration for the current year are set out below:

- the executive directors will receive 78.3% of their deferred bonus plan award for 2024/25 performance;
- 40.6% of the 2022 PSU award will vest in July 2025;
- the Group's chief executive's base salary will increase by 3.5%;
- the PSU award opportunity for 2025 will be 700% of base salary for the chief executive. Performance conditions in respect of this award appear on page 108; and
- the RSU award opportunity for 2025 will be 150% of base salary for the chief executive. This award will be subject to a performance underpin.

At this year's AGM there will be a single advisory resolution in respect of the Directors' remuneration report, details of which are set out in the Notice of Meeting.

I believe the decisions made by the Committee both reflect and build on the constructive shareholder dialogue and reflect Ashtead's circumstances. I hope you will agree and will therefore be able to vote in favour of this year's Remuneration report at this year's AGM, my last as Chair of the Remuneration Committee. An announcement on my successor will be made in due course. I would like to thank my fellow Committee members for their valuable contribution and counsel over my tenure, as well as to shareholders for their continued engagement and support.

Lucinda Riches

LUCINDA RICHES
Chair of the Remuneration Committee

Introduction

This report has been prepared in accordance with the Listing Rules of the Financial Conduct Authority, the relevant sections of the Companies Act 2006 and The Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013 ('the Regulations'). It explains how the Board has applied the Principles of Good Governance relating to directors' remuneration, as set out in the UK Corporate Governance Code. The Regulations require the auditor to report to the Company's members on elements of the Directors' Remuneration report and to state whether, in their opinion, that part of the report has been properly prepared in accordance with the Companies Act 2006. The audited information is included on pages 106 to 112.

An ordinary resolution concerning the Directors' remuneration report (excluding the Remuneration policy) will be put to shareholders at the AGM on 2 September 2025.

Remuneration policy

During the 2024/25 financial year, the Committee kept under review its approach to remuneration against Provision 40 of the Code, and concluded that the Remuneration policy and practices appropriately address the six pillars of: clarity; simplicity; risk; predictability; proportionality; and alignment to culture:

- **clarity:** the Remuneration policy is transparent and its implementation is disclosed in a straightforward and consistent manner both to shareholders and employees using the Group's Annual Report and via a range of employee engagement mechanisms, details of which are provided within this report;
- **simplicity:** the Group adopts remuneration structures for executive directors which are not complex and which are typical for the markets in which Ashtead competes for talent. Executive director remuneration comprises a base salary, benefit and pension arrangements which are in line with the wider workforce, and an annual bonus and long-term share awards which are aligned with the Group's financial performance and strategic plans. Details of the operation of this remuneration structure are provided within this report;
- **risk:** the Remuneration policy has been designed to discourage inappropriate risk-taking with an appropriate mix of fixed and variable remuneration. Variable elements are focused on the long-term success of the Group, with awards under the deferred bonus plan and long-term share plans subject to malus and clawback provisions. Performance conditions are reviewed regularly to ensure they remain sufficiently stretching to ensure poor performance is not rewarded, but without being so stretching as to encourage and incentivise excessive risk taking;
- **predictability:** the illustration on page 102 provides detail of the potential future reward based on different performance scenarios under the application of the Remuneration policy for 2025/26. Incentive arrangements are applied consistently over time and subject to clearly defined pay-out schedules, deferral requirements and shareholding policies;
- **proportionality:** the link between each element of the Remuneration policy and the Group's strategy is detailed in the policy table on the next page, with a range of short and long-term components. Furthermore, the Committee retains appropriate discretion to adjust formulaic bonus and long-term incentive outcomes, where these would otherwise result in outcomes that are not aligned with stakeholders' experience; and
- **alignment to culture:** remuneration practices are aligned with the Group's purpose, values and strategy.

Shareholders approved the Group's Remuneration policy at the 2024 AGM and the policy has operated as set out on the next page (and which is reproduced from last year's report). The Committee will keep the policy under review to ensure it appropriately incentivises and rewards strong performance going forward. Major shareholders will be consulted in advance on any proposed material changes.

Shareholders approved the Group's Remuneration policy at the 2024 AGM held on 4 September 2024 and since that time the Policy has operated as set out below. The Group's Remuneration policy is available in full in the 2024 Annual Report & Accounts (see https://www.ashtead-group.com/investors/results-centre/annual-reports/). Acknowledging that, upon completion of the proposed group re-organisation and US listing (full details of which were set out in the shareholder circular published on 13 May 2025), the Group will no longer be subject to the statutory UK remuneration reporting and governance framework, the Group's remuneration structure will continue to appropriately incentivise and reward strong performance, both under the existing UK framework for so long as it continues to apply to Ashtead, and thereafter under applicable US rules.

The Group's Remuneration policy

Element	Link to strategy	Operation	Maximum potential value	Performance conditions and assessment
Base salary	The purpose of the base salary is to attract and retain directors of the high calibre needed to deliver the long-term success of the Group without paying more than is necessary to fill the role.	Ordinarily, base salary is set annually and is payable on a monthly basis. An executive director's base salary is determined by the Committee. In deciding appropriate levels, the Committee considers the experience and performance of individuals and relationships across the Board and seeks to be competitive using information drawn from both internal and external sources and taking account of pay and conditions elsewhere in the Company. The comparator groups currently used to inform pay decisions comprise organisations of similar size, business model and geographic footprint. The Committee considers US and FTSE listed companies in its assessment, weighting the relevance of these markets depending on the location of the executive and the talent market for the role. Individuals who are recruited or promoted to the Board may, on occasion, have their salaries set below the policy level until they become established in their role. In such cases subsequent increases in salary may be higher until the target positioning is achieved.	While there is no maximum salary level, salaries are typically positioned around the median level for comparable positions in the relevant market for talent. Increases will normally be no higher than the typical increases for other employees in the relevant geography. Higher increases may be awarded in certain circumstances at the Committee's discretion. For example, these may include, but are not limited to: – increase in the scope and/or responsibility of the individual's role; and – development of the individual within the role. A full explanation will be provided in the relevant Remuneration report should increases above the level of local employee wage inflation be awarded. Details of the executive directors' salaries, and any increases awarded are set out in the Remuneration report.	N/A
Benefits	To provide competitive employment benefits.	The executive directors' benefits will generally include medical insurance, life cover, car allowance and travel and accommodation allowances. The type and level of benefits provided is reviewed periodically to ensure they remain market competitive.	The maximum will be set at the cost of providing the listed benefits.	N/A
Pension	To provide a competitive retirement benefit.	The Company makes pension contributions (or pays a salary supplement in lieu of pension contributions) equal to the average available for the workforce in the relevant geography.	The maximum pension contribution for all directors is aligned with the average employee contribution in the respective geographies.	N/A

Element	Link to strategy	Operation	Maximum potential value	Performance conditions and assessment
Deferred Bonus Plan ('DBP')	The purpose of the DBP is to incentivise executives to deliver stretching annual financial performance while aligning short-term and long-term reward through compulsory deferral of a proportion into share equivalents. This promotes the alignment of executive and shareholder interests.	The DBP runs for consecutive three-year periods with a significant proportion of any earned bonus being compulsorily deferred into share equivalents. Based on achievement of annual performance targets, participants receive two-thirds of the combined total of their earned bonus for the current year and the value of any share equivalent awards brought forward from the previous year at the then share price. The other one-third is compulsorily deferred into a new award of share equivalents evaluated at the then share price. Deferred share equivalents are subject to 50% forfeiture for each subsequent year of the plan period where performance falls below the forfeiture threshold set by the Committee. At the expiration of each three-year period, participants will, subject to attainment of the performance conditions for that year, receive in cash their bonus for that year plus any brought forward deferral at its then value. Dividend equivalents may be provided on deferred share equivalents. Malus and clawback provisions apply as detailed in the notes to this table.	The maximum annual bonus opportunity under the DBP is 225% of base salary. Target performance earns 50% of the maximum bonus opportunity.	The current DBP performance conditions are Group adjusted pre-tax profit and free cash flow. Stretching financial targets are set by the Committee at the start of each financial year. The Company operates in a rapidly changing sector and therefore the Committee may change the balance of the measures, or use different measures, for subsequent financial years, as appropriate. The Committee has the discretion to adjust measures, targets or weightings for any exceptional events that may occur during the year. The Committee is of the opinion that given the commercial sensitivity arising in relation to the detailed financial targets used for the DBP, disclosing precise targets for the bonus plan in advance would not be in shareholders' interests. Actual targets, performance achieved and awards made will be published at the end of the performance periods so shareholders can assess fully the basis for any pay-outs under the plan.
Performance Stock Unit ('PSU') awards	The purpose is to attract, retain and incentivise executives to optimise business performance through the economic cycle and hence, build a stronger underlying business with sustainable long-term shareholder value creation. This is an inherently cyclical business with high capital requirements. The performance conditions have been chosen to ensure that there is an appropriate dynamic tension between growing earnings ahead of market rates, delivering strong RoI, creating shareholder value, and achieving the sustainability objectives underpinning our corporate purpose.	Awards are granted annually and vesting is dependent on the achievement of performance conditions. Performance is measured over a three-year period. The operation of the plan is reviewed annually to ensure that grant levels, performance criteria and other features remain appropriate to the Company's current circumstances. Dividend equivalents may be provided on vested shares. Awards are subject to a three-year performance period and vested shares (net of taxes) are required to be held for a further two-year period post-vesting. Malus and clawback provisions apply as detailed in the notes to this table.	The maximum annual PSU award has a market value at the grant date of 700% of base salary. At target performance 25% of the award vests.	Awards are subject to continued employment and achievement of a range of stretching, balanced and holistic performance conditions. The performance criteria are set out on page 108.

Element	Link to strategy	Operation	Maximum potential value	Performance conditions and assessment
Restricted Stock Unit ('RSU') awards **(US-based directors only)**	The purpose is to attract and retain executive directors in talent markets for which hybrid equity incentive arrangements reflect typical competitive norms, to build a stronger underlying business with sustainable long-term shareholder value creation.	Awards are granted annually and usually vest, subject to achievement of an underpin, in equal tranches over two, three and four years. Vested shares (net of taxes) are required to be held for a further year post-vesting. Dividend equivalents may be provided on vested shares. Malus and clawback provisions apply as detailed in the notes to this table.	The maximum annual RSU award has a market value at the grant date of 150% of base salary.	RSUs will vest to the extent the Committee determines, in its absolute discretion, that the underpin has been met. In determining the extent to which an award will vest, the Committee will consider multiple factors. These will be disclosed at the time of grant and may include, but are not limited to, a minimum acceptable level of RoI, delivery of the dividend policy, balance sheet health, sustainability and corporate governance.
Shareholding policy	Ensures a long-term locked-in alignment between the executive directors and shareholders.	The Committee requires the executive directors to build and maintain a material shareholding in the Company over a reasonable time frame, which would normally be five years. The Committee has discretion to increase the shareholding requirement.	Minimum shareholding requirement: – Chief executive: 850% of base salary – Other executive directors: 300% of base salary	N/A
Post-cessation shareholding requirement	Strengthens the alignment between the long-term interests of executive directors and shareholders.	The Committee requires the executive directors to maintain the minimum shareholding requirement for two years post cessation.	Minimum shareholding requirement: – Chief executive: 300% of base salary – Other executive directors: 200% of base salary	N/A

Notes to the policy table:

1 Performance targets are set by the Committee to be stretching, taking into account the Group's strategic plans and the market landscape. The Committee reviews the measures, weightings and targets for the annual bonus and PSU awards prior to the commencement of each award cycle to ensure their continued suitability and to ensure they are appropriately stretching. In relation to the PSU awards, awards to be granted in 2025 will be based on TSR, adjusted EPS, RoI and Sustainability:
   a. Total shareholder return measures the relative return from Ashtead against two comparator groups comprising constituents of the FTSE 100 excluding investment trusts (to reflect Ashtead's listing environment) and constituents of the S&P 500 Industrials index (to reflect the geographic footprint of Ashtead's business landscape). This provides alignment with shareholders' interests as well as the talent markets against which remuneration opportunities are benchmarked.
   b. Earnings per share is a key measure ensuring sustainable profit generation over the longer-term. It is a key pillar of Ashtead's strategy and is a measure which is aligned with shareholders' interests.
   c. Return on investment is a key internal measure to ensure the effective use of capital in the business which is cyclical and has high capital requirements.
   d. Sustainability is a core component of Sunbelt 4.0 and carbon reduction targets have been included in the PSU scorecard to reflect our pathway to net zero by 2050.

2 In relation to the DBP and LTIP (under which PSU and RSU awards are made), malus and clawback provisions exist which enable the Committee to reduce or eliminate the number of shares, notional shares or unvested shares held or reduce the amount of any money payable or potentially payable and/or to require the transfer to the Company of all or some of the shares acquired or to pay to the Company an amount equal to all or part of any benefit or value derived from, or attributable to, the plans in case of material misstatement of accounts, an error in the assessment process, the use of inaccurate or misleading information, action or conduct of an award holder or award holders which in the reasonable opinion of the Board, amounts to fraud or gross misconduct, censure by a regulatory body or a significant detrimental impact to the Group's reputation (where the participant was responsible for, or had management oversight over, the actions, omissions or behaviour that gave rise to that censure or detrimental impact) or corporate failure. The recovery provisions in the DBP apply for up to two years following the date of payment. The recovery provisions in the LTIP extend for five years from the date of grant.

3 The Committee will operate the Company's incentive plans according to their respective rules and consistent with normal market practice, the Listing Rules and HMRC rules where relevant, including flexibility in a number of regards. These include making awards and setting performance criteria and targets for new cycles each year, dealing with leavers, and adjustments to awards and performance criteria following acquisitions, disposals, changes in share capital and to take account of the impact of other merger and acquisition activity. The Committee retains discretion, in exceptional circumstances, under the rules of the DBP and LTIP to adjust performance conditions to ensure that the awards fulfil their original purposes. All assessments of performance are ultimately subject to the Committee's judgement. Any discretion exercised, and the rationale for doing so, will be disclosed in the Directors' remuneration report.

Remuneration policy on new hires

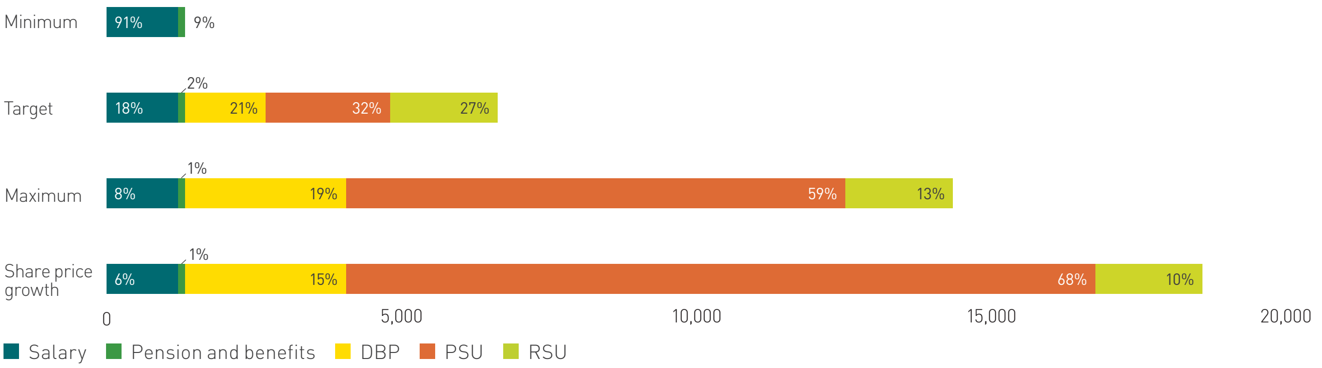
When hiring a new executive director, the Committee will seek to align the remuneration package with the Remuneration policy summarised on pages 99 to 101 (including the maximum limits contained therein). For a US-based executive director, this may include the granting of RSU awards. In addition, where the executive has to relocate, the level of relocation package will be assessed on a case-by-case basis. Although it is not the Committee's policy to buy-out former incentive arrangements as a matter of course, it will consider compensating an incoming executive with like-kind incentive arrangements for foregone incentives with their previous employer, taking into account the length of the period they were held and an assessment of the likely vesting value. The Committee will ensure that such arrangements are in the best interests of both the Company and the shareholders without paying more than is necessary.

Total remuneration opportunity

Our remuneration arrangements are designed so that a significant proportion of pay is dependent on the delivery of short and long-term objectives designed to create shareholder value.

The graph below illustrates the potential future reward opportunity for the Group's chief executive in 2025/26, based on his base salary at 1 May 2025 and the sterling/dollar exchange rate at 30 April 2025.

Chief executive – Brendan Horgan ($'000)



In illustrating potential reward opportunities, the following assumptions have been made:

	Base salary, benefits, pension	DBP	RSU awards	PSU awards
Minimum	Base salary, benefits and pension or cash in lieu of pension	No payment	No vesting	No vesting
Target		On target (50% of maximum)	Full vesting	25% vesting
Maximum		Maximum		Full vesting
Share price growth				Full vesting with 50% share price growth

The impact of share price movements on the value of PSU awards has been excluded for the minimum, target and maximum scenario. The impact of share price changes on the value of the RSUs and mandatory bonus deferrals into the DBP has been excluded from all scenarios.

Service contracts

The Company's policy is that executive directors have rolling contracts terminable by either party giving the other 12 months' notice, which are available for inspection at the Company's registered office. The service contracts for each of the executive directors all contain non-compete provisions appropriate to their roles.

Policy on payment for loss of office

Upon the termination of employment of any executive director, any compensation will be determined in accordance with the relevant provisions of the director's employment contract and the rules of any incentive scheme, which are summarised below.

Element	Approach	Application of Committee discretion
Base salary and benefits	In the event of termination by the Company, there will be no compensation for loss of office due to misconduct or normal resignation. In other circumstances, executive directors may be entitled to receive compensation for loss of office which will be a maximum of 12 months' salary. Such payments will be equivalent to the monthly salary and benefits that the executive would have received if still in employment with the Company. Executive directors will be expected to mitigate their loss within a 12-month period of their departure from the Company.	The Committee has discretion to make a lump sum payment in lieu.
Pension	Pension contributions or payments in lieu of pension contribution will be made during the notice period. No additional payments will be made in respect of pension contributions for loss of office.	The Committee has discretion to make a lump sum payment in lieu.
Deferred Bonus Plan	The treatment of the Deferred Bonus Plan is governed by the rules of the plan.	
	Cessation of employment If a participant ceases to be employed by a Group company for any reason, an award that has not vested shall lapse unless the Committee in its absolute discretion determines otherwise for 'good leaver' reasons (including, but not limited to, injury, disability, ill health, retirement, redundancy or transfer of the business). If the Committee determines that deferred awards held in a participant's plan account shall not lapse on cessation of employment, all deferred awards held in the participant's plan account shall vest immediately and the Committee shall determine: (a) whether the measurement date for that plan year is brought forward to the date of cessation or remains at the end of the plan year; and (b) whether a reduction is applied to the payment to take account of the proportion of the plan year elapsed and the contribution to the Group. If the Committee determines that the measurement date is the date of cessation, the Committee shall pro-rate the performance conditions to the date of cessation.	The Committee has the discretion to determine that an executive director is a good leaver. The Committee retains discretion to set the measurement date for the purposes of determining performance measurement and whether to pro-rate the contribution for that plan year. It should be noted that it is the Committee's policy to apply such discretions only if the circumstances at the time are, in its opinion, sufficiently exceptional, and to provide a full explanation to shareholders where discretion is exercised.
	Change of control On a change of control, all deferred awards held in a participant's plan account shall vest immediately and the Committee shall determine: (a) that the measurement date is the date of the change of control; and (b) whether a reduction is applied to the payment to take account of the proportion of the plan year elapsed and the participant's contribution to the Group. The Committee shall pro-rate the performance conditions to the measurement date. In the event of an internal reorganisation, the Committee may determine that awards are replaced by equivalent awards.	The Committee retains discretion to pro-rate the contribution for that plan year. It is the Committee's policy in normal circumstances to pro-rate to time; however, in exceptional circumstances where the nature of the transaction produces exceptional value for shareholders and, provided the performance targets are met, the Committee will consider whether pro-rating is equitable.

Element	Approach	Application of Committee discretion
LTIP (including PSU and RSU awards)	The treatment of awards is governed by the rules of the Long-Term Incentive Plan.	
	Cessation of employment	
	If a participant ceases to be employed by a Group company for any reason, an award that has not vested shall lapse unless the Committee in its absolute discretion determines otherwise for 'good leaver' reasons (including, injury, disability, ill health, redundancy or transfer of the business and any other reason at the discretion of the Committee). Where the participant is a good leaver, and at the discretion of the Committee, awards may continue until the normal time of vesting and with any applicable performance targets and other conditions considered at the time of vesting. If the participant's awards vest, the proportion of the awards which shall vest will be determined by the Committee in its absolute discretion taking into account such factors as the Committee may consider relevant including, but not limited to, the time the award has been held by the participant and having regard to any applicable performance targets and further conditions imposed under the rules of the relevant plan. Alternatively, the Committee may decide that the award may vest on the date of cessation taking into account such factors as the Committee may consider relevant including, but not limited to, the time the award has been held by the participant and having regard to any applicable performance targets and further conditions imposed under the rules of the relevant plan. Awards will remain subject to any holding period after it vests, unless the Committee, in its absolute discretion, determines otherwise.	The Committee has the discretion to determine that an executive director is a good leaver. The Committee retains discretion to set the vesting date. It should be noted that it is the Committee's policy only to apply such discretions if the circumstances at the time are, in its opinion, sufficiently exceptional, and to provide a full explanation to shareholders where discretion is exercised.
	Change of control	
	The proportion of the awards which shall vest will be determined by the Committee in its absolute discretion taking into account such factors as the Committee may consider relevant including, but not limited to, the time the award has been held by the participant and having regard to any applicable performance targets and further conditions imposed under the rules of the relevant plan.	It is the Committee's policy to measure the level of satisfaction of applicable performance targets (for performance based awards) on a change of control. It is the Committee's policy in normal circumstances to pro-rate to time; however, in exceptional circumstances where the nature of the transaction produces exceptional value for shareholders and provided any applicable performance targets are met, the Committee will consider whether pro-rating is equitable.

There is no agreement between the Company and its directors or employees, providing for compensation for loss of office or employment that occurs as a result of a takeover bid. The Committee reserves the right to make payments where such payments are made in good faith in discharge of a legal obligation (or by way of damages for breach of such an obligation); or by way of settlement or compromise of any claim arising in connection with the termination of an executive director's office or employment.

When determining any loss of office payment for a departing individual the Committee will always seek to minimise the cost to the Company whilst seeking to address the circumstances at the time.

Consideration of conditions elsewhere in the Group

Alignment between executive and employee remuneration is one of the Committee's key principles. Therefore, the remuneration philosophy and frameworks applying to the wider workforce (and any changes to these over time) are primary inputs to the Committee's decisions regarding executive director remuneration.

Ashtead operates a consistent approach to fixed pay (salary, benefits and pension) across the Group, setting these at levels that enable Ashtead to compete effectively in relevant talent markets. All staff are eligible for a cash bonus linked to their contribution to our success, and performance-based incentives are an important component of the package that help to support staff retention and motivation over the longer-term. All PSU awards are subject to the same performance measures/targets as set for the executive directors, to foster a collaborative mindset and reward all eligible participants equitably for the Group's continued success. Reflecting competitive practice in the US (the primary market for talent for most of our workforce), longer-term variable pay comprises both performance and time-based vehicles. Restricted Stock Unit ('RSU') awards supplement the PSU award opportunity for eligible colleagues. However, the RSUs awarded below the Board level vests rateably over three years in line with competitive market norms in the US.

When considering executive compensation, the Committee is advised of, and takes into account, changes to the remuneration of employees within the Group and feedback from engagement with employee forums. Executives engaged with team members throughout the year. Regular 'town hall' and employee briefings are held during which updates are provided to the workforce on the Group's performance and strategic initiatives, and how these correlate to remuneration plans. During 2024/25, these have included specific consideration of fixed elements of remuneration, considering the broader economic environment, as well as the structure of variable elements of remuneration, in light of the Group's progress against its strategic plans. The workforce is encouraged to raise questions and share feedback either during or after the town hall events and employee briefings and we find a high level of engagement. Additionally, regular updates are provided to employees of Company performance via email and through the Group's employee engagement apps.

Employees are also able to provide feedback through the Group's employee surveys on an anonymous basis, with employees and the Board provided with updates as to action taken to respond to employee matters raised.

Our Remuneration policy is applied consistently throughout the organisation and as such enables our employees to understand the Remuneration policy as it applies to them and enables alignment between the executive directors and the wider workforce. This includes our policy on setting fixed pay levels, the depth of participation in our short- and long-term incentives, and the measures and targets set to determine the pay-out of these. The Committee (and the Board as a whole) continues to keep under review our approach to consulting employees on all matters – including remuneration – and is committed to evolving further its approach over time, as appropriate.

Managing potential conflicts of interest

In order to avoid any conflict of interest, remuneration is managed through well-defined processes ensuring that no individual is involved in the decision-making process related to their own remuneration. In particular, the remuneration of all executive directors is set and approved by the Committee; no executive director is involved in the determination of their own remuneration arrangements.

The Committee also receives support from external advisers and evaluates the support provided by those advisers annually to ensure that advice is independent and appropriate.

Remuneration policy for non-executive directors

The remuneration of the non-executive chair is determined by the Committee within its terms of reference. The remuneration of the non-executive directors is determined by the Board within limits set out in the Articles of Association. None of the non-executive directors has a service contract with the Company and their appointment is therefore terminable by the Board or the director at any time. When recruiting a non-executive director, the remuneration arrangements offered will be in line with the policy table below:

Approach to fees	Basis of fees
Fees are set at a level to attract and retain high calibre non-executive directors. Fees are reviewed on a regular basis to ensure they reflect the time commitment required and practice in companies of a similar size and complexity. The Company pays any reasonable expenses that a non-executive director incurs in carrying out their duties as a director (including any tax arising thereon) and other modest benefits as appropriate.	Each non-executive director is paid a basic fee for undertaking non-executive director and board responsibilities. Additional fees are paid in relation to extra responsibilities undertaken, such as to the non-executive chair and the chairs of the Audit and Remuneration Committees and the senior independent director.

Annual report on remuneration

Single total figure for remuneration (audited information)

Executive directors

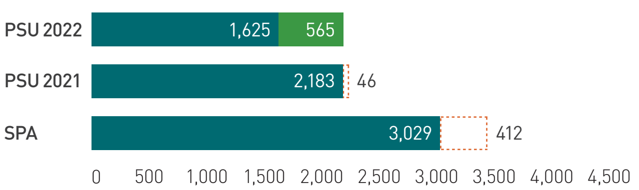
The single figure for the total remuneration received by each executive director for the year ended 30 April 2025 and the prior year is shown in the table below:

		Brendan Horgan[1]		Michael Pratt[1,2]		Total	
		2025 $'000	2024 $'000	**2025 £'000**	2024 £'000	**2025 $'000**	2024 $'000
Fixed remuneration	Salary	**1,170**	1,125	**530**	612	**1,849**	1,894
	Benefits[3]	**86**	82	**6**	7	**94**	90
	Pension[4]	**31**	30	**32**	37	**72**	76
	Total fixed	**1,287**	1,237	**568**	656	**2,015**	2,060
Variable remuneration	DBP[5]	**1,507**	549	**527**	224	**2,210**	829
	PSU[6]	**2,190**	2,184	**684**	1,025	**3,066**	3,495
	RSU[7]	**–**	–	**–**	–	**–**	–
	SPA[8]	**–**	3,029	**–**	1,267	**–**	4,650
	Total variable	**3,697**	5,762	**1,211**	2,516	**5,276**	8,974
Total		**4,984**	6,999	**1,779**	3,172	**7,291**	11,034

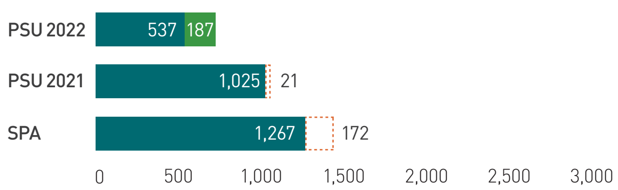
Notes
1 Brendan Horgan's salary is denominated in US dollars whereas Michael Pratt's salary is denominated in sterling. For the purpose of this disclosure, amounts have been shown in the currency in which salary is denominated, while the total remuneration amount is shown in US dollars translated at the average exchange rate for the year (1.2813).
2 Michael Pratt stood down as the Group's chief financial officer and a board director with effect from 28 February 2025 but remains as an employee until 2 September 2025. As a good leaver, Michael remains a participant in the Group's LTIP arrangements in respect of previous awards, pro-rated for time served. In relation to the DBP, Michael's entitlement will be paid out in accordance with 2024/25 performance but subject to the plan's clawback provisions. Remuneration included in the table above in respect of 2024/25 covers the period to 28 February 2025.
3 Benefits include the taxable benefit of company owned cars, private medical insurance and subscriptions and other taxable allowances. Other taxable allowances include car, travel and accommodation allowances.
4 The amount for Michael Pratt represents cash payments in lieu of pension contributions at 6% (2024: 6%) of salary, in line with the pension contribution offered to the UK workforce. The amount included for Brendan Horgan represents the co-match under Sunbelt's 401K defined contribution pension plan and 409A deferred compensation plan and is in line with the pension arrangements offered to our US workforce.
5 DBP includes the cash received by each director from the DBP for 2024/25 performance as explained on page 107. This includes 67% of this year's bonus and 67% of the brought forward deferred share equivalents for each director.
6 The PSU value is calculated as the number of performance-based shares vesting, valued at the market value of those shares, plus the payment in lieu of dividends paid during the vesting period. Market value is the market value on the day the awards vest (if they vest before the date the financial statements are approved) or the average market value for the last three months of the financial year (if the awards vest after the date the financial statements are approved). The 2022 award will vest at 40.6% on 4 July 2025 and has been valued at an average market value of 4,436p for the three months ended 30 April 2025, plus 245.9p per share in lieu of dividends paid during the vesting period. The PSU value for 2024 has been adjusted to reflect the actual market value on the date of vesting of 5,112p.
7 RSUs were granted to the chief executive in 2025. However, these remain subject to a performance underpin and vest rateably after two, three, four years (and are subject to a further one-year holding period). As such, their value will be disclosed at the time of vesting.
8 The value of Strategic Plan Award shares vesting has been adjusted to reflect the actual market value on the date of vesting of 5,112p, plus 158.4p per share in lieu of dividends paid during the vesting period.

The value attributable to the 2021 and 2022 PSU awards and Strategic Award Plan within the single total figure for remuneration reflects the movement of the share price since the awards were granted. This is illustrated as follows:

Chief executive – Brendan Horgan ($'000)



Chief financial officer – Michael Pratt (£'000)



- Share price element based on share price at date of grant
- Share price appreciation element since grant date plus cash in lieu of dividends
- Share price depreciation element since grant date less cash in lieu of dividends

Notes
1 The value shown above for Michael Pratt represents the full value of awards granted and not pro-rated for his period of service as an executive director.
2 The share appreciation element for PSU 2022 includes a cash in lieu of dividends amount of $115,006 for Brendan Horgan and £38,013 for Michael Pratt.

The Company believes that the charts above show the strong alignment of interests between the executive directors and shareholders reflected in the share price movement over the performance period.

Directors' pension benefits (audited information)

Brendan Horgan is a member of the Sunbelt 401K defined contribution pension plan and the 409A deferred compensation plan. He is entitled to a company co-match conditional on contributing into the 401K plan or deferring into the 409A plan. The co-match is limited to amounts permitted by regulatory agencies and is affected either by a company payment into the 401K plan or an enhanced deferral into the 409A plan and was $30,673 in 2024/25.

At 30 April 2025, the total amount available to Brendan Horgan but deferred under the Sunbelt deferred compensation plan was $1,351,984. This includes an allocated investment gain of $105,691 (2024: $132,813).

Michael Pratt received a cash payment in lieu of pension contributions of 6% of base salary, in line with the wider UK workforce.

The Deferred Bonus Plan (audited information)

The performance targets for the DBP for the year, which were equally weighted, were as follows:

		Group adjusted pre-tax profit	Free cash flow[1]
Entry	10%	$1,985m	$1,745m
Threshold	30%	$2,040m	$1,860m
Target	50%	$2,100m	$1,975m
Maximum	100%	$2,335m	$2,325m
Actual – reported		**$2,128m**	**$2,770m**
Actual – budget exchange rates		**$2,131m**	**$2,771m**

Note
1 Free cash flow before interest, taxation and capital allocation decisions.

For the year to 30 April 2025, the adjusted pre-tax profit for Ashtead Group plc was $2,131m and free cash flow was $2,771m, both at budget exchange rates. As a result, Brendan Horgan and Michael Pratt earned 78.3% of their maximum bonus entitlements. These are equivalent to 176.2% of base salary for Brendan Horgan ($2,060,807) and 137.0% of base salary for Michael Pratt (£726,210 for the period to 28 February 2025 when he stood down as a director).

2024/25 is the second year of the current three-year DBP and one third of the bonus amounts disclosed above has been compulsorily deferred into an award of share equivalents based on the year-end share price (3,990p). The share equivalents are summarised below:

	Notional shares brought forward	Value				Notional shares carried forward[3]
		Brought forward[1]	Contribution	Amount paid out[2]	Carried forward	
Brendan Horgan	3,752	$199,946	$2,060,807	$1,507,169	$753,584	14,141
Michael Pratt[4]	1,916	£76,448	£871,452	£631,933	£315,967	7,919

Notes
1 Brought forward value is calculated using the year-end share price (being 3,990p as at 30 April 2025) and, for Brendan Horgan, the closing USD/GBP exchange rate ($1.3356).
2 Amount paid out reflects the cash received by each director from the DBP for 2024/25 performance, being 67% of the amount brought forward and contributed in the year.
3 Amount carried forward has been compulsorily deferred into an award of share equivalents based on the year-end share price (being 3,990p as at 30 April 2025) and, for Brendan Horgan, the closing USD/GBP exchange rate ($1.3356).
4 Amounts shown for Michael Pratt in the table above represent those for the full year. Of the contribution made, £726,210 relates to the period to 28 February 2025 when he stood down as a director.

PSU awards made under the Performance Share Plan/LTIP (audited information)

The performance criteria represent a balanced and holistic approach involving four measures selected because delivery of them through the cycle is a significant challenge and the achievement of them will deliver optimum sustainable performance and shareholder value creation over the long-term.

The performance criteria for awards made up to 2023/24 are as follows:

<table>
<tr><th rowspan="2">Award date</th><th rowspan="2">Financial year</th><th colspan="4">Performance criteria (measured over three years)</th><th rowspan="2">Status</th></tr>
<tr><th>TSR (40%)</th><th>Adjusted EPS (25%)</th><th>RoI (25%)</th><th>Leverage (10%)</th></tr>
<tr><td>06/07/21</td><td>2021/22</td><td rowspan="3">25% of this element of this award will vest for median performance with full vesting at the upper quartile.
TSR is measured against the constituents of the FTSE 100 (excluding investment trusts) at 1 May of the year of grant.</td><td rowspan="3">25% of this element of the award will vest if adjusted EPS compound growth for the three years ending 30 April immediately prior to the vesting date is 6% per annum, rising to 100% vesting if adjusted EPS compound growth is equal to, or exceeds, 12% per annum.</td><td rowspan="3">25% of this element of the award will vest at an RoI of 10% with 100% vesting with an RoI of 15% (excluding IFRS 16).</td><td rowspan="3">100% of this element of the award will vest if the ratio of net debt to EBITDA is equal to, or is less than, 2 times (2.4 times post IFRS 16).</td><td>2021 award
93.4% vested in July 2024
2022 award
40.6% will vest in July 2025</td></tr>
<tr><td>04/07/22</td><td>2022/23</td><td rowspan="2">2023 award
TSR performance is in the third quartile, EPS decreased by 2%, RoI of 15% and leverage of 1.6 times and leverage of 1.6 times</td></tr>
<tr><td>19/06/23</td><td>2023/24</td></tr>
</table>

The performance criteria for the 2024/25 awards are as follows:

<table>
<tr><th rowspan="2">Award date</th><th rowspan="2">Financial year</th><th colspan="4">Performance criteria (measured over three years)</th><th rowspan="2">Status</th></tr>
<tr><th>TSR (30%)</th><th>Adjusted EPS (30%)</th><th>RoI (30%)</th><th>Carbon intensity (10%)</th></tr>
<tr><td>20/06/24 and 19/09/24</td><td>2024/25</td><td>25% of this element of the award will vest for median performance with full vesting at the upper quartile.
This element is split into two equal parts, with TSR measured against:
1. the constituents of the FTSE 100 (excluding investment trusts) at 1 May of the year of grant; and
2. the constituents of the S&P Industrials index at 1 May of the year of grant.</td><td>25% of this element of the award will vest if adjusted EPS compound growth for the three years ending 30 April immediately prior to the vesting date is 7% per annum, rising to 100% vesting if adjusted EPS compound growth is equal to, or exceeds, 13% per annum.</td><td>25% of this element of the award will vest at an RoI of 13% with 100% vesting with an RoI of 18% (excluding IFRS 16).</td><td>25% of this element of the award will vest at a reduction in carbon intensity of 9% with 100% vesting with reduction of 15%.
Carbon intensity is measured from a 2023/24 baseline with reference to rental revenue.</td><td>2024 award
TSR performance is in the fourth quartile measured against both the FTSE 100 and S&P Industrials Index, adjusted EPS decreased by 4%, RoI is 15% and carbon intensity reduction to date is 4%</td></tr>
</table>

For performance between the lower and upper target ranges, vesting of the award is scaled on a straight-line basis.

The 2021 PSU award vested at 93.4% on 5 July 2024. Further details are set out in last year's report.

The 2022 PSU award will vest at 40.6% on 4 July 2025 with EPS compound growth for the three years ended 30 April 2025 of 6.4%, the Company's TSR performance ranked it 63 within the FTSE 100 companies (excluding investment trusts), RoI was 15% and average leverage was 1.7 times.

Adjusted EPS is based on adjusted profit after taxation stated in US dollars. TSR performance was measured relative to other FTSE 100 companies (excluding investment trusts) rather than a specific comparator group of companies because there are few direct comparators to the Company listed in London. The Company's TSR performance relative to the FTSE 100 is shown on page 112.

It is a condition of PSU awards that directors at the time of the award are required to hold any vested shares (net of taxes) for a further two-year period following the vesting date.

The Strategic Plan Award (audited information)

Strategic Plan Awards were made in 2021/22. Details of the plan, including targets and the payout warranted by performance, are set out in detail in last year's report. SPA awards vested at 100% of maximum on 5 July 2024.

Single total figure of remuneration (audited information)

Non-executive directors

	Fees		Benefits[1]		Total	
	2025 £'000	2024 £'000	**2025 £'000**	2024 £'000	**2025 £'000**	2024 £'000
Angus Cockburn	**140**	120	**7**	5	**147**	125
Jill Easterbrook	**90**	80	**4**	4	**94**	84
Tanya Fratto	**90**	80	**64**	23	**154**	103
Renata Ribeiro	**90**	80	**15**	9	**105**	89
Lucinda Riches	**115**	100	**–**	–	**115**	100
Roy Twite	**80**	–	**4**	–	**84**	–
Paul Walker	**475**	450	**12**	12	**487**	462
Former director:						
Lindsley Ruth	**38**	80	**10**	–	**48**	80
	1,118	990	**116**	53	**1,234**	1,043

Note

1 Benefits relate to taxable travel, accommodation and subsistence expenditure met by the Company for Board members to attend meetings of the Board and undertake other activities on behalf of the Company. The benefits figures above include those amounts where such taxable expenditure has been reimbursed in attending the Group's head office location in London.

The non-executive directors did not receive any remuneration from the Company in addition to the fees detailed above.

Scheme interests awarded between 1 May 2024 and 30 April 2025 (audited information)

Deferred bonus plan

Under the DBP, one-third of each participant's bonus for 2024/25 was compulsorily deferred into share equivalents. Share equivalent awards made under the DBP on 30 April 2025 are summarised below. These awards are subject to continued service (or the director being granted 'good leaver' status) and the achievement of conditions as set out on page 107 over the remaining deferred bonus plan period.

	Number	Face value of award[1]
Brendan Horgan	14,141	$753,584
Michael Pratt	7,919	£315,967

Note

1 The face value of the award of share equivalents is based on the year-end share price (being 3,990p as at 30 April 2025) and, for Brendan Horgan, the closing USD/GBP exchange rate ($1.3356).

PSU awards under the Long-Term Incentive Plan

PSU awards were made on 20 June 2024 and 19 September 2024 at nil cost and are subject to the rules of the LTIP and the achievement of stretching performance conditions, which are set out on page 108, over a three-year period to 30 April 2027. The awards are summarised below:

	Number	Face value of award[1]	Face value of award as % of base salary	% of award vesting for target performance
Brendan Horgan	112,849	$8,188,250	700%	25%
Michael Pratt	34,585	£1,907,940	300%	25%

Note

1 Initial awards were allocated on 20 June 2024 using the closing mid-market share price (5,434p) of Ashtead Group plc on that day and for Brendan Horgan, the closing USD/GBP exchange rate ($1.2686). Following the approval of the Group's Remuneration policy, incremental awards were allocated on 19 September 2024 using the closing mid-market share price (5,780p) of Ashtead Group plc on that day and for Brendan Horgan, the closing USD/GBP exchange rate ($1.3250).

RSU awards under the Long-Term Incentive Plan

RSU awards were made to US-based executive directors on 19 September 2024 at nil cost and are subject to the rules of the LTIP and the performance underpin conditions, which are set out on page 111. The awards are summarised below:

	Number	Face value of award[1]	Face value of award as % of base salary
Brendan Horgan	22,911	$1,754,639	150%

Note

1 Following the approval of the Group's remuneration policy, incremental awards were allocated on 19 September 2024 using the closing mid-market share price (5,780p) of Ashtead Group plc on that day and for Brendan Horgan, the closing USD/GBP exchange rate ($1.3250).

Payments for loss of office (audited information)

As announced on 11 February 2025, Michael Pratt retired and stepped down from the Board and the position of chief financial officer of the Group, on 28 February 2025.

Mr Pratt will remain employed by the Group until his contractual notice period ends on 2 September 2025 and he will continue to receive his base salary and contractual benefits during that period in accordance with his service agreement and the Company's Remuneration policy.

Mr Pratt remained eligible for an annual bonus award for the financial year ended 30 April 2025 (reflecting continuing support for transition of responsibilities), subject to the achievement of performance conditions. One-third of the annual bonus earned was deferred under the terms of the Deferred Bonus Plan. He is not eligible for an annual bonus award in respect of the financial year ending 30 April 2026.

For the year ended 30 April 2025, the above amounts in respect of Mr Pratt's base salary and contractual benefits (£113,531), annual bonus (£105,322) and PSU (£40,214), totalled £259,067 in relation to the period from 1 March 2025 to 30 April 2025.

As a good leaver, Mr Pratt will retain his outstanding awards under the Deferred Bonus Plan and the Long-Term Incentive Plan (LTIP) and the awards under these plans will vest on the normal vesting dates. LTIP awards will vest subject to the achievement of the performance conditions, and pro-rated to reflect his period of employment. He will not receive an LTIP award in 2025. LTIP awards (and legacy vested PSP awards) will continue to be subject to the post-vesting holding periods in accordance with the rules of the plans and the Company's Remuneration policy.

Malus and clawback provisions will continue to apply to share awards or bonus payments made to Mr Pratt.

In line with the Remuneration policy, Mr Pratt will be required to maintain a shareholding equivalent to 200% of his base salary at the date he retired from the Board for two years from stepping down from the Board.

Mr Pratt will receive no additional compensation or payment for the termination of his service contract or his ceasing to be a director of the Company or any other Group company.

No payments were made to past directors of the Company in respect of their services as a director of the Company other than the payments to Michael Pratt as detailed above.

Payments to past directors (audited information)

Except as disclosed above, there have been no payments to past directors during the year.

Statement of executive directors' shareholdings and share interests (audited information)

The executive directors are subject to a minimum shareholding obligation. From 2024/25, the chief executive is expected to hold shares at least equal to 850% of base salary and other directors are expected to hold shares at least equal to 300% of base salary. As shown below, executive directors in role during 2024/25 comply with these shareholding requirements.

	Shares held outright at 30 April 2025[1]	Shares held outright at 30 April 2025 as a % of salary[2]	Outstanding unvested plan interests subject to performance measures[3]	Total of all share interests and outstanding plan interests at 30 April 2025
Brendan Horgan	399,000	1,952%	282,930	681,930
Former director:				
Michael Pratt[4]	351,000	2,448%	98,271	449,271

Notes

1 Interests in shares held at 30 April 2025 include shares held by connected persons.

2 In calculating shareholding as a percentage of salary, the average share price for the three months ended 30 April 2025, the sterling/dollar exchange rate at 30 April 2025, and the directors' salaries at 1 May 2025, have been used.

3 All outstanding plan interests take the form of nil cost awards.

4 At date of resignation as a director (28 February 2025). As noted above, Michael Pratt's PSU awards for 2023 and 2024 will be pro-rated to 2 September 2025. After this pro-ration, Michael's total of all share interests and outstanding plan interests is 421,109.

There have been no changes in the outstanding share interests of executive directors as of the date of this report.

PSU awards under the Performance Share Plan and Long-Term Incentive Plan

PSU awards made under the PSP and LTIP (excluding the Strategic Plan Award detailed on the next page), and those which remain outstanding at 30 April 2025, are shown in the table below:

	Date of grant	Held at 30 April 2024	Exercised during the year	Lapsed during the year	Granted during the year	Held at 30 April 2025
Brendan Horgan	06.07.21	34,435	32,162	2,273	–	–
	04.07.22	89,923	–	–	–	89,923
	19.06.23	57,247	–	–	–	57,247
	20.06.24	–	–	–	59,390	59,390
	19.09.24	–	–	–	53,459	53,459
Former director:						
Michael Pratt	06.07.21	20,679	19,314	1,365	–	–
	04.07.22	38,083	–	–	–	38,083
	19.06.23	25,603	–	–	–	25,603
	20.06.24	–	–	–	26,333	26,333
	19.09.24	–	–	–	8,252	8,252

The performance conditions attaching to the awards are detailed on page 108. It is a condition of the awards that directors at the time of the award are required to hold any vested shares for a further two-year period following the vesting date. The market price of the awards exercised during the year was 5,112p and the exercise price was nil. The market price of the awards granted on 20 June 2024 was 5,434p and on 19 September 2024 was 5,780p.

RSU awards under the Long-Term Incentive Plan

RSU awards made under the LTIP, and those which remain outstanding at 30 April 2025, are shown in the table below:

	Date of grant	Held at 30 April 2024	Exercised during the year	Lapsed during the year	Granted during the year	Held at 30 April 2025
Brendan Horgan	19.09.24	-	–	–	22,911	22,911

The vesting of RSU awards will be subject to an underpin at vesting. The Committee will consider at that time whether a discretionary adjustment should be applied to reduce the number of RSUs vesting based on the following key indicators of underlying business performance:

Category	Underpin
Investor returns	– Maintain RoI above the cost of capital. – Maintain delivery of stated dividend policy.
Balance sheet health	– Maintain leverage in accordance with the Group's policy from time to time. – No breach of debt covenants or renegotiation of covenant terms outside of a normal refinancing cycle.
ESG	– No ESG issues which result in material reputational damage for the Group.
Corporate governance	– No material failure in governance or negligent acts resulting in significant reputational damage and/or material loss to the Group.

The grant-date market price of the RSU awards granted during the year for Brendan Horgan was 5,780p.

Strategic Plan Award
Awards under the LTIP with respect to the Strategic Plan Award are shown in the table below:

	Date of grant	Held at 30 April 2024	Exercised during the year	Held at 30 April 2025
Brendan Horgan	17.09.21	44,901	44,901	–
Former director:				
Michael Pratt	17.09.21	24,032	24,032	–

The performance conditions which were attached to the Strategic Plan Award are detailed on page 120 of the Group's 2024 Annual Report & Accounts. It is a condition of the awards that directors at the time of the award are required to hold any vested shares for a further two-year period following the vesting date. The market price of the awards exercised during the year was 5,112p and the exercise price was nil.

Statement of non-executive directors' shareholding (audited information)
As at 30 April 2025, the non-executive directors' interests in ordinary shares of the Company were:

	Number
Paul Walker	14,000
Angus Cockburn	1,000
Jill Easterbrook	–
Tanya Fratto	1,000
Renata Ribeiro	600
Lucinda Riches	–
Lindsley Ruth[1]	2,250
Roy Twite	1,550

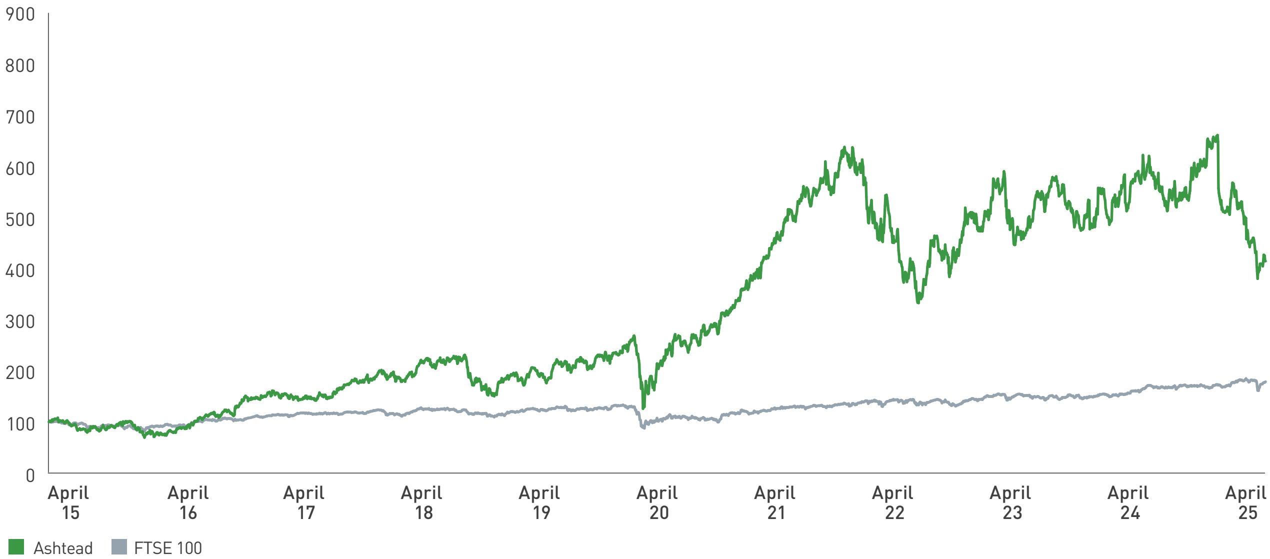
Note
1 Holding shown is as at the date of stepping down from the Board.

The market price of the Company's shares at the end of the financial year was 3,990p and the highest and lowest closing prices during the financial year were 6,400p and 3,659p respectively.

There have been no changes in the outstanding share interests of the non-executive directors as of the date of this report.

Performance graph and table
Over the last 10 years the Company has generated a four-fold total shareholder return ('TSR') which is shown below. The FTSE 100 is the Stock Exchange index the Committee considers to be the most appropriate to the size and scale of the Company's operations over that period.

Total shareholder return



During the same period, the total remuneration received by the Group chief executive has reflected the strong performance of the business:

	2025	2024	2023 $'000	2022	2021	2020	2019	2018 £'000	2017	2016
Total remuneration	**4,984**	6,999	8,555	5,909	7,085	4,281	6,084	5,144	5,461	3,321
Adjusted profit before tax	**2,128**	2,230	2,273	1,824	1,316	1,343	1,110	927	793	645
Proportion of maximum annual bonus potential awarded	**78.3%**	36.6%	100%	100%	100%	nil%	100%	100%	100%	98%
Proportion of PSU vesting	**40.6%**	93.4%	100%	98.7%	94.7%	100%	100%	100%	100%	97.5%
Proportion of SPA vesting	**n/a**	100%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

In 2019/20, Brendan Horgan was appointed as Group chief executive. The figures for 2016 to 2019 are for the then chief executive, Geoff Drabble. Amounts have been presented in the currency in which the chief executive's pay was denominated.

Percentage change in remuneration of all directors

The table below summarises the percentage change in the annualised remuneration of the Board and the employees of the Group. For Michael Pratt and the non-executive directors, the percentage change in remuneration is calculated in sterling so as to remove the impact of exchange rate movements.

Brendan Horgan and Michael Pratt both participate in the Deferred Bonus Plan and their annual bonus reflects payments under this plan. Details are provided on page 107.

	% change in salary or fees					% change in benefits[3]					% change in annual bonuses				
	2025	2024	2023	2022	2021	**2025**	2024	2023	2022	2021	**2025**	2024	2023	2022	2021
Executive directors															
Brendan Horgan	**4%**	4%	5%	- %	- %	**5%**	290%	-51%	-4%	1%	**175%**	-82%	76%	29%	70%
Michael Pratt	**4%**	4%	5%	18%	- %	**3%**	17%	-45%	-48%	- %	**182%**	-82%	80%	48%	64%
Non-executive directors															
Angus Cockburn	**17%**	- %	20%	11%	- %	**55%**	116%	-45%	Note 3	- %	**n/a**	n/a	n/a	n/a	n/a
Jill Easterbrook[1]	**13%**	- %	20%	11%	- %	**9%**	656%	-52%	Note 3	- %	**n/a**	n/a	n/a	n/a	n/a
Tanya Fratto	**13%**	- %	20%	11%	- %	**180%**	100%	Note 3	- %	-100%	**n/a**	n/a	n/a	n/a	n/a
Renata Ribeiro[1]	**13%**	- %	-%	n/a	n/a	**58%**	-59%	75%	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a
Lucinda Riches	**15%**	- %	20%	11%	- %	**3%**	62%	- %	- %	- %	**n/a**	n/a	n/a	n/a	n/a
Lindsley Ruth	**-53%**	- %	20%	11%	- %	**Note 3**	-100%	Note 3	- %	- %	**n/a**	n/a	n/a	n/a	n/a
Roy Twite	**n/a**	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a	n/a
Paul Walker	**6%**	- %	17%	10%	- %	**2%**	15%	250%	Note 3	-100%	**n/a**	n/a	n/a	n/a	n/a
Employees of the Group[2]	**4%**	5%	7%	5%	2%	**- %**	- %	- %	- %	- %	**2%**	-41%	-1%	26%	45%

Notes

1 Jill Easterbrook joined the Board in January 2020 and therefore fees relating to 2020/21 have been annualised. Renata Ribeiro joined the Board in January 2022 and therefore fees relating to 2021/22 have been annualised.

2 As required under The Companies (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019, the legislative requirement is to provide a comparison to employees of the parent company. The Group's employees are primarily employed through the Group's main trading companies and as such the analysis above has been prepared on a group-wide basis as this is a more closely aligned comparative group considering the global nature of the Group's business. For the employees of the parent company, the percentage change in salary is 12% (2024: 5%; 2023: 6%; 2022: 10%; 2021: nil%), the percentage change in benefits is nil% (2024: nil%; 2023: nil%; 2022: nil%; 2021: nil%) and the percentage change in annual bonus is 68% (2024: -65%; 2023: 29%; 2022: 21%; 2021: 41%).

3 Travel, accommodation and subsistence expenditure is met by the Company for Board members to attend meetings of the Board and undertake other activities on behalf of the Company. Amounts for non-executive directors within the benefits figure includes those amounts where such expenditure has been reimbursed in relation to amounts incurred in attending the Group's head office location in London and which give rise to a taxable benefit, details of which are provided in the single total figure of remuneration table for non-executive directors on page 109. Where there were no comparative figures, a percentage change in benefits cannot be determined.

Relative importance of spend on pay

The following table shows the year-on-year change in returns to shareholders and aggregate staff costs (see Note 4 of the financial statements).

	2024/25 $m	2023/24 $m	Change %
Aggregate staff costs	**2,463**	2,485	-1%
Returns to shareholders	**817**	536	52%

Returns to shareholders include dividends of $465m (2024: $458m) and share buybacks of $352m (2024: $78m). The Group declared a dividend of 108.0 cents per share (2024: 105.0 cents per share).

Chief executive pay compared to pay of Group employees

Ashtead is a decentralised, store-based business employing c. 25,000 people including drivers, mechanics, yard operatives and sales personnel. We apply the same reward principles across the business. Our overall remuneration packages have to be competitive when compared with similar roles in other organisations against which we compete for talent. Thus, not only do we compete against other rental companies but also, for example, distribution businesses for drivers and mechanics. Accordingly, we consider both rental and other similar businesses when referencing our remuneration levels. For our chief executive, we are referencing a small group of chief executives of major organisations with the skillset to manage a fast-growing, multi-location and international business.

Given this business profile, all the pay ratio reference points compare our chief executive's remuneration with that of store-based employees. Year-to-year movements in the pay ratio will be driven largely by changes in our chief executive's variable pay. These movements will outweigh significantly any other changes in pay across the Group. Whatever the chief executive pay ratio, the Group is committed to continuing to invest in leading remuneration packages for all our employees.

The total pay and benefits of group-wide employees at the 25th, 50th and 75th percentile, and the ratios between the chief executive and these employees using the chief executive's single total remuneration figure for 2024/25 of $4,984,000 are as follows:

Group-wide employees[1]

		25th percentile pay ratio		50th percentile pay ratio		75th percentile pay ratio	
Year	Method	Total pay and benefits	Ratio	Total pay and benefits	Ratio	Total pay and benefits	Ratio
2024/25	B	$63,017	79:1	$83,099	60:1	$132,231	38:1
2023/24	B	$66,167	110:1	$89,424	81:1	$149,238	49:1
2022/23	B	$55,031	148:1	$71,075	115:1	$119,646	68:1
2021/22	B	$63,588	119:1	$71,210	107:1	$91,994	83:1
2020/21	B	$37,338	162:1	$80,427	75:1	$92,354	65:1
2019/20	B	$43,661	86:1	$59,362	63:1	$109,167	34:1

UK employees

		25th percentile pay ratio		50th percentile pay ratio		75th percentile pay ratio	
Year	Method	Total pay and benefits	Ratio	Total pay and benefits	Ratio	Total pay and benefits	Ratio
2024/25	B	£29,399	127:1	£31,253	119:1	£43,102	87:1
2023/24	B	£24,539	236:1	£38,966	149:1	£48,939	118:1
2022/23	B	£25,719	263:1	£31,403	216:1	£53,664	126:1
2021/22	B	£24,819	225:1	£31,114	179:1	£35,885	156:1
2020/21	B	£21,143	217:1	£24,763	185:1	£28,297	162:1
2019/20	B	£20,566	144:1	£23,199	127:1	£32,041	92:1

Notes
1 Given the nature of the Group's business, with c. 85% of employees based outside of the UK, the Group has additionally prepared the analysis on a group-wide basis.
2 The relevant employees at the 25th, 50th and 75th percentile were identified using existing gender pay data (option B) prepared using the latest available data in each year. Due to the nature of the roles undertaken by the identified employees, and based on a review of their pay and benefits, the Company believes that the individuals identified in each year are representative of the 25th, 50th and 75th percentile employees and further that option B is the most appropriate and practical approach to follow.
3 In calculating the total pay and benefits for the employees at the 25th, 50th and 75th percentile, total pay and benefits for each year ended 30 April were calculated with adjustments made to working hours to reflect a full time equivalent employee.
4 The relevant salary components of total pay and benefits for group-wide employees at the 25th, 50th and 75th percentile are $53,819, $68,282 and $112,298 respectively. The relevant salary components of total pay and benefits for UK employees at the 25th, 50th and 75th percentile are £29,349, £31,203 and £40,109 respectively.

The Group chief executive's remuneration has a significant weighting towards variable pay to align his remuneration with Company performance and as such, his total single figure may vary considerably from year to year depending on the performance of the Group. Consequently, the decrease in the chief executive pay ratios between 2023/24 and 2024/25 is primarily a result of the decrease in the chief executive's variable remuneration due to the Group's share price performance over the year in review and a lower vesting outcome under the 2022 PSP award cycle (albeit this was offset by a higher DBP outturn compared to 2023/24).

Further details as to how we seek to reward our employees are provided on page 60.

External appointments

The Company recognises that executive directors may be invited to become non-executive directors of other companies and that these appointments can broaden their knowledge and experience to the benefit of the Company. Subject to Board approval, executive directors may take up external appointments and the Group policy is for the individual director to retain any fee.

During the year, no executive director held an external Board appointment.

Remuneration for the year commencing 1 May 2025

Basic salary

Salary with effect from 1 May 2025:

Brendan Horgan	$1,210,690

The salary increase awarded to Brendan Horgan (3.5%) is slightly below the average increase awarded to the wider workforce (4%).

Benefits

Benefits will continue to be applied as per the policy and as in previous years.

Retirement benefits

Retirement benefits will be applied in accordance with the policy.

Deferred Bonus Plan

Brendan Horgan participates in the DBP. The maximum annual bonus opportunity for 2025/26 will be 225% of salary. The performance measures are unchanged and remain adjusted Group profit before tax and free cash flow. The specific targets set are deemed to be commercially sensitive but full disclosure will be provided on a retrospective basis at the year-end.

Performance Stock Units

A 2025 PSU award will be made as follows:

Measure	Value of 2025 award '000	Basis of award % of salary %
Brendan Horgan	$8,475	700%

This award is based on the chief executive's salary as at 1 May 2025. Performance targets remain unchanged from the prior year and are considered to be appropriately stretching. These are described in further detail on page 108.

Restricted Stock Units

A 2025 RSU award will be made as follows:

Measure	Value of 2025 award '000	Basis of award % of salary %
Brendan Horgan	$1,816	150%

This award is based on the chief executive's salary as at 1 May 2025. The performance underpin requirements remain unchanged from the prior year (see page 111 for details).

Non-executive fees

Annual fees for the chair and non-executive directors with effect from 1 May 2025 are as follows:

Paul Walker	£475,000
Angus Cockburn	£140,000
Jill Easterbrook	£90,000
Tanya Fratto	£90,000
Renata Ribeiro	£90,000
Lucinda Riches	£115,000
Roy Twite	£90,000

For non-executive directors, fees comprise a base fee of £90,000, with a supplemental fee of £25,000 for each committee chair and a supplemental fee of £25,000 for the senior independent director.

Consideration by the directors of matters relating to directors' remuneration

The Company has established a Remuneration Committee ('the Committee') in accordance with the recommendations of the UK Corporate Governance Code.

None of the Committee members has any personal financial interests, other than as shareholders, in the matters to be decided. None of the members of the Committee is or has been at any time one of the Company's executive directors or an employee. None of the executive directors serves, or has served, as a member of the board of directors of any other company which has one or more of its executive directors serving on the Company's Board or Remuneration Committee.

The Group's chief executive normally attends the meetings of the Committee to advise on operational aspects of the implementation of existing policies and policy proposals, except where his own remuneration is concerned, as does the non-executive chair, Paul Walker. Alan Porter acts as secretary to the Committee. Under Lucinda Riches' direction, the company secretary and Group chief executive have responsibility for ensuring the Committee has the information relevant to its deliberations.

In formulating its policies, the Committee has access to professional advice from outside the Company, as required, and to publicly available reports and statistics. The Committee's independent remuneration advisers are Ellason LLP ('Ellason'). Following a competitive tender process in 2019/20, the Committee appointed Mercer Limited ('Mercer') to provide independent remuneration advice. Following the departure of its remuneration advisers from Mercer to Ellason LLP ('Ellason'), the Committee appointed Ellason as its independent remuneration advisers with effect from 1 January 2021. Ellason is a member of the Remuneration Consultants Group and adheres to its code in relation to executive remuneration in the UK. The fees paid to Ellason for professional advice on remuneration during the year totalled £72,750 and were charged on a time incurred basis. Ellason does not provide any other services to the Company and the Committee is satisfied that Ellason is independent of both the Company and individual directors.

Main responsibilities of the Remuneration Committee

The principal duties of the Committee are:

- determining and agreeing with the Board the framework and policy for the remuneration of the chair, executive directors and senior employees;
- ensuring that executive management is provided with appropriate incentives to encourage enhanced performance in a fair and responsible manner;
- reviewing and determining the total remuneration packages for each executive director including bonuses and incentive plans;
- determining the policy for the scope of pension arrangements, service agreements, termination payments and compensation commitments for each of the executive directors; and
- ensuring compliance with all statutory and regulatory provisions.

Summary of the Committee's work during the year

The principal matters addressed during the year were:

- determining and agreeing with the Board the framework and policy for the remuneration of the executive directors and senior employees;
- determining the treatment of Michael Pratt's remuneration on his retirement from the Group;
- determining the remuneration of Alex Pease on his appointment as chief financial officer;
- assessment of the achievement of the executive directors against their Deferred Bonus Plan objectives for 2024/25;
- setting Deferred Bonus Plan performance targets for 2025/26;
- assessment of performance for the vesting of the 2021 PSU awards;
- granting 2024 PSU and RSU awards and setting the performance targets attaching thereto;
- reviewing executive base salaries; and
- approving the Directors' remuneration report for the year ended 30 April 2024.

Shareholder voting

An ordinary resolution concerning the Directors' remuneration report will be put to shareholders at the forthcoming AGM.

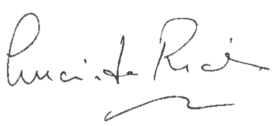
Ashtead is committed to ongoing shareholder dialogue and considers carefully voting outcomes. Following the 2024 AGM, the Committee continued to engage with shareholders, targeting in particular those identified as voting against the resolution and the main shareholder representative bodies.

The voting results of the most recent remuneration resolutions are set out in the table below. An explanation of the reasons for shareholder voting is detailed on page 96.

	AGM	For	Against
2023/24 Directors' annual report on remuneration[1]	2024	98.02%	1.98%
Directors' remuneration policy[2]	2024	63.20%	36.80%
Amendment to the rules of the LTIP 2021[3]	2024	62.49%	37.51%

Notes
1 Based on total votes cast of 321,826,936 in relation to the 2023/24 Directors' remuneration report (excluding the remuneration policy) at the 2024 AGM. Excludes 39,483 votes withheld.
2 Based on total votes cast of 315,400,911 in relation to the 2023/24 Directors' remuneration policy at the 2024 AGM. Excludes 6,465,508 votes withheld.
3 Based on total votes cast of 315,390,756 in relation to the proposed amendment to the rules of the Ashtead Group Long-Term Incentive Plan 2021. Excludes 6,475,663 votes withheld.

This report has been approved by the Remuneration Committee and is signed on its behalf by:



LUCINDA RICHES
Chair, Remuneration Committee
16 June 2025

OTHER STATUTORY DISCLOSURES

Pages 78 to 120 inclusive (together with the sections of the Annual Report incorporated by reference) form part of the Directors' report.

Other information, which forms part of the Directors' report, can be found in the following sections of the Annual Report:

	Location
Acquisitions	Financial statements – Note 26
Audit Committee report	Pages 90 to 94
Board and committee membership	Pages 80 and 81
Corporate governance report	Pages 82 to 89
Directors' biographies	Pages 80 and 81
Directors' responsibility statement	Page 120
Events after the balance sheet date	Financial statements – Note 28
Financial risk management	Financial statements – Note 24
Future developments	Page 49
Greenhouse gas emissions	Pages 57 and 58
Nomination Committee report	Page 95
Other statutory disclosures	Pages 118 and 119
Our people	Pages 60 to 63
Pension schemes	Financial statements – Note 23
Results and dividends	Pages 43 to 49
Share capital	Financial statements – Note 21
Social responsibility	Page 64

Share capital and major shareholders

Details of the Company's share capital are given in Note 21 to the financial statements.

Acquisition of own shares

At the 2024 AGM, the Company was authorised to make market purchases of up to c. 66m ordinary shares. The Company acquired 6.1m (1.3% of total issued share capital) shares under this authority during the year.

A special resolution will be proposed at this year's AGM to authorise the Company to make market purchases of up to 65m ordinary shares.

Voting rights

Subject to the Articles of Association, every member who is present in person at a general meeting shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every share of which he or she is the holder. The Trustees of the Employee Share Ownership Trust ordinarily follow the guidelines issued by the Association of British Insurers and do not exercise their right to vote at general meetings.

Under the Companies Act 2006, members are entitled to appoint a proxy, who need not be a member of the Company, to exercise all or any of their rights to attend and speak and vote on their behalf at a general meeting or any class of meeting. A member may appoint more than one proxy provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member. A corporate member may appoint one or more individuals to act on its behalf at a general meeting or any class of meeting as a corporate representative. The deadline for the exercise of voting rights is as stated in the notice of the relevant meeting.

Transfer of shares

Certified shares

(i) Transfers may be in favour of more than four joint holders, but the directors can refuse to register such a transfer.

(ii) The share transfer form must be delivered to the registered office, or any other place decided on by the directors. The transfer form must be accompanied by the share certificate relating to the shares being transferred, unless the transfer is being made by a person to whom the Company was not required to, and did not send, a certificate. The directors can also ask (acting reasonably) for any other evidence to show that the person wishing to transfer the shares is entitled to do so.

CREST shares

(i) Registration of CREST shares can be refused in the circumstances set out in the Uncertificated Securities Regulations.

(ii) Transfers cannot be in favour of more than four joint holders.

Significant shareholders

Based on notifications received, the holdings of 5% or more of the issued share capital of the Company as at 13 June 2025 (the latest practicable date before approval of the financial statements) are as follows:

	%
BlackRock, Inc.	6%
Dodge & Cox	11%

Details of directors' interests in the Company's ordinary share capital and in options over that share capital are given in the Directors' remuneration report on pages 96 to 117. Details of all shares subject to option are given in the notes to the financial statements on page 150.

Change of control provisions in loan agreements

A change in control of the Company (defined, inter alia, as a person or a group of persons acting in concert gaining control of more than 30% of the Company's voting rights) leads to an immediate event of default under the Company's asset-based senior lending facility. In such circumstances, the agent for the lending group may, and if so directed by more than 50% of the lenders shall, declare the amounts outstanding under the facility immediately due and payable.

Such a change of control also leads to an obligation, within 30 days of the change in control, for the Group to make an offer to the holders of the Group's $550m senior secured notes, due 2026, $600m senior secured notes, due 2027, $600m senior secured notes, due 2028, $600m senior secured notes, due 2029, $750m senior secured notes, due 2031, $750m senior secured notes, due 2032, $750m senior secured notes, due May 2033, $750m senior secured notes, due October 2033, and $850m senior secured notes, due April 2034, to redeem them at 101% of their face value.

Appointment and removal of directors

Unless determined otherwise by ordinary resolution, the Company is required to have a minimum of two directors and a maximum of 15 directors (disregarding alternate directors).

The directors are not required to hold any shares in the Company by the Articles of Association.

The Board can appoint any person to be a director. Any person appointed as a director by the Board must retire from office at the first annual general meeting after appointment. A director who retires in this way is then eligible for re-appointment.

The Articles state that each director must retire from office if he held office at the time of the two preceding annual general meetings and did not retire at either of them. In accordance with the UK Corporate Governance Code, all directors are subject to annual election by the shareholders.

In addition to any power to remove directors conferred by legislation, the Company can pass a special resolution to remove a director from office even though his time in office has not ended and can appoint a person to replace a director who has been removed in this way by passing an ordinary resolution.

Any director stops being a director if (i) he gives the Company written notice of his resignation; (ii) he gives the Company written notice in which he offers to resign and the directors decide to accept this offer; (iii) all the other directors (who must comprise at least three people) pass a resolution or sign a written notice requiring the director to resign; (iv) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months; (v) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have; (vi) he has missed directors' meetings (whether or not an alternate director appointed by him attends those meetings) for a continuous period of six months without permission from the directors and the directors pass a resolution removing the director from office; (vii) a bankruptcy order is made against him or he makes any arrangement or composition with his creditors generally; (viii) he is prohibited from being a director under the legislation; or (ix) he ceases to be a director under the legislation or he is removed from office under the Articles of Association.

Powers of the directors

Subject to the legislation, the Articles of Association and any authority given to the Company in a general meeting by special resolution, the business of the Company is managed by the Board of directors that can use all of the Company's powers to borrow money and to mortgage or charge all or any of the Company's undertaking, property and assets (present and future) and uncalled capital of the Company and to issue debentures and other security and to give security, either outright or as collateral security, for any debt, liability or obligation of the Company or of any third party.

Directors and directors' insurance

Details of the directors of the Company are given on pages 80 and 81. The policies related to their appointment and replacement are detailed on pages 86, 95 and 118. Each of the directors as at the date of approval of this report confirms, as required by section 418 of the Companies Act 2006 that to the best of their knowledge and belief:

(1) there is no relevant audit information of which the Company's auditor is unaware; and
(2) each director has taken all the steps that he ought to have taken to make himself aware of such information and to establish that the Company's auditor is aware of it.

The Company has maintained insurance throughout the year to cover all directors against liabilities in relation to the Company and its subsidiary undertakings.

Amendment of Articles of Association

The Articles of Association of the Company may be amended by a special resolution.

Policy on payment of suppliers

Suppliers are paid in accordance with the individual payment terms agreed with each of them. The number of Group creditor days at 30 April 2025 was 64 days (2024: 60 days) which reflects the terms agreed with individual suppliers. There were no trade creditors in the Company's balance sheet at any time during the past two years.

Political and charitable donations

Charitable donations in the year amounted to $7,327,637 in total (2024: $3,577,331).

The Group's policy is to prohibit donations of a political nature and hence no political donations have been made in either year. In addition, the Group does not participate in political lobbying activities.

Disclosures required by Listing Rule 9.8.4R

The relevant disclosure concerning dividend waiver can be found on page 150. The remaining disclosures required by Listing Rule 9.8.4R are not applicable to the Company.

Going concern

After making appropriate enquiries, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operation for the foreseeable future and consequently, that it is appropriate to adopt the going concern basis in preparing the financial statements.

Auditor

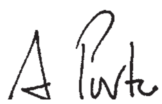
PricewaterhouseCoopers LLP has indicated its willingness to continue in office and in accordance with section 489 of the Companies Act 2006, a resolution concerning its reappointment and authorising the directors to fix its remuneration, will be proposed at the AGM.

Annual General Meeting

The AGM will be held at 10am on Tuesday, 2 September 2025 at Wax Chandlers Hall, 6 Gresham Street, London, EC2V 7AD. An explanation of the business to be transacted at the AGM will be circulated to shareholders and will be available on the Company's corporate website.

Approval of the Directors' report

The Directors' report set out on pages 78 to 120 was approved by the Board on 16 June 2025 and has been signed by the company secretary on its behalf.



ALAN PORTER
Company secretary
16 June 2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the Group and Company financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

Under company law the directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in UK-adopted International Accounting Standards ('IFRS') is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets and hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Responsibility statement

We confirm to the best of our knowledge:

- the consolidated financial statements, prepared in accordance with IFRS in conformity with the requirements of the Companies Act 2006, give a true and fair view of the assets, liabilities, financial position and profit of the Group;
- the Strategic report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties that it faces; and
- the Annual Report and financial statements, taken as a whole, are fair, balanced and understandable and provide information necessary for shareholders to assess the Group's position, performance, business model and strategy.

By order of the Board:

ALAN PORTER
Company secretary
16 June 2025

FINANCIAL STATEMENTS

Contents

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASHTEAD GROUP PLC

Report on the audit of the financial statements

Opinion

In our opinion, Ashtead Group plc's Group financial statements and Company financial statements (the "financial statements"):

- give a true and fair view of the state of the Group's and of the Company's affairs as at 30 April 2025 and of the Group's profit and the Group's and Company's cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report & Accounts 2025 (the 'Annual Report'), which comprise: the Consolidated and Company balance sheets as at 30 April 2025; the Consolidated income statement; the Consolidated statement of comprehensive income; the Consolidated and Company statements of changes in equity and the Consolidated and Company cash flow statements for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' 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 remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in Note 4, we have provided no non-audit services to the Company or its controlled undertakings in the period under audit.

Our audit approach

Overview

Audit scope

- We performed full scope audits at three components being Sunbelt US, Sunbelt UK and the Company. We have identified Sunbelt US as a significant component due to its size. We have also performed audit work over the Group consolidation, financial statement disclosures and corporate functions.
- The territories where we conducted audit procedures, together with work performed at the Group level, accounted for approximately: 93% (2024: 94%) of the Group's revenue and 98% (2024: 98%) of the Group's profit on ordinary activities before taxation.

Key audit matters

- Carrying value of rental equipment (Group)
- Recoverability of amounts due from subsidiary undertakings (Company)

Materiality

- Overall Group materiality: \$100,000,000 (2024: \$107,000,000) based on approximately 5% of the Group's profit on ordinary activities before taxation.
- Overall Company materiality: £13,500,000 (2024: £14,000,000) based on 1% of total assets.
- Performance materiality: \$75,000,000 (2024: \$80,000,000) (Group) and £10,125,000 (2024: £10,500,000) (Company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

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

This is not a complete list of all risks identified by our audit.

The key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Carrying value of rental equipment (Group) Refer to the Audit Committee report and Note 12 in the financial statements. The Group holds rental equipment with a net book value ("NBV") of $11,312.1m as at 30 April 2025 (30 April 2024: $11,450.8m). As required by IAS 36, management has assessed if there is any indication that the rental equipment balance may be impaired at the reporting date. If any such indication exists, the entity shall estimate the recoverable amount of the asset. The assessment of potential impairment indicators involves management judgement. A number of factors are considered by management in performing this trigger assessment, including the period over which individual assets have not been rented, the period any assets have been down for repair and the level of return on investment each asset class generates. Our audit procedures focused on management's identification of indicators of impairment of serialised assets, specifically in the US given that it contributes approximately 86% to the Group's rental equipment.	We obtained management's assessment of impairment indicators. We considered whether the criteria used by management to determine impairment indicators were appropriate and consistent with prior years given our understanding of the business. We challenged management regarding additional potential impairment indicators beyond management's own assessment, specifically taking into consideration the current economic environment. Part of our procedures to assess the completeness of impairment indicators was to confirm that the information used was complete and accurate. This included: – obtaining management's analysis and validating the return on investment for each asset class. We assessed the completeness and accuracy of the income and cost figures used to calculate the return on investment and also recalculated the return on investment; and – directly obtaining the net book value to fair value assessment prepared by management's third party expert and comparing to management's assessment We challenged management in any instances where the net book value exceeds the fair value as to whether this gave rise to an indication of impairment We obtained management's impairment reserve calculation and recalculated the reserve. We challenged management regarding the conclusion that there are no significant estimates or judgements involved in assessing the carrying value of rental equipment and that no further disclosure is required in line with IAS 1. We have assessed whether the accounting for rental equipment and associated disclosures in Note 12 is in line with the Group's accounting policy and IAS 36. Based on the procedures performed, we noted no material issues arising from our work.
Recoverability of amounts due from subsidiary undertakings (Company) Refer to Note 32(f) of the Company financial statements. The Company has amounts due from subsidiary undertakings amounting to £981.6m (30 April 2024 1,028.0m). This is the largest financial statement line item in the Company financial statements and is repayable on demand. The receivable is a trading balance as a result of regular operations and is settled regularly. As required by IFRS 9, management has applied a general expected credit losses model and concluded that the expected credit losses are immaterial. While this is not a significant risk area for the audit, in the context of the audit of the Company it is the area of most significant audit effort.	We tested the Group's going concern model, in particular the expected cash flow forecast, confirming that there were no liquidity issues across the Group that would impact the ability of the subsidiaries to repay the amounts due. The way the Group is structured allows us to consider the overall position of the Group in determining the ability of the subsidiaries to repay the amount due. In addition, we verified that there is sufficient financing available to the subsidiaries of the Group to repay the receivable, if required. As required by IFRS 9, we have considered the likelihood of multiple scenarios (including a downside scenario) to confirm the appropriateness of management's assessment that any expected credit losses are immaterial. Based on the procedures performed, we noted no material issues arising from our work.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group and the Company, the accounting processes and controls, and the industry in which they operate.

We performed full scope audits at three components being Sunbelt US, Sunbelt UK and the Company. We have identified Sunbelt US as a component that is significant due to its size. Sunbelt UK was included in Group audit scope to achieve appropriate audit coverage. The Company was identified as a full scope component and audited to its standalone materiality which was less than Group materiality.

In establishing the overall approach to the Group audit, we determined the type of work that needed to be performed by us, as the Group auditor, or by component auditors within the United States and United Kingdom operating under our instruction. Where the work was performed by component auditors, we determined the level of involvement we needed to have in the audit work at those components to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the Consolidated financial statements as a whole.

In addition to instructing and reviewing the reporting from our component audit teams, we conducted a file review for the component that is significant due to its size and participated in key meetings with local management. We also had regular dialogue with component auditors throughout the year.

The Group consolidation, financial statement disclosures and corporate functions were audited by the Group auditor. This included our work over senior notes outstanding, goodwill, acquisition accounting and the Group's defined benefit pension plan. Taken together, the components and corporate functions where we conducted audit procedures accounted for 93% of the Group's revenue and 98% of the Group's profit on ordinary activities before taxation. This provided the evidence we needed for our opinion on the Consolidated financial statements taken as a whole. This was before considering the contribution to our audit evidence from performing audit work at the Group level, including disaggregated analytical review procedures, which covered certain of the Group's smaller and lower risk components that were not directly included in our Group audit scope.

Our audit of the Company financial statements was undertaken in the UK and included substantive procedures over all material balances and transactions.

The impact of climate risk on our audit
As part of our audit, we inquired of management to understand and evaluate the Group's risk assessment process in relation to climate change. We considered the completeness of these risks by reference to our knowledge of the business, and other sources such as the Group's submission to the Carbon Disclosure Project. As disclosed within the accounting policies section of the Consolidated financial statements, management has assessed there to be no material impact of climate change on the Consolidated financial statements.

We challenged management on how they considered the potential financial impacts of the Group's commitment to reduce Scope 1 and 2 carbon intensity by 50% by 2034 and to achieve net zero for Scope 1 and 2 emissions by 2050 in their assessment. We considered the principal risk to relate to the assumptions made in the forecasts prepared by management and used in their assessment of the carrying value of goodwill and going concern. In responding to the risks identified, we specifically considered how climate change risk would impact these assumptions and costs of compliance with current legal requirements. We also read the disclosures in relation to climate change made in the Responsible Business report and Task Force on Climate-related Financial Disclosures of the Annual Report to ascertain whether the disclosures are materially consistent with the financial statements and our knowledge from our audit. Our responsibility over other information is further described in the reporting on other information section of this report.

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

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements – Group	Financial statements – Company
Overall materiality	\$100,000,000 (2024: \$107,000,000)	£13,500,000 (2024: £14,000,000)
How we determined it	Approximately 5% of the Group's profit on ordinary activities before taxation	1% of total assets
Rationale for benchmark applied	The Group's principal measure of performance is profit on ordinary activities before taxation. We have utilised this measure in determining our materiality as it is the metric against which the performance of the Group is most commonly assessed by management and reported to shareholders.	Ashtead Group plc is the ultimate parent company which holds the Group's investments. Therefore the entity is not in itself profit-oriented. The strength of the balance sheet is the key measure of financial health that is important to shareholders, since the primary concern for the Company is the payment of dividends. We therefore consider total assets to be an appropriate benchmark.

For each component in the scope of our Group audit, we allocated a materiality that is less than our overall Group materiality. The range of materiality allocated across components was \$18m – \$90m.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2024: 75%) of overall materiality, amounting to \$75,000,000 (2024: \$80,000,000) for the Group financial statements and £10,125,000 (2024: £10,500,000) for the Company financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above \$5,000,000 (Group audit) (2024: \$5,000,000) and £675,000 (Company audit) (2024: £600,000) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the Group's and the Company's ability to continue to adopt the going concern basis of accounting included:

- evaluation of management's base case and understanding and evaluating the key assumptions;
- validation that the cash flow forecasts used to support management's impairment, going concern and viability assessments were consistent;
- assessment of the historical accuracy and reasonableness of management's forecasting;
- consideration of the Group's available financing, debt maturity profile and related financial covenants;
- testing of the mathematical integrity of management's liquidity headroom;
- independent calculation of severe but plausible downside scenario as well as reverse stress; and
- a review of the related disclosures in the Annual Report.

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

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Group's and the Company's ability to continue as a going concern.

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

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 30 April 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Group and Company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Directors' remuneration

In our opinion, the part of the Remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- the directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- the disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- the directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the Group's and Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- the directors' explanation as to their assessment of the Group's and Company's prospects, the period this assessment covers and why the period is appropriate; and
- the directors' statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the Group and Company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the Group and Company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- the directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the Group's and Company's position, performance, business model and strategy;
- the section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- the section of the Annual Report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the Company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

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

Auditors' 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 auditors' 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.

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.

Based on our understanding of the Group and industry, we identified that the principal risks of non-compliance with laws and regulations related to the UK Listing Rules, health and safety regulations, adherence to data protection requirements in the jurisdictions in which the Group operates and holds data and compliance with anti-bribery and corruption legislation in the jurisdictions in which the Group operates, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and taxation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate the financial performance of the Group. The Group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work.

Audit procedures performed by the group engagement team and/or component auditors included:

- discussions with management, Internal Audit, the Group's legal counsel and the Audit Committee, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- evaluation of the effectiveness of management's controls designed to prevent and detect irregularities;
- identification and testing of significant unusual journal entries;
- assessment of matters reported on the Group's whistleblowing helpline and the results of management's investigation of such matters;
- reviewing management's identification of critical estimates and judgements and consideration of any evidence of bias; and
- reviewing financial statement disclosures and testing to supporting documentation.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the Audit Committee, we were appointed by the members on 6 September 2023 to audit the financial statements for the year ended 30 April 2024 and subsequent financial periods. The period of total uninterrupted engagement is two years, covering the years ended 30 April 2024 to 30 April 2025.

Other matter

The Company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R – 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditors' report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

Darryl Phillips

DARRYL PHILLIPS (SENIOR STATUTORY AUDITOR)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

16 June 2025

CONSOLIDATED INCOME STATEMENT

for the year ended 30 April 2025

	Notes	2025 $m	2024 $m
Revenue			
Rental revenue	3	**9,980.4**	9,630.2
Sale of new equipment, merchandise and consumables	3	**344.0**	369.7
Sale of used rental equipment	3	**467.3**	858.8
		10,791.7	10,858.7
Operating costs			
Staff costs	4	**(2,462.9)**	(2,485.1)
Other operating costs	4	**(2,936.3)**	(2,845.2)
Used rental equipment sold	4	**(386.2)**	(635.8)
		(5,785.4)	(5,966.1)
EBITDA[1]		**5,006.3**	4,892.6
Depreciation	4	**(2,334.7)**	(2,117.7)
Amortisation of intangibles	4	**(114.4)**	(120.9)
Operating profit		**2,557.2**	2,654.0
Interest income	5	**4.5**	1.8
Interest expense	5	**(563.5)**	(546.3)
Profit on ordinary activities before taxation		**1,998.2**	2,109.5
Taxation	6,20	**(487.7)**	(511.1)
Profit attributable to equity holders of the Company		**1,510.5**	1,598.4
Basic earnings per share	7	**346.5¢**	365.8¢
Diluted earnings per share	7	**345.8¢**	363.7¢

1 EBITDA is presented here as an alternative performance measure as it is commonly used by investors and lenders. This and other adjusted alternative performance measures are detailed in the Glossary of Terms on page 167.

All revenue and profit for the year is generated from continuing operations.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 April 2025

	Notes	2025 $m	2024 $m
Profit attributable to equity holders of the Company for the financial year		**1,510.5**	1,598.4
Items that will not be reclassified to profit or loss:			
Remeasurement of the defined benefit pension plan	23	**–**	(22.6)
Movement on equity instruments held at fair value	24	**(25.5)**	–
Tax on items that will not be reclassified to profit or loss		**0.9**	5.6
		(24.6)	(17.0)
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences		**54.8**	(17.6)
Loss on cash flow hedge		**0.3**	0.2
		55.1	(17.4)
Total other comprehensive income / (loss) for the year		**30.5**	(34.4)
Total comprehensive income for the year		**1,541.0**	1,564.0

CONSOLIDATED BALANCE SHEET

at 30 April 2025

	Notes	2025 $m	2024 $m
Current assets			
Inventories	9	**147.2**	162.0
Trade and other receivables	10	**1,831.1**	1,850.2
Current tax asset		**23.1**	13.0
Cash and cash equivalents	11	**21.0**	20.8
		2,022.4	2,046.0
Non-current assets			
Property, plant and equipment			
– rental equipment	12	**11,312.1**	11,450.8
– other assets	12	**1,919.2**	1,797.7
		13,231.3	13,248.5
Right-of-use assets	13	**2,523.1**	2,425.6
Goodwill	14	**3,276.7**	3,211.5
Other intangible assets	14	**398.0**	485.9
Other non-current assets	15	**240.2**	189.3
Current tax asset		**–**	44.5
		19,669.3	19,605.3
Total assets		**21,691.7**	21,651.3
Current liabilities			
Trade and other payables	16	**1,195.0**	1,482.9
Current tax liability		**8.7**	10.1
Lease liabilities	17	**298.8**	273.8
Provisions	19	**60.8**	42.5
		1,563.3	1,809.3
Non-current liabilities			
Lease liabilities	17	**2,553.3**	2,406.8
Long-term borrowings	18	**7,500.1**	7,995.1
Provisions	19	**102.0**	75.4
Deferred tax liabilities	20	**2,239.8**	2,224.2
Other non-current liabilities		**64.6**	55.5
Net defined benefit pension plan liability	23	**0.5**	0.4
		12,460.3	12,757.4
Total liabilities		**14,023.6**	14,566.7
Equity			
Share capital	21	**81.8**	81.8
Share premium account		**6.5**	6.5
Capital redemption reserve		**20.0**	20.0
Own shares held by the Company	21	**(1,170.7)**	(818.7)
Own shares held by the ESOT	21	**(35.0)**	(43.5)
Cumulative foreign exchange translation differences		**(208.7)**	(263.5)
Retained reserves		**8,974.2**	8,102.0
Equity attributable to equity holders of the Company		**7,668.1**	7,084.6
Total liabilities and equity		**21,691.7**	21,651.3

These financial statements on pages 128 to 165 were approved by the Board on 16 June 2025.

BRENDAN HORGAN
Chief executive

ALEX PEASE
Chief financial officer

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 30 April 2025

	Share capital $m	Share premium account $m	Capital redemption reserve $m	Own shares held by the Company $m	Own shares held by the ESOT $m	Cumulative foreign exchange translation differences $m	Retained reserves $m	Total $m
At 1 May 2023	81.8	6.5	20.0	(740.9)	(38.8)	(245.9)	6,925.3	6,008.0
Profit for the year	–	–	–	–	–	–	1,598.4	1,598.4
Other comprehensive income:								
Foreign currency translation differences	–	–	–	–	–	(17.6)	–	(17.6)
Loss on cash flow hedge	–	–	–	–	–	–	0.2	0.2
Remeasurement of the defined benefit pension plan (note 23)	–	–	–	–	–	–	(22.6)	(22.6)
Tax on defined benefit pension scheme	–	–	–	–	–	–	5.6	5.6
Total comprehensive income for the year	–	–	–	–	–	(17.6)	1,581.6	1,564.0
Dividends paid (note 8)	–	–	–	–	–	–	(436.6)	(436.6)
Own shares purchased by the ESOT (note 21)	–	–	–	–	(29.9)	–	–	(29.9)
Own shares purchased by the Company (note 21)	–	–	–	(77.8)	–	–	–	(77.8)
Share-based payments (note 22)	–	–	–	–	25.2	–	22.3	47.5
Tax on share-based payments	–	–	–	–	–	–	9.4	9.4
At 30 April 2024	81.8	6.5	20.0	(818.7)	(43.5)	(263.5)	8,102.0	7,084.6
Profit for the year	–	–	–	–	–	–	1,510.5	1,510.5
Other comprehensive income:								
Foreign currency translation differences	–	–	–	–	–	54.8	–	54.8
Loss on cash flow hedge	–	–	–	–	–	–	0.3	0.3
Movement on equity instruments held at fair value	–	–	–	–	–	–	(25.5)	(25.5)
Tax on movement on equity instruments held at fair value	–	–	–	–	–	–	0.9	0.9
Total comprehensive income for the year	–	–	–	–	–	54.8	1,486.2	1,541.0
Dividends paid (note 8)	–	–	–	–	–	–	(546.6)	(546.6)
Own shares purchased by the ESOT (note 21)	–	–	–	–	(85.5)	–	–	(85.5)
Own shares purchased by the Company (note 21)	–	–	–	(352.0)	–	–	–	(352.0)
Share-based payments (note 22)	–	–	–	–	94.0	–	(65.3)	28.7
Tax on share-based payments	–	–	–	–	–	–	(2.1)	(2.1)
At 30 April 2025	**81.8**	**6.5**	**20.0**	**(1,170.7)**	**(35.0)**	**(208.7)**	**8,974.2**	**7,668.1**

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 30 April 2025

	Notes	2025 $m	2024 $m
Cash flows from operating activities			
Cash generated from operations before changes in rental equipment	25(a)	**4,943.1**	4,541.0
Payments for rental property, plant and equipment		**(2,251.2)**	(3,759.2)
Proceeds from disposal of rental property, plant and equipment		**461.7**	831.7
Cash generated from operations		**3,153.6**	1,613.5
Financing costs paid		**(554.9)**	(513.1)
Tax received		**44.5**	–
Tax paid		**(469.3)**	(245.8)
Net cash generated from operating activities		**2,173.9**	854.6
Cash flows from investing activities			
Acquisition of businesses	25(c)	**(147.4)**	(875.6)
Disposal of businesses		**–**	1.9
Financial asset investments	24	**–**	(15.0)
Payments for non-rental property, plant and equipment		**(455.6)**	(685.6)
Proceeds from disposal of non-rental property, plant and equipment		**61.2**	47.5
Net cash used in investing activities		**(541.8)**	(1,526.8)
Cash flows from financing activities			
Drawdown of loans		**1,309.4**	3,616.3
Redemption of loans		**(1,832.1)**	(2,275.0)
Repayment of principal under lease liabilities	17	**(138.0)**	(133.7)
Dividends paid	8	**(544.2)**	(436.1)
Purchase of own shares by the ESOT		**(85.5)**	(29.9)
Purchase of own shares by the Company		**(341.9)**	(78.4)
Net cash (used in)/generated from financing activities		**(1,632.3)**	663.2
Decrease in cash and cash equivalents		**(0.2)**	(9.0)
Opening cash and cash equivalents		**20.8**	29.9
Effect of exchange rate differences		**0.4**	(0.1)
Closing cash and cash equivalents	11	**21.0**	20.8

	Notes	2025 $m	2024 $m
Reconciliation of net cash flows to net debt			
Decrease in cash and cash equivalents in the year		**0.2**	9.0
(Decrease)/increase in debt through cash flow		**(660.7)**	1,207.6
Change in net debt from cash flows		**(660.5)**	1,216.6
Exchange differences		**24.6**	(9.7)
Debt acquired	26	**28.1**	154.5
Deferred costs of debt raising		**10.1**	8.7
New lease liabilities		**274.0**	325.3
(Decrease)/increase in net debt in the year		**(323.7)**	1,695.4
Net debt at 1 May		**10,654.9**	8,959.5
Net debt at 30 April	25(b)	**10,331.2**	10,654.9

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 General information

Ashtead Group plc ('the Company') is a company incorporated and domiciled in England and Wales and listed on the London Stock Exchange. The consolidated financial statements are presented in US dollars.

2 Accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented, unless otherwise stated.

Basis of preparation

These financial statements have been prepared in accordance with UK-adopted International Accounting Standards ('IFRS') and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention, modified for certain items carried at fair value, as stated in the accounting policies.

In preparing these financial statements, the exchange rates used in respect of the pound sterling (£) and Canadian dollar (C$) are:

	Pound sterling		Canadian dollar	
	2025	2024	**2025**	2024
Average for the year ended 30 April	**1.28**	1.26	**0.72**	0.74
At 30 April	**1.34**	1.25	**0.72**	0.73

The consolidated financial statements have been prepared on the going concern basis. The Group's internal budgets and forecasts of future performance, available financing facilities and facility headroom (see Note 18), provide a reasonable expectation that the Group has adequate resources to continue in operation for the foreseeable future and consequently the going concern basis continues to be appropriate in preparing the consolidated financial statements.

In reaching its conclusion on the going concern assessment, the Board also considered the findings of the work performed to support the statement on the long-term viability. This included scenario planning based on the timing, severity and duration of any downturn and subsequent recovery. Further details are provided in the viability statement on page 37.

Climate change considerations

In preparing the consolidated financial statements, the potential impacts of climate change, particularly those discussed in the Group's TCFD statement on pages 66 to 73 and as a result of our sustainability targets, have been considered. Our assessment focused primarily on the carrying value of the Group's assets and was factored into our assessment of the appropriateness of the going concern basis in the preparation of the consolidated financial statements and longer-term viability of the Group. There has been no material impact on the financial statements.

The potential implications of climate change risks on the financial statements will continue to be monitored and assessed in future periods.

Key judgements and estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses during the reporting period.

In the course of preparing the financial statements, no judgements have been made in the process of applying the Group's accounting policies, other than those involving estimations, that have had a significant effect on the amounts recognised within the financial statements.

The estimates and associated assumptions which have been used are based on historical experience and other factors that are considered to be relevant. While actual results could differ from these estimates, the Group has not identified any assumptions, or other key sources of estimation uncertainty in the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Changes in accounting policies and disclosures

New and amended standards adopted by the Group

There are no new IFRS or IFRIC Interpretations that are effective for the first time this financial year which have a material impact on the Group.

New standards, amendments and interpretations issued but not effective for the financial year beginning 1 May 2024 and not adopted early

There are no IFRS or IFRIC Interpretations that are not yet effective that would be expected to have a material impact on the Group.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 30 April each year. Control is achieved when the Company has the power over the investee, is exposed, or has rights, to variable returns from its involvement with the investee, and has the ability to use its power to affect its returns. The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration transferred in a business combination is the fair value at the acquisition date of the assets transferred and the liabilities incurred by the Group and includes the fair value of any contingent consideration arrangement. Acquisition-related costs are recognised in the income statement as incurred.

Contingent consideration is measured at the acquisition date at fair value and included in liabilities in the balance sheet. Changes in the fair value of contingent consideration due to events post the date of acquisition are recognised in the income statement. Cash flow payments to settle contingent consideration are reflected in investing activities.

Foreign exchange

Foreign currency transactions

Foreign currency transactions are translated into the functional currency of the entity that has undertaken the transaction using the exchange rates ruling on the dates of the transaction. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing on the reporting date. All currency translation differences are taken to the income statement. The functional currency of the parent company is pounds sterling.

Translation of overseas operations

The reporting currency of the Group is the US dollar, the currency in which the majority of our assets, liabilities, revenue and costs are denominated. Assets and liabilities in non-US dollar denominated currencies are translated into US dollars at rates of exchange ruling at the balance sheet date. Income statements and cash flows of non-US dollar denominated subsidiary undertakings are translated into US dollars at average rates of exchange for the year.

Exchange differences arising from the retranslation of the opening net investment of non-US dollar denominated subsidiaries and the difference between the inclusion of their profits at average rates of exchange in the Group income statement and the closing rate used for the balance sheet are recognised directly in a separate component of equity.

Revenue

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties and VAT/sales tax. Our revenue is a function of our rental rates and the size, utilisation and mix of our rental equipment. The Group has three main sources of revenue as detailed below:

- rental revenue, including loss damage waiver, environmental fees and revenue from rental equipment delivery and collection;
- revenue from the sale of new equipment, merchandise and consumables; and
- revenue from the sale of used rental equipment.

Rental revenue, including loss damage waiver and environmental fees, is recognised on a straight-line basis over the period of the rental contract. In general, rental contracts have no fixed duration and are cancellable at any time. However, as a rental contract can extend across financial reporting period ends, the Group records accrued revenue (unbilled rental revenue) and deferred revenue at the beginning and end of each reporting period so that rental revenue is appropriately stated in the financial statements. Revenue from rental delivery and collection is recognised when the delivery or collection has occurred and the performance obligation therefore fulfilled.

Revenue from the sale of new rental equipment, merchandise and consumables, together with revenue from the sale of used rental equipment, is recognised at the time of delivery to, or collection by, the customer and when all performance obligations under the sale contract have been fulfilled.

Revenue from the sale of rental equipment in connection with trade-in arrangements with certain manufacturers from whom the Group purchases new equipment is accounted for at the lower of transaction value or fair value based on independent appraisals. If the trade-in price of a unit of equipment exceeds the fair market value of that unit, the excess is accounted for as a reduction of the cost of the related purchase of new rental equipment.

Of the Group's rental revenue, $8,387m (2024: $8,061m) is accounted for in accordance with IFRS 16, 'Leases', while revenue from other ancillary services ($1,594m (2024: $1,569m)), each of which is billed separately, revenue from the sale of new equipment, merchandise and consumables ($344m (2024: $370m)) and revenue from the sale of used equipment ($467m (2024: $859m)) totalling $2,405m (2024: $2,798m) is accounted for in accordance with IFRS 15, 'Revenue from Contracts with Customers'.

2 Accounting policies (continued)

Interest income and expense

Interest income comprises interest receivable on funds invested and net interest on net defined benefit pension plan assets.

Interest expense comprises interest payable on borrowings and lease liabilities, amortisation of deferred debt raising costs, the unwind of the discount on the self-insurance and contingent consideration liabilities and the net interest on net defined benefit pension plan liabilities.

Earnings per share

Earnings per share is calculated based on the profit for the financial year and the weighted average number of ordinary shares in issue during the year. For this purpose the number of ordinary shares in issue excludes shares held by the Company or by the Employee Share Ownership Trust in respect of which dividends have been waived. Diluted earnings per share is calculated using the profit for the financial year and the weighted average diluted number of shares (ignoring any potential issue of ordinary shares which would be anti-dilutive) during the year.

Adjusted earnings per share comprises basic earnings per share adjusted to exclude earnings relating to non-recurring costs and amortisation of intangibles.

Current/non-current distinction

Current assets include assets held primarily for trading purposes, cash and cash equivalents and assets expected to be realised in, or intended for sale or consumption in, the course of the Group's operating cycle and those assets expected to be realised within one year from the reporting date. All other assets are classified as non-current assets.

Current liabilities include liabilities held primarily for trading purposes, liabilities expected to be settled in the course of the Group's operating cycle and those liabilities due within one year from the reporting date. All other liabilities are classified as non-current liabilities.

Property, plant and equipment

Property, plant and equipment is stated at cost (including transportation costs from the manufacturer to the initial rental location) less accumulated depreciation and any provisions for impairment. In respect of certain assets, cost includes rebuild costs when the rebuild extends the asset's useful economic life and it is probable that incremental economic benefits will accrue to the Group. Rebuild costs include the cost of transporting the equipment to and from the rebuild supplier. Depreciation is not charged while the asset is not in use during the rebuild period.

Depreciation

Property, plant and equipment is depreciated on a straight-line basis applied to the opening cost to write down each asset to its residual value over its useful economic life. Estimates of useful life and residual value are determined with the objective of allocating most appropriately the cost of property, plant and equipment to our income statement, over the period we anticipate it will be used in our business. Residual values and estimated useful economic lives are reassessed annually, recognising the cyclical nature of the business, by making reference to recent experience of the Group. The depreciation rates in use are as follows:

	Per annum
Freehold property	2%
Motor vehicles	7% to 25%
Rental equipment	4% to 33%
Office and workshop equipment	20%

Residual values are estimated at 10 to 15% of cost in respect of most types of rental equipment, although the range of residual values used varies between zero and 35%.

Repairs and maintenance

Costs incurred in the repair and maintenance of rental and other equipment are charged to the income statement as incurred.

Intangible assets

Goodwill

Goodwill represents the difference between the fair value of the consideration for an acquisition and the fair value of the net identifiable assets acquired, including any intangible assets other than goodwill.

Goodwill is stated at cost less any accumulated impairment losses and is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination.

The profit or loss on the disposal of a previously acquired business includes the attributable amount of any purchased goodwill relating to that business.

Other intangible assets

Other intangible assets acquired as part of a business combination are capitalised at fair value as at the date of acquisition. Internally generated intangible assets are not capitalised. Amortisation is charged on a straight-line basis over the expected useful life of each asset. Contract related intangible assets are amortised over the life of the contract. Amortisation rates for other intangible assets are as follows:

	Per annum
Brand names	7% to 100%
Customer lists	7% to 50%
Contract related	14% to 50%

Impairment of assets

Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets are grouped at the lowest levels for which there are separately identifiable and independent cash flows for the asset being tested for impairment (cash-generating unit). Goodwill is not amortised but is tested annually for impairment as at 30 April each year. For the purpose of assessing goodwill impairment, assets are grouped at the lowest level at which the goodwill is monitored, which is not larger than the Group's operating segments.

An impairment loss is recognised in the income statement for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In respect of assets other than goodwill, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Impairment losses in respect of goodwill are not reversed.

Taxation

The tax charge for the period comprises both current and deferred tax. Taxation is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case the related tax is also recognised in equity.

Current tax is the expected tax payable on the taxable income for the year and any adjustment to tax payable in respect of previous years. The Group's liability for current tax is calculated using tax rates applicable for the reporting period.

Deferred tax is provided using the balance sheet liability method on any temporary differences between the carrying amounts for financial reporting purposes and those for taxation purposes. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. No deferred tax is recognised on temporary differences arising from goodwill, or from the initial recognition of an asset or liability in a transaction (other than in a business combination) and that, at the time of the transaction, does not affect the accounting profit nor taxable profit and does not give rise to equal and opposite taxable and deductible temporary differences.

Deferred tax is not recognised for temporary differences arising on investments in subsidiaries where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax laws and rates that have been enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority, there is a legally enforceable right to offset tax assets against tax liabilities, and, where they arise in different entities, the Group intends to settle them on a net basis.

Inventories

Inventories, which comprise equipment, fuel, merchandise and spare parts, are valued at the lower of cost and net realisable value. The cost of inventory that is not ordinarily interchangeable is valued at individual cost. The cost of other inventories is determined on a first-in, first-out basis or using a weighted average cost formula, depending on the basis most suited to the type of inventory held.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Financial assets

Financial asset investments

The Group makes an election on initial recognition whether to designate financial asset investments in equity instruments, other than those held for trading, to be measured at fair value through other comprehensive income. Financial asset investments that do not meet this criteria are measured at fair value through profit or loss.

Given the nature of the Group's limited targeted investments in start-up and early-stage companies, it can be difficult to determine fair value. The directors consider that the most appropriate approach to fair value is to use a valuation technique based on market data, such as a valuation based on a recent investment or funding round.

Trade receivables

Trade receivables do not carry interest and are initially recognised at their transaction value and measured subsequently at amortised cost using the effective interest method as reduced by appropriate loss allowances for estimated irrecoverable amounts. The loss allowances are calculated using the simplified expected credit loss approach, based on prior experience reflecting the level of uncollected receivables over the last year within each business adjusted for factors that are specific to the receivables, the industry in which we operate and the economic environment. Adjustments to the loss allowances are recognised in the income statement. Trade receivables are written off when recoverability is assessed as being remote while subsequent recoveries of amounts previously written off are credited to the income statement.

2 Accounting policies (continued)

Cash and cash equivalents
Cash and cash equivalents comprises cash balances and call deposits with maturity of less than, or equal to, three months.

Financial liabilities and equity

Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Trade payables
Trade payables are not interest bearing and are stated at fair value and subsequently measured at amortised cost using the effective interest rate method.

Borrowings
Interest-bearing bank loans and overdrafts are recorded at the proceeds received. The direct transaction costs related to arranging our senior secured credit facility are recognised separately from the financial liability as a loan commitment asset.

Finance charges, including amortisation of direct transaction costs, are charged to the income statement using the effective interest rate method.

Borrowings exclude accrued interest which is classified as a current liability and included within trade and other payables in the balance sheet.

Tranches of borrowings and overdrafts which mature on a regular basis are classified as current or non-current liabilities based on the maturity of the facility so long as the committed facility exceeds the drawn debt.

Net debt
Net debt consists of total borrowings and lease liabilities less cash and cash equivalents. Non-US dollar denominated balances are retranslated to US dollars at rates of exchange ruling at the balance sheet date.

Senior notes
The Group's senior notes contain early repayment options, which constitute embedded derivatives in accordance with IFRS 9, Financial Instruments. The accounting for these early repayment options depends on whether they are considered to be closely related to the host contract or not based on IFRS 9. Where they are closely related, the early repayment option is not accounted for separately and the notes are recorded within borrowings, net of direct transaction costs. The interest expense is calculated by applying the effective interest rate method.

In circumstances where the early repayment option is not considered closely related to the host contract, the repayment option has to be valued separately. At the date of issue the liability component of the notes is estimated using prevailing market interest rates for similar debt with no repayment option and is recorded within borrowings, net of direct transaction costs. The difference between the proceeds of the note issue and the fair value assigned to the liability component, representing the embedded option to prepay the notes is included within Other financial assets – derivatives. The interest expense on the liability component is calculated by applying the effective interest rate method. The embedded option to prepay is fair valued using an appropriate valuation model and fair value remeasurement gains and losses are included in investment income and interest expense respectively.

Where the Group's senior notes are issued at a premium or a discount, they are initially recognised at their face value plus or minus the premium or discount. The notes are measured subsequently at amortised cost using the effective interest rate method.

Financial guarantees
The Company enters into contracts to guarantee the indebtedness of other companies within the Group. The Company applies IFRS 9 and recognises the financial guarantee contracts initially at fair value and thereafter based on the expected credit losses.

Leases

The Group assesses whether a contract is a lease, or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is measured initially at the present value of future lease payments at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate. Lease payments included in the measurement of the Group's lease liability comprise:

- fixed lease payments, less any lease incentives received; and
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date.

The lease liability is measured subsequently by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term changes, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use asset comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset with depreciation commencing at the commencement date of the lease.

Variable lease payments that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line 'Other operating costs' in the income statement.

Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date and are discounted to present value where the effect is material.

Insurance

Insurance costs include insurance premiums which are written off to the income statement over the period to which they relate and an estimate of the discounted liability for uninsured retained risks on unpaid claims incurred up to the balance sheet date. The estimate includes events incurred but not reported at the balance sheet date. This estimate is discounted and included in provisions in the balance sheet on a gross basis with a corresponding insurance receivable amount recognised as an asset where it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Employee benefits

Defined contribution pension plans

Obligations under the Group's defined contribution plans are recognised as an expense in the income statement as incurred.

Defined benefit pension plans

The Group's obligation in respect of defined benefit pension plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in prior periods; that benefit is discounted to determine its present value and the fair value of plan assets is deducted. The discount rate used is the yield at the balance sheet date on AA-rated corporate bonds. The calculation is performed by a qualified actuary using the projected unit credit method.

Actuarial gains and losses are recognised in full in the period in which they arise through the statement of comprehensive income.

Net interest is calculated by applying a discount rate to the net defined benefit pension plan asset or liability. The net interest income or net interest expense is included in interest income or interest expense, respectively.

The defined pension surplus or deficit represents the fair value of the plan assets less the present value of the defined benefit obligation. A surplus is recognised in the balance sheet to the extent that the Group has an unconditional right to the surplus, either through a refund or reduction in future contributions. A deficit is recognised in full.

Share-based compensation

The fair value of awards made under share-based compensation plans is measured at grant date and spread over the vesting period through the income statement with a corresponding increase in equity. The fair value of share options and awards is measured using an appropriate valuation model taking into account the terms and conditions of the individual award. The amount recognised as an expense is adjusted to reflect the actual awards vesting except where any change in the awards vesting relates only to market-based criteria not being achieved.

Employee Share Ownership Trust

Shares in the Company acquired by the Employee Share Ownership Trust ('ESOT') in the open market for use in connection with employee share plans are presented as a deduction from shareholders' funds. When the shares vest to satisfy share-based payments, a transfer is made from own shares held through the ESOT to retained earnings.

Own shares held by the Company

The cost of own shares held by the Company is deducted from shareholders' funds. The proceeds from the reissue of own shares are added to shareholders' funds with any gains in excess of the average cost of the shares being recognised in the share premium account.

Dividends

Dividends on the Company's ordinary shares are recognised when they have been authorised and are no longer at the Company's discretion. Accordingly, interim dividends are recognised when they are paid, and final dividends are recognised when they are approved by shareholders at the Company's AGM. Dividends are recognised as an appropriation of shareholders' funds.

3 Segmental analysis

Segmental analysis by reportable operating segment

The Group's externally reportable segments reflect the internal reporting structure of the Group, which is the basis on which resource allocation decisions are made by management in the pursuit of strategic objectives.

During the period, the Group has reassessed the basis of its segmental information considering recent organisational changes. The Group operates under two primary geographic regions reflecting its North American activities and assets, and its UK activities and assets. The North American business is further split by General Tool and Specialty, reflecting the nature of its products and services and the management structure of the Group. As such, the Group has identified its reportable operating segments as North America – General Tool, North America – Specialty and UK which we believe reflects better the basis upon which we review the performance of the business internally and aligns with the basis of our strategic growth plan, Sunbelt 4.0.

The Group manages debt (including lease liabilities) and taxation centrally, rather than by business unit. Accordingly, segmental results are stated excluding the impact of IFRS 16 lease accounting. Furthermore, segment results are stated before interest and taxation which are reported as central Group items. This is consistent with the way the chief executive reviews the business.

Segmental information for the year ended 30 April 2024 has been restated to reflect these updated segments.

There are no material sales between the business segments. Segment assets include property, plant and equipment, other non-current assets, inventory and receivables. The chief executive does not routinely review a measure of segment liabilities as such items are managed centrally and therefore a segment liability measure is not presented. Capital expenditure represents additions to property, plant and equipment, and includes additions through the acquisition of businesses.

	North America				
Year ended 30 April 2025	**General Tool $m**	**Specialty $m**	**UK $m**	**Central items $m**	**Group $m**
Revenue					
Rental revenue	5,889.7	3,312.8	777.9	–	9,980.4
Sale of new equipment, merchandise and consumables	169.5	95.7	78.8	–	344.0
Sale of used rental equipment	337.8	78.9	50.6	–	467.3
	6,397.0	3,487.4	907.3	–	10,791.7
Adjusted segment EBITDA	3,477.7	1,672.1	239.7	(367.8)	5,021.7
Depreciation	(1,384.3)	(537.6)	(171.1)	(241.7)	(2,334.7)
Adjusted operating profit	2,093.4	1,134.5	68.6	(609.5)	2,687.0
Net financing costs					(559.0)
Non-recurring costs					(15.4)
Amortisation					(114.4)
Profit before taxation					1,998.2
Taxation					(487.7)
Profit attributable to equity shareholders					1,510.5
Segment assets	10,082.5	3,594.9	1,198.3	6,771.9	21,647.6
Cash					21.0
Taxation assets					23.1
Total assets					21,691.7
Capital expenditure	1,735.8	522.9	186.5	15.3	2,460.5

Year ended 30 April 2024 (restated)	North America General Tool $m	North America Specialty $m	UK $m	Central items $m	Group $m
Revenue					
Rental revenue	5,825.9	3,061.9	742.4	–	9,630.2
Sale of new equipment, merchandise and consumables	174.4	115.5	79.8	–	369.7
Sale of used rental equipment	720.4	73.0	65.4	–	858.8
	6,720.7	3,250.4	887.6	–	10,858.7
Adjusted segment EBITDA	3,653.3	1,438.4	235.0	(434.1)	4,892.6
Depreciation	(1,259.0)	(470.0)	(163.6)	(225.1)	(2,117.7)
Adjusted operating profit	2,394.3	968.4	71.4	(659.2)	2,774.9
Net financing costs					(544.5)
Non-recurring costs					–
Amortisation					(120.9)
Profit before taxation					2,109.5
Taxation					(511.1)
Profit attributable to equity shareholders					1,598.4
Segment assets	10,016.5	3,733.2	1,163.2	6,660.1	21,573.0
Cash					20.8
Taxation assets					57.5
Total assets					21,651.3
Capital expenditure	3,219.3	1,166.0	265.7	126.6	4,777.6

Segmental analysis by geography

The Group's operations are located in the United States, Canada and United Kingdom. The following table provides an analysis of the Group's revenue, segment assets and capital expenditure, including expenditure on acquisitions, by country of domicile. Segment assets by geography include property, plant and equipment, goodwill, intangible assets, right-of-use assets and other non-current assets (excluding financial asset investments), but exclude the net defined benefit pension plan, inventory, receivables, and financial asset investments.

	Revenue		Segment assets		Capital expenditure	
	2025 $m	2024 $m	**2025 $m**	2024 $m	**2025 $m**	2024 $m
United States	**9,204.4**	9,306.7	**16,512.8**	16,426.3	**2,066.0**	4,111.4
Canada	**680.0**	664.4	**1,746.5**	1,767.9	**208.0**	400.5
United Kingdom	**907.3**	887.6	**1,378.5**	1,309.5	**186.5**	265.7
	10,791.7	10,858.7	**19,637.8**	19,503.7	**2,460.5**	4,777.6

4 Operating costs and other income

	2025 $m	2024 $m
Staff costs:		
Salaries	**2,242.0**	2,265.1
Social security costs	**172.8**	172.3
Other pension costs	**48.1**	47.7
	2,462.9	2,485.1
Other operating costs:		
Vehicle costs	**708.2**	658.0
Spares, consumables and external repairs	**584.5**	547.8
Facility costs	**115.4**	115.7
Other external charges	**1,528.2**	1,523.7
	2,936.3	2,845.2
Used rental equipment sold	**386.2**	635.8
Depreciation and amortisation:		
Depreciation of tangible assets	**2,121.9**	1,913.6
Depreciation of right-of-use assets	**212.8**	204.1
Amortisation of intangibles	**114.4**	120.9
	2,449.1	2,238.6
	8,234.5	8,204.7

Proceeds from the disposal of non-rental property, plant and equipment amounted to $61m (2024: $47m), resulting in a profit on disposal of $18m (2024: $22m) which is included in other external charges.

The costs shown in the above table include:

	2025 $m	2024 $m
Cost of inventories recognised as expense	**778.6**	1,010.8
Net charge of allowance on trade receivables	**28.0**	83.7

Staff costs include remuneration of key management personnel, which comprises of non-executive and executive directors, and the chief financial officer. Key management personnel remuneration comprised:

	2025 $'000	2024 $'000
Salaries and short-term employee benefits	**6,697**	4,173
Post-employment benefits	**72**	30
National insurance and social security	**546**	800
Share-based payments	**4,954**	5,287
	12,269	10,290

The Schedule 5 requirements of the Accounting Regulations for directors' remuneration are included within the directors' remuneration report on pages 96 to 117.

Remuneration payable to the Company's auditor, PricewaterhouseCoopers LLP, in the year is given below:

	2025 $'000	2024 $'000
Fees payable for the audit of the Group's annual accounts	**2,632**	2,780
Fees payable for other services to the Group:		
– the audit of the Group's UK subsidiaries pursuant to legislation	**50**	48
– audit-related assurance services	**520**	113
– other assurance services	**903**	190
	4,105	3,131

Fees paid for audit-related assurance services relate to the review of the Group's half-year interim financial statements and audit work associated with the Group's proposed US relisting. Other assurance services relate predominantly to other required work in relation to the Group's proposed US relisting.

5 Net financing costs

	2025 $m	2024 $m
Interest income:		
Net income on the defined benefit pension plan asset	**–**	0.9
Other interest	**4.5**	0.9
	4.5	1.8
Interest expense:		
Bank interest payable	**122.0**	175.1
Interest payable on senior notes	**279.4**	232.3
Interest payable on lease liabilities	**147.0**	128.0
Non-cash unwind of discount on liabilities	**5.0**	2.2
Amortisation of deferred debt raising costs	**10.1**	8.7
	563.5	546.3

6 Taxation

The tax charge for the year has been computed using the tax rates in force for the year ending 30 April 2025 of 25% in the US (2024: 25%), 26% in Canada (2024: 25%) and 25% in the UK (2024: 25%). This results in a blended effective rate for the Group as a whole of 25% (2024: 25%) for the year before adjustments to prior period state taxes and 24% (2024: 24%) after these adjustments.

On 20 June 2023, Finance (No.2) Act 2023 was substantively enacted in the UK, introducing a global minimum effective tax rate of 15%. The legislation implements a domestic top-up tax and a multinational top-up tax, effective for accounting periods starting on or after 31 December 2023. Accordingly, the first accounting period to which these rules apply to the Group is the year ended 30 April 2025. The Group has applied the exemption under the IAS 12 amendment to recognising and disclosing information about deferred tax assets and liabilities related to top-up income taxes for the year ended 30 April 2025. The 15% global minimum tax rate does not affect materially the amount of tax the Group pays, as corporation tax rates in the principal jurisdictions in which the Group operates exceed 15%.

	2025 $m	2024 $m
Analysis of the tax charge		
Current tax		
– current tax on income for the year	**494.6**	294.9
– adjustments to prior year	**(14.8)**	(3.9)
	479.8	291.0
Deferred tax		
– origination and reversal of temporary differences	**13.9**	236.1
– adjustments to prior year	**(6.0)**	(16.0)
	7.9	220.1
Total taxation charge	**487.7**	511.1
Comprising:		
– United States	**471.6**	504.1
– Canada	**10.6**	3.7
– United Kingdom	**5.5**	3.3
	487.7	511.1

6 Taxation (continued)

The tax charge comprises a charge of $488m (2024: $511m) relating to tax on the profit before tax of $1,998m (2024: $2,110m).

The differences between the tax charge for the year of 24% and the standard rate of corporation tax in the UK of 25% are explained below:

	2025 $m	2024 $m
Profit on ordinary activities before tax	**1,998.2**	2,109.5
Profit on ordinary activities multiplied by the rate of corporation tax in the UK of 25% (2024: 25%)	**499.6**	527.4
Effects of:		
Use of foreign tax rates on overseas income	**7.7**	9.9
Adjustments to prior years	**(20.8)**	(19.9)
Enhanced tax deductions for fixed asset purchases, research and development and other activities	**(8.7)**	(16.4)
Expenses not allowable for tax	**11.1**	9.7
Other	**(1.2)**	0.4
Total taxation charge	**487.7**	511.1

Following its state aid investigation, in April 2019 the European Commission announced its decision that the Group Financing Exemption in the UK controlled foreign company ('CFC') legislation constitutes state aid in some circumstances. In common with the UK Government and other UK-based international companies, the Group did not agree with the decision and lodged a formal appeal with the General Court of the European Union. The Group's appeal was stayed while the appeals put forward by the UK Government and ITV plc proceeded. Despite the UK Government appealing the European Commission's decision, His Majesty's Revenue & Customs ('HMRC') was required to assess the tax liability which would arise if the decision was not appealed successfully, which was paid by the Group.

On 8 June 2022 the General Court of the European Union dismissed the appeals put forward by the UK Government and ITV plc. However, they appealed the decision to the Court of Justice of the European Union. The Court of Justice of the European Union held a hearing on the case in January 2024 and the Advocate-General's opinion was published in April 2024, proposing that the Court of Justice of the European Union set aside the judgement of the General Court and annul the decision made by the European Commission. On 19 September 2024, the Court of Justice of the European Union followed the recommendation of the Advocate-General's opinion and annulled the European Commission decision. As a result of the Court of Justice of the European Union decision to annul the European Commission decision, HMRC issued a reversal notice in March 2025 and refunded the entire amount of $50m, including interest, in the fourth quarter.

7 Earnings per share

	2025			2024		
	Earnings $m	Weighted average no. of shares million	Per share amount cents	Earnings $m	Weighted average no. of shares million	Per share amount cents
Basic earnings per share	**1,510.5**	**435.9**	**346.5**	1,598.4	437.0	365.8
Share options and share plan awards	**–**	**1.0**	**(0.7)**	–	2.5	(2.1)
Diluted earnings per share	**1,510.5**	**436.9**	**345.8**	1,598.4	439.5	363.7

Adjusted earnings per share may be reconciled to earnings per share as follows:

	Basic		Diluted	
	2025 cents	2024 cents	2025 cents	2024 cents
Basic earnings per share	**346.5**	365.8	**345.8**	363.7
Amortisation of intangibles	**26.3**	27.6	**26.2**	27.5
Non-recurring costs associated with relisting:				
– Staff costs	**0.9**	–	**0.9**	–
– Other operating costs	**2.6**	–	**2.6**	–
Tax on adjusting items	**(6.8)**	(6.9)	**(6.8)**	(6.9)
Adjusted earnings per share	**369.5**	386.5	**368.7**	384.3

8 Dividends

	2025 $m	2024 $m
Final dividend paid on 10 September 2024 of 89.25¢ (2024: 85.00¢) per 10p ordinary share	**389.8**	368.2
Interim dividend paid on 7 February 2025 of 36.00¢ (2024: 15.75¢) per 10p ordinary share	**156.8**	68.4
	546.6	436.6
Reconciliation to consolidated cash flow statement		
Dividends declared (recognised in the consolidated statement of changes in equity)	**546.6**	436.6
Translation adjustment	**(2.4)**	(0.5)
Dividends paid	**544.2**	436.1

In addition, the directors are proposing a final dividend in respect of the year ended 30 April 2025 of 72¢ (2024: 89.25¢) per share which will absorb $308m of shareholders' funds, based on the 428m shares qualifying for dividend on 16 June 2025. Subject to approval by shareholders, it will be paid on 10 September 2025 to shareholders who are on the register of members on 8 August 2025.

Dividends are declared in US dollars and paid in sterling unless shareholders elect to receive their dividend in US dollars. The exchange rate used to determine the sterling dividend is set based on the average exchange rate for the five working days prior to the dividend currency exchange rate announcement.

Dividends are recognised in the consolidated statement of changes in equity on the date in which the liability arises. Dividends are included in the consolidated statement of cash flows on the date of payment. As dividends are paid in both sterling as well as US dollars, a translation adjustment arises when the date at which the liability arose differs from the payment date.

9 Inventories

	2025 $m	2024 $m
Raw materials, consumables and spares	**75.3**	87.3
Goods for resale	**71.9**	74.7
	147.2	162.0

10 Trade and other receivables

	2025 $m	2024 $m
Trade receivables	**1,583.3**	1,668.8
Less: loss allowance	**(101.9)**	(140.7)
	1,481.4	1,528.1
Other receivables		
– Accrued revenue	**125.6**	121.4
– Other	**224.1**	200.7
	1,831.1	1,850.2

The fair values of trade and other receivables are not materially different to the carrying values presented.

a) Trade receivables: credit risk

The Group's exposure to the credit risk inherent in its trade receivables and the associated risk management techniques that the Group deploys in order to mitigate this risk are discussed in Note 24. The credit periods offered to customers vary according to the credit risk profiles of, and the invoicing conventions established in, the Group's markets. The contractual terms on invoices issued to customers vary between North America and the UK, in that invoices issued by Sunbelt UK are payable within 30-60 days whereas invoices issued by North America are payable within 30 days. The loss allowance is calculated based on prior experience reflecting the level of uncollected receivables over the last year within each business adjusted for factors that are specific to the receivables, the industry in which we operate and the economic environment. Accordingly, the loss allowance cannot be attributed to specific receivables so the aged analysis of trade receivables, including those past due, is shown gross of the loss allowance.

On this basis, the ageing analysis of trade receivables, including those past due, is as follows:

		Trade receivables past due by:				
	Current $m	Less than 30 days $m	30 – 60 days $m	60 – 90 days $m	More than 90 days $m	Total $m
Carrying value at 30 April 2025	872.2	385.3	137.2	73.6	115.0	1,583.3
Carrying value at 30 April 2024	870.9	396.2	150.6	73.1	178.0	1,668.8

10 Trade and other receivables (continued)

b) Movement in the loss allowance

	2025 $m	2024 $m
At 1 May	**140.7**	107.2
Amounts written off or recovered during the year	**(67.5)**	(50.1)
Increase in allowance recognised in income statement	**28.0**	83.7
Currency movements	**0.7**	(0.1)
At 30 April	**101.9**	140.7

11 Cash and cash equivalents

	2025 $m	2024 $m
Cash and cash equivalents	**21.0**	20.8

The carrying amount of cash and cash equivalents approximates to their fair value.

12 Property, plant and equipment

	Land and buildings $m	Rental equipment $m	Office and workshop equipment $m	Motor vehicles $m	Total $m
Cost or valuation					
At 1 May 2023	728.3	15,825.6	502.3	1,225.9	18,282.1
Exchange differences	(2.1)	(22.5)	(0.8)	(1.6)	(27.0)
Acquisitions	2.0	533.4	1.0	35.9	572.3
Reclassifications	0.5	2.0	1.9	(4.4)	–
Additions	268.4	3,624.0	131.2	287.1	4,310.7
Disposals	(11.7)	(2,217.3)	(17.2)	(139.6)	(2,385.8)
At 30 April 2024	985.4	17,745.2	618.4	1,403.3	20,752.3
Exchange differences	7.0	90.2	5.3	6.5	109.0
Acquisitions	–	96.0	–	5.0	101.0
Reclassifications	0.2	(15.9)	20.9	(5.2)	–
Additions	124.7	1,945.9	62.2	268.7	2,401.5
Disposals	(8.0)	(1,323.1)	(55.4)	(188.7)	(1,575.2)
At 30 April 2025	**1,109.3**	**18,538.3**	**651.4**	**1,489.6**	**21,788.6**
Depreciation					
At 1 May 2023	222.9	6,176.5	318.6	523.0	7,241.0
Exchange differences	(0.7)	(9.1)	(0.6)	(0.6)	(11.0)
Acquisitions	–	92.6	0.4	12.4	105.4
Reclassifications	0.2	0.9	0.9	(2.0)	–
Charge for the period	48.7	1,640.8	75.7	148.4	1,913.6
Disposals	(10.1)	(1,607.3)	(14.3)	(113.5)	(1,745.2)
At 30 April 2024	261.0	6,294.4	380.7	567.7	7,503.8
Exchange differences	3.6	41.7	4.2	3.1	52.6
Acquisitions	–	40.0	–	2.0	42.0
Reclassifications	(0.1)	(8.6)	11.9	(3.2)	–
Charge for the period	61.5	1,814.1	75.6	170.7	2,121.9
Disposals	(4.9)	(955.4)	(52.5)	(150.2)	(1,163.0)
At 30 April 2025	**321.1**	**7,226.2**	**419.9**	**590.1**	**8,557.3**
Net book value					
At 30 April 2025	**788.2**	**11,312.1**	**231.5**	**899.5**	**13,231.3**
At 30 April 2024	724.4	11,450.8	237.7	835.6	13,248.5

$27m of rebuild costs were capitalised in the year (2024: $27m).

13 Right-of-use assets

	Property leases $m	Other leases $m	Total $m
Cost or valuation			
At 1 May 2023	2,743.5	28.1	2,771.6
Exchange differences	(5.7)	(0.1)	(5.8)
Additions	294.6	21.8	316.4
Acquisitions	99.2	–	99.2
Remeasurement	71.8	–	71.8
Disposals	(63.4)	(2.3)	(65.7)
At 30 April 2024	3,140.0	47.5	3,187.5
Exchange differences	8.7	3.2	11.9
Additions	198.0	4.8	202.8
Acquisitions	28.0	–	28.0
Remeasurement	85.7	–	85.7
Disposals	(14.8)	(4.2)	(19.0)
At 30 April 2025	**3,445.6**	**51.3**	**3,496.9**
Depreciation			
At 1 May 2023	558.7	6.9	565.6
Exchange differences	(1.6)	–	(1.6)
Charge for the period	197.3	6.8	204.1
Disposals	(4.9)	(1.3)	(6.2)
At 30 April 2024	749.5	12.4	761.9
Exchange differences	4.2	1.0	5.2
Charge for the period	204.6	8.2	212.8
Disposals	(3.4)	(2.7)	(6.1)
At 30 April 2025	**954.9**	**18.9**	**973.8**
Net book value			
At 30 April 2025	**2,490.7**	**32.4**	**2,523.1**
At 30 April 2024	2,390.5	35.1	2,425.6

Included within depreciation is an impairment charge of $nil (2024: $6m).

14 Intangible assets including goodwill

	Goodwill $m	Other intangible assets: Brand names $m	Customer lists $m	Contract related $m	Total $m	Total $m
Cost or valuation						
At 1 May 2023	2,865.5	29.4	1,058.0	112.5	1,199.9	4,065.4
Recognised on acquisition	353.4	–	76.6	9.6	86.2	439.6
Additions	–	–	0.7	–	0.7	0.7
Disposals	–	–	(1.9)	–	(1.9)	(1.9)
Exchange differences	(7.4)	–	(3.5)	(0.2)	(3.7)	(11.1)
At 30 April 2024	3,211.5	29.4	1,129.9	121.9	1,281.2	4,492.7
Recognised on acquisition	53.0	–	24.6	0.1	24.7	77.7
Exchange differences	12.2	0.3	6.4	2.0	8.7	20.9
At 30 April 2025	**3,276.7**	**29.7**	**1,160.9**	**124.0**	**1,314.6**	**4,591.3**
Amortisation						
At 1 May 2023	–	28.9	542.6	105.0	676.5	676.5
Charge for the period	–	0.4	115.6	4.9	120.9	120.9
Exchange differences	–	–	(1.9)	(0.2)	(2.1)	(2.1)
At 30 April 2024	–	29.3	656.3	109.7	795.3	795.3
Charge for the period	–	0.1	111.1	3.2	114.4	114.4
Exchange differences	–	0.3	4.5	2.1	6.9	6.9
At 30 April 2025	**–**	**29.7**	**771.9**	**115.0**	**916.6**	**916.6**
Net book value						
At 30 April 2025	**3,276.7**	**–**	**389.0**	**9.0**	**398.0**	**3,674.7**
At 30 April 2024	3,211.5	0.1	473.6	12.2	485.9	3,697.4

Goodwill acquired in a business combination is allocated at acquisition to the cash-generating units ('CGUs') that benefit from that business combination. During the year, following a reassessment of the Group's operating segments, the Group also reviewed the level at which CGUs are aggregated to test for impairment to ensure that these remain appropriate. As a result, the Group concluded that it was appropriate to update its testing levels to align with the Group's operating segments. Prior year comparatives have been restated accordingly. As such, goodwill allocated to each of the Group's CGUs is as follows:

	2025 $m	2024 $m
North America		
General tool	**1,930.6**	1,885.7
Specialty	**1,108.2**	1,108.9
	3,038.8	2,994.6
Sunbelt UK		
General equipment and related businesses	**237.9**	216.9
Total goodwill	**3,276.7**	3,211.5

For the purposes of determining potential goodwill impairment, recoverable amounts are determined from value in use calculations using cash flow projections based on the Group's financial plans covering a three-year period which were adopted and approved by the Board in April 2025. The key assumptions for these financial plans are those regarding revenue growth, margins and capital expenditure required to replace the rental fleet and support the growth forecast, which management estimates based on past experience, market conditions and expectations for the future development of the market, including consideration of the risks and opportunities related to climate-related matters as detailed within the Group's TCFD disclosures. The projections consist of the 2025/26 budget, a further two years from the Group's business plan and a further seven years' cash flows. The valuation uses an annual growth rate to determine the cash flows beyond the three-year forecast period of 2%, which does not exceed the average long-term growth rates for the relevant markets, a terminal value reflective of market multiples and discount rates of 10% (2024: 10%) and 11% (2024: 12%) for the North America and UK businesses respectively. The discount rates for each country are determined by reference to the Group's weighted average cost of capital.

The impairment review is potentially sensitive to changes in key assumptions used, most notably the discount rate and forecast EBITDA. A sensitivity analysis has been undertaken by changing each of the key assumptions used in isolation for the North America segments and the UK segment. Based on this sensitivity analysis, no reasonably possible change in any of the key assumptions relating to the North America segments resulted in the recoverable amount identified above to fall below their carrying value. The UK business segment has headroom of $98m at the reporting date but an increase in the discount rate from 11% to 12% or a minimum annual increase in EBITDA of 2.1% would reduce the recoverable value to carrying value.

North America

General Tool

Revenue for the General Tool business is linked primarily to North American non-residential construction spend, which, based on market forecasts, is expected to grow during the business plan period, underpinned by a significant level of large scale, multi-year projects. The General Tool business has grown more rapidly than both the non-residential construction market and the broader rental market in recent years and this outperformance is expected to continue over the business plan period, although not necessarily to the same degree. EBITDA margins are forecast to improve slightly as inflationary cost pressures ease and the businesses benefit from operational efficiencies and increased scale.

Specialty

Revenue for the Specialty business is in part linked to the level of non-residential construction and also general levels of economic activity. This business is also expected to benefit from increased rental penetration. EBITDA margins are forecast to improve slightly as the businesses benefit from higher rental penetration, operational efficiencies and increased scale.

UK

Revenue for the UK business is linked primarily to UK non-residential construction spend. This market is more challenging than in North America, with structural growth opportunities more difficult to achieve due to a higher level of rental penetration in the market. The market is expected to grow over the business plan period. EBITDA margins are forecast to improve as the businesses focus on operational improvement and leveraging the platform.

15 Other non-current assets

	2025 $m	2024 $m
Financial asset investments	**31.5**	57.0
Insurance receivable	**35.1**	11.9
Other	**173.6**	120.4
	240.2	189.3

The financial asset investments of $32m (2024: $57m) represent targeted investments in early development-stage companies, which have been made in North America as part of the Group's activity to support the transition to a lower-carbon economy. Further details are provided in Note 24.

16 Trade and other payables

	2025 $m	2024 $m
Trade payables	**302.5**	521.7
Other taxes and social security	**79.2**	91.4
Accruals and deferred income	**801.4**	844.1
Contingent consideration	**11.9**	25.7
	1,195.0	1,482.9

Trade and other payables include amounts relating to the purchase of fixed assets of $225m (2024: $512m). The fair values of trade and other payables are not materially different from the carrying values presented.

17 Lease liabilities

The Group leases various properties and vehicles, typically for periods between one and 20 years. Ordinarily, leases comprise an initial term of five years, with two to three five-year extension options available.

Amounts recognised in the balance sheet

	2025 $m	2024 $m
Maturity analysis – undiscounted cash flows:		
Less than one year	**305.5**	281.9
One to two years	**300.1**	278.7
Two to three years	**293.0**	273.6
Three to four years	**283.3**	266.7
Four to five years	**277.4**	259.1
More than five years	**2,894.6**	2,686.6
Total undiscounted lease liabilities at 30 April	**4,353.9**	4,046.6
Impact of discounting	**(1,501.8)**	(1,366.0)
Lease liabilities included in the balance sheet	**2,852.1**	2,680.6
Included in current liabilities	**298.8**	273.8
Included in non-current liabilities	**2,553.3**	2,406.8
	2,852.1	2,680.6

Amounts recognised in the income statement

	2025 $m	2024 $m
Depreciation of right-of-use assets	**212.8**	204.1
Interest on lease liabilities	**147.0**	128.0
Expense relating to short-term leases	**1.0**	1.9
Expense relating to variable lease payments	**22.2**	23.3
	383.0	357.3
Income from sub-leasing right-of-use assets	**(11.6)**	(11.9)
	371.4	345.4

Amounts recognised in the statement of cash flows

	2025 $m	2024 $m
Expense relating to short-term leases	**1.0**	1.9
Expense relating to variable lease payments	**22.2**	23.3
Financing costs paid in relation to lease liabilities	**147.0**	128.0
Repayment of principal under lease liabilities	**138.0**	133.7
Total cash outflow for leases	**308.2**	286.9

18 Borrowings

	2025 $m	2024 $m
Non-current		
First priority senior secured bank debt	**1,345.7**	1,848.0
1.500% senior notes, due August 2026	**548.7**	547.8
4.375% senior notes, due August 2027	**597.6**	596.6
4.000% senior notes, due May 2028	**597.0**	596.0
4.250% senior notes, due November 2029	**596.1**	595.3
2.450% senior notes, due August 2031	**745.3**	744.6
5.500% senior notes, due August 2032	**739.9**	738.8
5.550% senior notes, due May 2033	**744.0**	743.4
5.950% senior notes, due October 2033	**744.6**	744.1
5.800% senior notes, due April 2034	**841.2**	840.5
	7,500.1	7,995.1

The senior secured bank debt is secured by way of fixed and floating charges over substantially all the Group's property, plant and equipment, inventory and trade receivables. The senior notes are guaranteed by Ashtead Group plc and all its principal subsidiary undertakings.

First priority senior secured credit facility

At 30 April 2025, $4.75bn was committed by our senior lenders under the asset-based senior secured revolving credit facility ('ABL facility') until November 2029. The amount utilised was $1,351m (including letters of credit totalling $5m). The ABL facility is secured by a first priority interest in substantially all of the Group's assets. Pricing for the $4.75bn revolving credit facility is based on average availability according to a grid, varying from the applicable interest rate plus 125bp to 137.5bp. The applicable interest rate is based on SOFR for US dollar loans, CORRA for Canadian dollar loans and SONIA for sterling loans. At 30 April 2025, the borrowing rate was the applicable interest rate plus 125bp and the weighted average interest rate was 5.242% (2024: 6.853%).

The only financial performance covenant under the asset-based first priority senior bank facility is a fixed charge ratio (comprising LTM EBITDA before exceptional items less LTM net capital expenditure paid in cash over the sum of scheduled debt repayments plus cash interest, cash tax payments and dividends paid in the last 12 months) which must be equal to or greater than 1.0 times.

This covenant does not, however, apply when availability (the difference between the borrowing base and facility utilisation) exceeds $475m. At 30 April 2025 availability under the bank facility for covenant purposes was $3,616m ($2,771m at 30 April 2024), with an additional $6,194m of suppressed availability meaning that the covenant was not measured at 30 April 2025 and is unlikely to be measured in forthcoming quarters.

Senior notes

At 30 April 2025 the Group, through its wholly owned subsidiary Ashtead Capital, Inc., had nine series of senior notes outstanding. The $550m 1.500% notes are due on 12 August 2026, the $600m 4.375% notes are due on 15 August 2027, the $600m 4.000% notes are due on 1 May 2028, the $600m 4.250% notes are due on 1 November 2029, the $750m 2.450% notes are due on 12 August 2031, the $750m 5.500% notes are due on 11 August 2032, the $750m 5.550% notes are due on 30 May 2033, the $750m 5.950% notes are due on 15 October 2033 and the $850m 5.800% notes are due on 15 April 2034.

19 Provisions

	Insurance $m	Other $m	Total $m
At 1 May 2024	112.2	5.7	117.9
Exchange differences	0.1	0.2	0.3
Utilised	(103.2)	(1.8)	(105.0)
Charged in the year	145.2	–	145.2
Amortisation of discount	4.4	–	4.4
At 30 April 2025	**158.7**	**4.1**	**162.8**

	2025 $m	2024 $m
Included in current liabilities	**60.8**	42.5
Included in non-current liabilities	**102.0**	75.4
	162.8	117.9

Insurance provisions relate to the discounted estimated gross liability in respect of claims, including automotive, workers' compensation and general liability, to be incurred for events occurring up to the year-end and covered under the Group's insurance programmes, which are expected to be utilised over a period of approximately 12 years. The provision is established based on advice received from independent actuaries of the estimated total cost of the insured risk based on historical claims experience. $57m (2024: $20m) of this total liability is due from insurers and is included within 'other receivables'.

20 Deferred tax

	Accelerated tax depreciation $m	Right-of-use assets $m	Tax losses $m	Lease liabilities $m	Other assets from temporary differences $m	Other liabilities from temporary differences $m	Total $m
At 1 May 2024	2,448.7	584.5	(40.4)	(653.5)	(250.6)	135.5	2,224.2
Exchange differences	2.7	(0.5)	(0.5)	0.5	(0.3)	0.5	2.4
(Credited)/charged to income statement	(73.7)	(35.6)	16.9	18.6	77.9	3.8	7.9
(Credited)/charged to equity	(0.2)	–	(1.1)	–	6.3	–	5.0
Acquisitions	0.3	7.1	–	(7.1)	–	–	0.3
Additions to ROU asset/(liability)	–	47.9	–	(47.9)	–	–	–
At 30 April 2025	**2,377.8**	**603.4**	**(25.1)**	**(689.4)**	**(166.7)**	**139.8**	**2,239.8**

Other assets from temporary differences includes deferred tax on items such as accrued remuneration and other expenditure and interest deductible in future periods for tax purposes.

Other liabilities from temporary differences includes deferred tax on items such as goodwill and other intangible assets and prepayments.

The Group has not recognised a deferred tax asset of $6m (2024: $2m) in the US and $12m (2024: $12m) in the UK in respect of certain losses carried forward, where it was not considered probable at the balance sheet date that these losses will be utilised.

At the balance sheet date, there is $142m (2024: $126m) of undistributed earnings in subsidiaries of Ashtead Group plc which, if distributed as dividends, may be subject to withholding tax at 5%. No deferred tax liability has been recognised in relation to this potential temporary difference, as the Group does not expect to distribute these profits in the foreseeable future.

21 Share capital and reserves

Ordinary shares of 10p each

	30 April 2025 Number	30 April 2024 Number	**30 April 2025 $m**	30 April 2024 $m
Issued and fully paid	**451,354,833**	451,354,833	**81.8**	81.8

During the year, the Company purchased 6.0m ordinary shares at a total cost of $352m (£275m) under the Group's share buyback programme announced by the Company in December 2024, which are held in treasury. At 30 April 2025, 20.1m (April 2024: 14.1m) shares were held by the Company ($1,171m; April 2024: $819m) and a further 0.5m (April 2024: 0.9m) shares were held by the Company's Employee Share Ownership Trust ($35m; April 2024: $43m).

22 Share-based payments

The ESOT facilitates the provision of shares under the Group's long-term incentive plans. It holds a beneficial interest in 534,660 ordinary shares of the Company acquired at an average cost of 4,866p (6,547¢) per share. The shares had a market value of $28m (£21m) at 30 April 2025. The ESOT has waived the right to receive dividends on the shares it holds. The costs of operating the ESOT are borne by the Group but are not significant.

The Group operates a Performance Stock Unit award scheme ('PSU'), an equity settled share incentive scheme designed to reward and incentivise the most senior members of the Group. Awards are granted annually with vesting dependent on the achievement of certain performance conditions as well as the employee remaining with the Group until the end of the performance period, typically three years. Prior to 2023/24, the awards were issued under the Long-Term Incentive Plan ('LTIP') which operates in a similar manner to the PSU scheme. The conditions applicable to the PSU relate to the achievement of Adjusted EPS (30%), RoI (30%), carbon intensity (10%) and Total Shareholder Return (30%). The conditions applicable to the LTIP awards relate to the achievement of adjusted EPS (25%), RoI (25%), leverage (25%) and relative Total Shareholder Return (40%).

In addition to the annual performance awards, the Group also operates a Restricted Stock Unit award scheme ('RSU'), an equity settled share incentive scheme in which awards are also granted annually but vesting is subject to a service requirement only. Awards will vest in equal tranches over one, two and three years as long as the employee remains with the Group until the end of each period. For North America-based executive directors, these awards are also subject to the achievement of a performance underpin and, subject to its achievement, will vest in equal tranches over two, three and four years.

Further details of the awards and associated performance conditions are given on pages 108 to 111. The costs of these schemes are charged to the income statement over the vesting period, based on the fair value of the award at the grant date and the likelihood of allocations vesting under the schemes. In 2025, there was a net charge to pre-tax profit in respect of the long-term incentive awards of $29m (2024: $47m). After tax, the total charge was $21m (2024: $35m).

The fair value of PSU awards granted during the year is estimated using a Black-Scholes option pricing model with the following assumptions:

	June 2024	Sept 2024
Share price at grant date	5,434p	5,780p
Exercise price	–	–
Dividend yield	1.65%	1.48%
Volatility	99.58%	102.09%
Risk-free rate	4.27%	3.68%
Expected life	36 months	34 months

Expected volatility was determined by calculating the historical volatility over the previous three years. The expected life used in the model is based on the terms of the plan.

Details of the long-term incentive awards outstanding during the year are as follows:

	2025		2024	
	Number	**Weighted average fair value at grant date**	Number	Weighted average fair value at grant date
Outstanding at 1 May	**3,075,239**	**4,487p**	3,214,031	4,005p
Granted	**894,657**	**5,247p**	527,059	5,374p
Exercised	**(1,754,755)**	**4,738p**	(567,398)	2,592p
Expired/lapsed	**(153,403)**	**4,715p**	(98,453)	4,357p
Outstanding at 30 April	**2,061,737**	**4,587p**	3,075,239	4,487p
Exercisable at 30 April	**–**	**n/a**	–	n/a

The weighted average share price of those awards exercised during the year was 5,115p (2024: 5,373p), of which 1.3m related to the Strategic Plan Award which vested on 5 July 2024. The weighted average remaining contractual life of the share options outstanding at 30 April 2025 was 13 months (2024: eight months). Of the awards exercised in the year, 138,978 have been deferred by participants to the Group's 409A deferred compensation plan.

23 Pensions

Defined contribution plans

The Group operates pension plans for the benefit of qualifying employees. The plans for new employees throughout the Group are all defined contribution plans. Pension costs for defined contribution plans were $48m (2024: $47m).

Defined benefit plan

The Group also has a defined benefit plan which was closed to new members in 2001 and closed to future accrual in October 2020. The plan is a funded defined benefit plan with trustee-administered assets held separately from those of the Group. The corporate trustee was appointed as sole trustee to the plan in the prior year. The Trustee is required by law to act in the interest of all relevant beneficiaries and is responsible for the investment policy of the assets and the day-to-day administration of the benefits.

The plan is a final salary plan which provides members a guaranteed level of pension payable for life. The level of benefits provided by the plan depends on members' length of service and their salary at the date of leaving the plan.

The plan's duration is an indicator of the weighted-average time until benefit payments are made. For the plan as a whole, the duration at 30 April 2025 is approximately 12 years. The Group does not expect contributions to be paid to the plan during the 2025/26 financial year.

In March 2024, the Trustees completed a buy-in transaction in relation to the Group's defined benefit pension with the purchase of a bulk annuity policy covering the whole of the plan membership. As such, the Group now holds an insurance policy that is designed to provide cash flows that exactly match the value and timing of the benefits payable to the members it covers. Consequently, the Group is no longer exposed to investment, interest rate, inflation or life expectancy risk, or future funding requirements. The buy-in was facilitated by the contribution of the plan assets together with an additional contribution made by the Group of £2m ($3m) in the prior year.

23 Pensions (continued)

The most recent actuarial valuation was carried out as at 30 April 2022 by a qualified independent actuary and showed a funding surplus of £11.1m ($14.8m at April 2025 exchange rate). The actuary was engaged by the Company to perform a valuation in accordance with IAS 19 (revised) as at 30 April 2025. The principal financial assumptions made by the actuary were as follows:

	2025	2024
Discount rate	**5.6%**	5.2%
Inflation assumption – RPI	**2.9%**	3.2%
– CPI	**2.3%**	2.7%
Rate of increase in pensions in payment	**2.8%**	3.0%

Pensioner life expectancy assumed in the 30 April 2025 update is based on the 'S3PA CMI 2023' projection model mortality tables adjusted so as to apply a minimum annual rate of improvement of 1.25% a year. Samples of the ages to which pensioners are assumed to live are as follows:

	2025	2024
Life expectancy of pensioners currently aged 65		
Male	**85.6**	85.4
Female	**87.7**	87.3
Life expectancy at age 65 for future pensioner currently aged 45		
Male	**86.9**	86.6
Female	**89.1**	88.8

The plan's assets are invested in the following asset classes:

	Fair value	
	2025 $m	2024 $m
Insurance policies	**82.3**	83.9
Cash and cash equivalents	**0.3**	0.4
	82.6	84.3

The amounts recognised in the balance sheet are determined as follows:

	2025 $m	2024 $m
Fair value of plan assets	**82.6**	84.3
Present value of funded defined benefit obligation	**(83.1)**	(84.7)
Net liability recognised in the balance sheet	**(0.5)**	(0.4)

The components of the defined benefit cost recognised in the income statement are as follows:

	2025 $m	2024 $m
Net interest on the net defined benefit plan	**–**	0.9
Net income in the income statement	**–**	0.9

The remeasurements of the defined benefit plan recognised in the statement of comprehensive income are as follows:

	2025 $m	2024 $m
Actuarial gain due to changes in financial assumptions	**6.9**	3.7
Actuarial gain due to changes in demographic assumptions	**–**	1.0
Actuarial gain/(loss) arising from experience adjustments	**0.5**	(2.2)
Loss on plan assets excluding amounts recognised in net interest	**(7.4)**	(25.1)
Remeasurement of the defined benefit pension plan	**–**	(22.6)

Movements in the present value of defined benefit obligations were as follows:

	2025 $m	2024 $m
At 1 May	**84.7**	87.5
Interest cost	**4.4**	4.1
Remeasurements		
– Actuarial gain due to changes in financial assumptions	**(6.9)**	(3.7)
– Actuarial gain due to changes in demographic assumptions	**–**	(1.0)
– Actuarial (gain)/loss arising from experience adjustments	**(0.5)**	2.2
Benefits paid	**(4.0)**	(4.1)
Exchange differences	**5.4**	(0.3)
At 30 April	**83.1**	84.7

The key assumptions used in valuing the defined benefit obligation are: discount rate, inflation and mortality. The sensitivity of the results to these assumptions is as follows:

- A decrease in the discount rate of 0.5% would result in a $6m (2024: $6m) increase in the defined benefit obligation.
- An increase in the inflation rate of 0.5% would result in a $4m (2024: $5m) increase in the defined benefit obligation. This includes the resulting change to other assumptions that are related to inflation such as pensions and salary growth.
- A one-year increase in the pensioner life expectancy at age 65 would result in a $3m (2024: $3m) increase in the defined benefit obligation.

Changes in the assumptions would have an equal effect on both the value of the defined benefit obligation and the insurance policy.

The above sensitivity analysis has been determined based on reasonably possible changes to the significant assumptions, while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some assumptions may be correlated. The sensitivity information shown above has been prepared using the same method as adopted when adjusting the results of the latest funding valuation to the balance sheet date. This is the same approach as has been adopted in previous periods.

Movements in the fair value of plan assets were as follows:

	2025 $m	2024 $m
At 1 May	**84.3**	105.9
Interest income	**4.4**	5.0
Remeasurement – loss on plan assets excluding amounts recognised in net interest	**(7.4)**	(25.1)
Employer contributions	**–**	2.9
Benefits paid	**(4.0)**	(4.1)
Exchange differences	**5.3**	(0.3)
At 30 April	**82.6**	84.3

The actual return on plan assets was a loss of $3m (2024: $20m).

24 Financial risk management

The Group's trading and financing activities expose it to various financial risks that, if left unmanaged, could adversely impact on current or future earnings. Although not necessarily mutually exclusive, these financial risks are categorised separately according to their different generic risk characteristics and include market risk (interest rate risk and foreign currency risk), credit risk and liquidity risk.

It is the role of the Group treasury function to manage and monitor the Group's financial risks and internal and external funding requirements in support of the Group's corporate objectives. Treasury activities are governed by policies and procedures approved by the Board and monitored by the Finance and Administration Committee. In particular, the Board of directors or, through delegated authority, the Finance and Administration Committee, approves any derivative transactions. Derivative transactions are only undertaken for the purposes of managing interest rate risk and currency risk. The Group does not trade in financial instruments. The Group maintains treasury control systems and procedures to monitor liquidity, currency, credit and financial risks.

Market risk

The Group's activities expose it primarily to interest rate and currency risk. Interest rate risk is monitored on a continuous basis and managed, where appropriate, through the use of interest rate swaps whereas, the use of forward foreign exchange contracts to manage currency risk is considered on an individual non-trading transaction basis. The Group is not exposed to commodity price risk or equity price risk as defined in IFRS 7.

Interest rate risk

Management of fixed and variable rate debt

The Group has fixed and variable rate debt in issue with 82% of the drawn debt at a fixed rate as at 30 April 2025, excluding lease liabilities. The Group's accounting policy requires all borrowings to be held at amortised cost. As a result, the carrying value of fixed rate debt is unaffected by changes in credit conditions in the debt markets and there is therefore no exposure to fair value interest rate risk. The Group's debt that bears interest at a variable rate comprises all outstanding borrowings under the senior secured credit facility. Pricing is based on average availability according to a grid, varying from the applicable interest rate plus 125bp to 137.5bp. The applicable interest rate is based on SOFR for US dollar loans, CORRA for Canadian dollar loans and SONIA for sterling loans. At 30 April 2025, the borrowing rate was the applicable interest rate plus 125bp. The Group periodically utilises interest rate swap agreements to manage and mitigate its exposure to changes in interest rates. However, during the year ended and as at 30 April 2025, the Group had no such swap agreements outstanding. The Group also may at times hold cash and cash equivalents which earn interest at a variable rate.

Net variable rate debt sensitivity

At 30 April 2025, based upon the amount of variable rate debt outstanding, the Group's pre-tax profits would change by approximately $13m for each one percentage point change in interest rates applicable to the variable rate debt and, after tax effects, equity would change by approximately $10m.

Currency risk

Currency risk is predominantly translation risk as there are no significant transactions in the ordinary course of business that take place between foreign entities. The Group's reporting currency is US dollars. The majority of our assets, liabilities, revenue and costs are denominated in US dollars, but Canadian dollars and sterling make up 27% of our net assets. Fluctuations in the value of Canadian dollars and pound sterling with respect to US dollars may have an impact on our financial condition and results of operations as reported in US dollars. The Group's financing is arranged such that the majority of its debt and interest expense is in US dollars. At 30 April 2025, 90% of its debt (including lease liabilities) was denominated in US dollars.

The Group's exposure to exchange rate movements on trading transactions is relatively limited. All Group companies invoice revenue in their respective local currency and generally incur expense and purchase assets in their local currency. Consequently, the Group does not routinely hedge either forecast foreign exchange exposures or the impact of exchange rate movements on the translation of overseas profits into dollars. Where the Group does hedge, it maintains appropriate hedging documentation. Foreign exchange risk on significant non-trading transactions is considered on an individual basis.

Resultant impacts of reasonably possible changes to foreign exchange rates

Based on the current currency mix of our profits and on current sterling and dollar debt levels, interest and exchange rates at 30 April 2025, a 1% change in the Canadian dollar and pound sterling to US dollar exchange rates would impact pre-tax profit by $0.3m and equity by approximately $21m. At 30 April 2025, the Group had no outstanding foreign exchange contracts.

Credit risk

The Group's principal financial assets are cash and bank balances and trade and other receivables. The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of loss allowances. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies. The carrying amount of financial assets recorded in the financial statements, which are net of impairment losses. The gross amount represents the Group's maximum exposure to credit risk.

The Group has a large number of unrelated customers, serving over 900,000 during the financial year. Each business segment manages its own exposure to credit risk according to the economic circumstances and characteristics of the markets they serve. The Group believes that management of credit risk on a devolved basis enables it to assess and manage it more effectively. However, broad principles of credit risk management practice are observed across the Group, such as the use of credit reference agencies and the maintenance of credit control functions.

Liquidity risk

Liquidity risk is the risk that the Group could experience difficulties in meeting its commitments to creditors as financial liabilities fall due for payment.

The Group uses both short and long-term cash forecasts to assist in monitoring cash flow requirements ensuring sufficient cash is available to meet operational needs. The Group monitors available facilities against forward requirements on a regular basis.

The Group generates significant free cash flow (defined as cash flow from operations less capital expenditure net of proceeds of asset disposals, interest paid and tax paid). This free cash flow before investment is available to the Group to invest in growth capital expenditure, acquisitions, dividend payments and other returns to shareholders or to reduce debt.

In addition to the strong free cash flow from normal trading activities, additional liquidity is available through the Group's ABL facility. At 30 April 2025, availability under the $4.75bn facility was $3,616m ($2,771m at 30 April 2024), which compares with the threshold of $475m, above which the covenant does not apply.

Contractual maturity analysis

Trade receivables, the principal class of non-derivative financial asset held by the Group, are settled gross by customers.

The following table presents the Group's outstanding contractual maturity profile for its non-derivative financial liabilities, excluding trade and other payables which fall due within one year and lease liabilities which are analysed in Note 17. The analysis presented is based on the undiscounted contractual maturities of the Group's financial liabilities, including any interest that will accrue, except where the Group is entitled and intends to repay a financial liability, or part of a financial liability, before its contractual maturity. The undiscounted cash flows have been calculated using foreign currency exchange rates and interest rates ruling at the balance sheet date.

At 30 April 2025

	Undiscounted cash flows – year to 30 April						
	2026 $m	2027 $m	2028 $m	2029 $m	2030 $m	Thereafter $m	Total $m
Bank and other debt	–	–	–	–	1,345.7	–	1,345.7
1.500% senior notes	–	550.0	–	–	–	–	550.0
4.375% senior notes	–	–	600.0	–	–	–	600.0
4.000% senior notes	–	–	–	600.0	–	–	600.0
4.250% senior notes	–	–	–	–	600.0	–	600.0
2.450% senior notes	–	–	–	–	–	750.0	750.0
5.500% senior notes	–	–	–	–	–	750.0	750.0
5.550% senior notes	–	–	–	–	–	750.0	750.0
5.950% senior notes	–	–	–	–	–	750.0	750.0
5.800% senior notes	–	–	–	–	–	850.0	850.0
	–	550.0	600.0	600.0	1,945.7	3,850.0	7,545.7
Interest payments	349.7	343.8	322.8	291.3	246.2	595.6	2,149.4
	349.7	893.8	922.8	891.3	2,191.9	4,445.6	9,695.1

Letters of credit of $5m (2024: $93m) are provided and guaranteed under the ABL facility which expires in November 2029.

24 Financial risk management (continued)

At 30 April 2024

	Undiscounted cash flows – year to 30 April						
	2025 $m	2026 $m	2027 $m	2028 $m	2029 $m	Thereafter $m	Total $m
Bank and other debt	–	–	1,848.0	–	–	–	1,848.0
1.500% senior notes	–	–	550.0	–	–	–	550.0
4.375% senior notes	–	–	–	600.0	–	–	600.0
4.000% senior notes	–	–	–	–	600.0	–	600.0
4.250% senior notes	–	–	–	–	–	600.0	600.0
2.450% senior notes	–	–	–	–	–	750.0	750.0
5.500% senior notes	–	–	–	–	–	750.0	750.0
5.550% senior notes	–	–	–	–	–	750.0	750.0
5.950% senior notes	–	–	–	–	–	750.0	750.0
5.800% senior notes	–	–	–	–	–	850.0	850.0
	–	–	2,398.0	600.0	600.0	4,450.0	8,048.0
Interest payments	405.8	405.8	312.1	252.3	220.7	803.7	2,400.4
	405.8	405.8	2,710.1	852.3	820.7	5,253.7	10,448.4

Fair value of financial instruments

Financial assets and liabilities are measured in accordance with the fair value hierarchy and assessed as Level 1, 2 or 3 based on the following criteria:

- Level 1: fair value measurement based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: fair value measurements derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: fair value measurements derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

Fair value of derivative financial instruments

At 30 April 2025, the Group had no derivative financial instruments. The embedded prepayment options included within the senior notes are either closely related to the host debt contract or immaterial and hence, are not accounted for separately. These loan notes are carried at amortised cost.

Fair value of non-derivative financial assets and liabilities

The table below provides a comparison, by category of the carrying amounts and the fair values of the Group's non-derivative financial assets and liabilities.

		At 30 April 2025		At 30 April 2024	
		Book value $m	**Fair value $m**	Book value $m	Fair value $m
Long-term borrowings					
– first priority senior secured bank debt	Level 1	**1,345.7**	**1,345.7**	1,848.0	1,848.0
– 1.500% senior notes	Level 1	**550.0**	**528.4**	550.0	498.1
– 4.375% senior notes	Level 1	**600.0**	**594.9**	600.0	571.5
– 4.000% senior notes	Level 1	**600.0**	**586.1**	600.0	559.9
– 4.250% senior notes	Level 1	**600.0**	**579.1**	600.0	549.9
– 2.450% senior notes	Level 1	**750.0**	**636.9**	750.0	596.5
– 5.500% senior notes	Level 1	**750.0**	**743.8**	750.0	719.9
– 5.550% senior notes	Level 1	**750.0**	**740.6**	750.0	719.2
– 5.950% senior notes	Level 1	**750.0**	**757.8**	750.0	739.7
– 5.800% senior notes	Level 1	**850.0**	**850.4**	850.0	828.3
Total long-term borrowings		**7,545.7**	**7,363.7**	8,048.0	7,631.0
Discount on issue of debt		**(12.4)**	**–**	(14.0)	–
Deferred costs of raising finance		**(33.2)**	**–**	(38.9)	–
		7,500.1	**7,363.7**	7,995.1	7,631.0
Other financial instruments[1]					
Contingent consideration	Level 3	**18.0**	**18.0**	31.4	31.4
Financial asset investments	Level 3	**31.5**	**31.5**	57.0	57.0
Cash and cash equivalents	Level 1	**21.0**	**21.0**	20.8	20.8

1 The Group's trade and other receivables, trade and other payables, excluding contingent consideration, and lease liabilities are not shown in the table above. The carrying amounts of trade and other receivables and trade and other payables categories approximate their fair values. Required disclosures relating to lease liabilities are provided in Note 17.

Contingent consideration relates to recent acquisitions and is based on the post-acquisition performance of the acquired businesses. The consideration is expected to be paid out over the next four years and is reassessed at each reporting date.

Contingent consideration is a Level 3 financial liability. Future anticipated payments to vendors in respect of contingent consideration are initially recorded at fair value which is the present value of the expected cash outflows of the obligations. The obligations are dependent upon the future financial performance of the businesses acquired. The fair value is estimated based on internal financial projections prepared in relation to the acquisition with the contingent consideration discounted to present value using a discount rate in line with the Group's cost of debt. Details of the movement in the fair value during the year are as follows:

	2025 $m	2024 $m
At 1 May	31.4	46.7
Acquired businesses	4.1	15.5
Exchange differences	0.3	(0.9)
Settled	(13.1)	(30.0)
Released	(5.3)	(1.1)
Amortisation of discount	0.6	1.2
At 30 April	**18.0**	31.4

Financial asset investments are measured at fair value and are Level 3 financial assets. These assets are measured at fair value through other comprehensive income. Their fair values are estimated based on the latest transaction price and any subsequent investment-specific adjustments. During the year, one of the Group's investments failed to secure additional funding and commenced Chapter 7 bankruptcy proceedings in August 2024. As a result, the Group has estimated the fair value of its investment as $nil and consequently recognised a movement in the fair value of the equity investment of $25m through other comprehensive income. Details of the movement in the fair value during the year are as follows:

	2025 $m	2024 $m
At 1 May	57.0	41.3
Additions	–	15.0
Fair value movement	(25.5)	–
Interest	–	0.7
At 30 April	**31.5**	57.0

25 Notes to the cash flow statement

a) Cash flow from operating activities

	2025 $m	2024 $m
Operating profit	2,557.2	2,654.0
Depreciation	2,334.7	2,117.7
Amortisation	114.4	120.9
EBITDA	5,006.3	4,892.6
Profit on disposal of rental equipment	(81.1)	(223.0)
Profit on disposal of other property, plant and equipment	(18.3)	(22.0)
Decrease in inventories	15.1	21.2
Increase in trade and other receivables	(52.2)	(177.1)
Increase in trade and other payables	44.5	2.5
Exchange differences	0.1	(0.7)
Other non-cash movement	28.7	47.5
Cash generated from operations before changes in rental equipment	4,943.1	4,541.0

25 Notes to the cash flow statement (continued)

b) Analysis of net debt

Net debt consists of total borrowings and lease liabilities less cash and cash equivalents. Borrowings exclude accrued interest. Non-US dollar denominated balances are translated to US dollars at rates of exchange ruling at the balance sheet date.

			Non-cash movements				
	1 May 2024 $m	Cash flow $m	Exchange movement $m	Debt acquired $m	New lease liabilities $m	Other movements $m	30 April 2025 $m
Long-term borrowings	7,995.1	(522.7)	17.5	0.1	–	10.1	7,500.1
Lease liabilities	2,680.6	(138.0)	7.5	28.0	274.0	–	2,852.1
Total liabilities from financing activities	10,675.7	(660.7)	25.0	28.1	274.0	10.1	10,352.2
Cash and cash equivalents	(20.8)	0.2	(0.4)	–	–	–	(21.0)
Net debt	10,654.9	(660.5)	24.6	28.1	274.0	10.1	10,331.2

			Non-cash movements				
	1 May 2023 $m	Cash flow $m	Exchange movement $m	Debt acquired $m	New lease liabilities $m	Other movements $m	30 April 2024 $m
Long-term borrowings	6,595.1	1,341.3	(5.3)	55.3	–	8.7	7,995.1
Lease liabilities	2,394.3	(133.7)	(4.5)	99.2	325.3	–	2,680.6
Total liabilities from financing activities	8,989.4	1,207.6	(9.8)	154.5	325.3	8.7	10,675.7
Cash and cash equivalents	(29.9)	9.0	0.1	–	–	–	(20.8)
Net debt	8,959.5	1,216.6	(9.7)	154.5	325.3	8.7	10,654.9

c) Acquisitions

	2025 $m	2024 $m
Cash consideration paid		
– acquisitions in the period (net of cash acquired)	**134.3**	845.6
– contingent consideration	**13.1**	30.0
	147.4	875.6

During the year, five businesses were acquired with cash paid of $134m (2024: $846m), after taking account of net cash acquired of $2m (2024: $6m). Further details are provided in Note 26.

Payments for contingent consideration on prior year acquisitions were also made of $13m (2024: $30m).

26 Acquisitions

The Group undertakes bolt-on acquisitions to complement its organic growth strategy. During the year, the following acquisitions were completed:

i) On 21 May 2024, Sunbelt US acquired the business and assets of RentalMax, LLC ('RentalMax'). RentalMax is a general tool business operating in Illinois.

ii) On 25 June 2024, Sunbelt Canada acquired the business and assets of Wave Equipment Ltd. ('Wave'). Wave is a general tool business operating in Ontario.

iii) On 3 December 2024, Sunbelt UK acquired the entire share capital of JLLive Ltd, JLLighting Limited and DigiSet Limited (together 'JL'). JL is a specialty business.

iv) On 12 March 2025, Sunbelt US acquired the business and assets of Hawkeye Equipment Rentals, Inc. ('Hawkeye'). Hawkeye is a general tool business operating in California.

v) On 16 April 2025, Sunbelt Canada acquired the business and assets of R N L Rental Network Ltd. ('Rental Network'). Rental Network is a general tool business operating in British Columbia.

The following table sets out the fair value of the identifiable assets and liabilities acquired by the Group. The fair values have been determined provisionally at the balance sheet date.

	Fair value to the Group $m
Net assets acquired	
Trade and other receivables	6.9
Property, plant and equipment	
– rental equipment	56.0
– other assets	3.0
Right-of-use assets	28.0
Deferred tax	(0.3)
Creditors	(1.8)
Debt	(0.1)
Lease liabilities	(28.0)
Intangible assets	24.7
	88.4
Consideration:	
– cash paid and due to be paid (net of cash acquired)	137.3
– contingent consideration	4.1
	141.4
Goodwill	53.0

The goodwill arising can be attributed to the key management personnel and workforce of the acquired businesses, the benefits through advancing our clusters and leveraging cross-selling opportunities, and to the synergies and other benefits the Group expects to derive from the acquisitions. The synergies and other benefits include elimination of duplicate costs, improving utilisation of the acquired rental fleet, using the Group's financial strength to invest in the acquired business and drive improved returns through a semi-fixed cost base and the application of the Group's proprietary software to optimise revenue opportunities. $46m of the goodwill is expected to be deductible for income tax purposes.

Contingent consideration is the fair value of consideration that is payable, based on the post-acquisition performance of certain acquired businesses.

The gross value and the fair value of trade receivables at acquisition was $7m.

Due to the operational integration of acquired businesses post-acquisition, in particular due to the merger of some stores, the movement of rental equipment between stores and investment in the rental fleet, it is not practical to report the revenue and profit of the acquired businesses post-acquisition.

The revenue and operating profit of these acquisitions from 1 May 2024 to their date of acquisition was not material.

27 Contingent liabilities

The Company

The Company has guaranteed the borrowings of its subsidiary undertakings under the Group's senior secured credit and overdraft facilities. At 30 April 2025 the amount borrowed under these facilities was $1,346m (2024: $1,848m). Subsidiary undertakings are also able to obtain letters of credit under these facilities and, at 30 April 2025, letters of credit issued under these arrangements totalled $5m (2024: $93m). In addition, the Company has guaranteed the 1.500%, 4.375%, 4.000%, 4.250%, 2.450%, 5.500%, 5.550%, 5.950% and 5.800% senior notes issued by Ashtead Capital, Inc..

The Company has guaranteed lease commitments of subsidiary undertakings where the minimum lease commitment at 30 April 2025 totalled $28m (2024: $30m) in respect of land and buildings of which $6m is payable by subsidiary undertakings in the year ending 30 April 2026.

The Company has guaranteed the performance by subsidiaries of certain other obligations up to $7m (2024: $11m).

The fair value of financial guarantees was considered to be immaterial at initial recognition and since the likelihood of default is considered remote, no subsequent expected credit losses have been recognised.

The Company has provided a guarantee to the Ashtead Group plc Retirement Benefits Plan ('the plan') that ensures the plan is at least 105% funded as calculated in accordance with Section 179 of the Pensions Act 2004. Based on the last actuarial valuation at 30 April 2022 the plan was 108% funded, so no value was attributable to the guarantee.

28 Events after the balance sheet date

On 4 June 2025, Sunbelt US acquired the business and assets of MPC Solutions, LLC ('MPC'). MPC is a specialty business operating in North America.

The initial accounting for this acquisition is incomplete given the proximity to the year end. Had this acquisition taken place on 1 May 2024, its contribution to revenue and operating profit would not have been material.

29 Related party transactions

The Group's key management comprises the Company's executive and non-executive directors, and the chief financial officer. Details of their remuneration are given in Note 4 and details of the executive and non-executive directors' share interests and share awards are given in the Directors' remuneration report. In relation to the Group's defined benefit pension plan, details are included in Note 23.

30 Capital commitments

At 30 April 2025 capital commitments in respect of purchases of rental and other equipment totalled $0.5bn (2024: $1.4bn), all of which had been ordered. There were no other material capital commitments at the year end.

31 Employees (restated)

The average number of employees, including directors, during the year was as follows:

	2025 Number	2024 Number
North America General Tool	**13,067**	13,088
North America Specialty	**6,692**	7,477
UK	**4,460**	4,382
Central	**1,636**	1,695
Group	**25,855**	26,642

The prior year employee numbers have been restated in accordance with the change in segments identified. Further details are provided in Note 3.

32 Parent company information

a) Balance sheet of the Company at 30 April 2025 (Company number: 01807982)

	Notes	2025 £m	2024 £m
Current assets			
Prepayments and accrued income		**1.1**	1.1
Amounts due from subsidiary undertakings	(f)	**981.6**	1,028.0
		982.7	1,029.1
Non-current assets			
Right-of-use assets	(g)	**3.3**	4.0
Investments in Group companies	(h)	**363.7**	363.7
Deferred tax asset		**5.3**	13.7
		372.3	381.4
Total assets		**1,355.0**	1,410.5
Current liabilities			
Accruals and deferred income		**21.0**	8.2
Lease liabilities	(i)	**0.8**	0.8
		21.8	9.0
Non-current liabilities			
Lease liabilities	(i)	**2.8**	3.5
Total liabilities		**24.6**	12.5
Equity			
Share capital	(b)	**45.1**	45.1
Share premium account	(b)	**3.6**	3.6
Capital redemption reserve	(b)	**11.1**	11.1
Own shares held by the Company	(b)	**(911.5)**	(636.1)
Own shares held through the ESOT	(b)	**(26.0)**	(32.6)
Retained reserves	(b)	**2,208.1**	2,006.9
Equity attributable to equity holders of the Company		**1,330.4**	1,398.0
Total liabilities and equity		**1,355.0**	1,410.5

The Company reported a profit for the financial year ended 30 April 2025 of £675m (2024: £583m).

These financial statements on pages 161 to 165 were approved by the Board on 16 June 2025.

BRENDAN HORGAN
Chief executive

ALEX PEASE
Chief financial officer

32 Parent company information (continued)

b) Statement of changes in equity of the Company for the year ended 30 April 2025

	Share capital £m	Share premium account £m	Capital redemption reserve £m	Own shares held by the Company £m	Own shares held through the ESOT £m	Retained reserves £m	Total £m
At 1 May 2023	45.1	3.6	11.1	(574.1)	(29.0)	1,754.8	1,211.5
Profit for the year	–	–	–	–	–	582.6	582.6
Total comprehensive income for the year	–	–	–	–	–	582.6	582.6
Dividends paid	–	–	–	–	–	(349.1)	(349.1)
Own shares purchased by the ESOT	–	–	–	–	(23.3)	–	(23.3)
Own shares purchased by the Company	–	–	–	(62.0)	–	–	(62.0)
Share-based payments	–	–	–	–	19.7	18.0	37.7
Tax on share-based payments	–	–	–	–	–	0.6	0.6
At 30 April 2024	45.1	3.6	11.1	(636.1)	(32.6)	2,006.9	1,398.0
Profit for the year	–	–	–	–	–	675.0	675.0
Total comprehensive income for the year	–	–	–	–	–	675.0	675.0
Dividends paid	–	–	–	–	–	(422.6)	(422.6)
Own shares purchased by the ESOT	–	–	–	–	(66.9)	–	(66.9)
Own shares purchased by the Company	–	–	–	(275.4)	–	–	(275.4)
Share-based payments	–	–	–	–	73.5	(51.0)	22.5
Tax on share-based payments	–	–	–	–	–	(0.2)	(0.2)
At 30 April 2025	**45.1**	**3.6**	**11.1**	**(911.5)**	**(26.0)**	**2,208.1**	**1,330.4**

c) Cash flow statement of the Company for the year ended 30 April 2025

	Note	**2025 £m**	2024 £m
Cash flows from operating activities			
Cash from operations	(k)	**63.5**	(159.9)
Financing costs paid		**(5.3)**	(4.1)
Dividends received from Ashtead Holdings PLC		**700.0**	600.0
Net cash from operating activities		**758.2**	436.0
Cash flows from financing activities			
Repayment of principal under lease liabilities		**(0.7)**	(0.6)
Purchase of own shares by the ESOT		**(66.9)**	(23.3)
Purchase of own shares by the Company		**(267.8)**	(62.5)
Dividends paid		**(422.8)**	(349.6)
Net cash used in financing activities		**(758.2)**	(436.0)
Change in cash and cash equivalents		**–**	–

d) Accounting policies

The Company financial statements have been prepared on the basis of the accounting policies set out in Note 2 above, supplemented by the policy on investments set out below.

The Company financial statements are presented in pounds sterling, the functional currency of the Company. Investments in subsidiary undertakings are stated at cost less any necessary provision for impairment in the parent company balance sheet.

e) Income statement

Ashtead Group plc has not presented its own profit and loss account as permitted by section 408 of the Companies Act 2006. The profit attributable to the Company is disclosed in the footnote to the Company's balance sheet. There were no other amounts of comprehensive income in the financial year.

The average number of employees, including directors, during the year was as follows:

	2025 Number	2024 Number
Employees	**22**	23

Their aggregate remuneration comprised:

	2025 £m	2024 £m
Salaries	**18.7**	14.0
Social security costs	**1.2**	1.7
Other pension costs	**0.4**	0.3
	20.3	16.0

Staff costs include key management personnel. For more information on key management personnel remuneration see page 140.

f) Amounts due from subsidiary undertakings

	2025 £m	2024 £m
Due within one year:		
Ashtead Holdings PLC	**980.1**	1,027.4
Ashtead Financing Ltd	**1.5**	0.6
	981.6	1,028.0

The amounts due from subsidiary undertakings are considered to be Stage 1 under the general expected credit losses model and any expected credit losses are immaterial.

g) Right-of-use asset

	Property leases £m
Cost or valuation	
At 1 May 2023, 30 April 2024 and 30 April 2025	**7.5**
Depreciation	
At 1 May 2023	2.8
Charge for the period	0.7
At 30 April 2024	3.5
Charge for the period	0.7
At 30 April 2025	**4.2**
Net book value	
At 30 April 2025	**3.3**
At 30 April 2024	4.0

h) Investments

	Shares in Group companies	
	2025 £m	2024 £m
At 30 April	**363.7**	363.7

32 Parent company information (continued)

h) Investments (continued)

Details of the Company's investments at 30 April 2025 are as follows:

Name	Address of registered office	Principal activity
USA		
Ashtead US Holdings, Inc.	The Corporation Trust Company, 1209 Orange St., Wilmington, DE 19801	Investment holding company
Ashtead Holdings, LLC	The Corporation Trust Company, 1209 Orange St., Wilmington, DE 19801	Investment holding company
Sunbelt Rentals, Inc.	CT Corporation System, 160 Mine Lake Ct, Ste 200, Raleigh, NC 27615-6417	Equipment rental and related services
Sunbelt Rentals Industrial Services LLC	The Corporation Trust Company, 1209 Orange St., Wilmington, DE 19801	Equipment rental and related services
Sunbelt Rentals Scaffold Services, Inc.	CT Corporation System, 160 Mine Lake Ct., Ste. 200, Raleigh, NC 27615-6417	Equipment rental and related services
Sunbelt Rentals Scaffold Services, LLC	CT Corporation System, 3867 Plaza Tower Dr., East Baton Rouge Parish, Baton Rouge, LA 70816	Equipment rental and related services
Pride Corporation	CT Corporation System, 28 Liberty Street, New York, NY 10005	Equipment rental and related services
Ashtead Capital, Inc.	The Corporation Trust Company, 1209 Orange St., Wilmington, DE 19801	Finance company
Studio City Rentals (USA), Inc.	21500 Nordhoff St., Unit B, Chatsworth, CA 91311	Dormant
Sunbelt Rentals Exchange, Inc.	The Corporation Trust Company, 1209 Orange St., Wilmington, DE 19801	Dormant
Colt Rentals LLC[1]	The Corporation Trust Company, 1209 Orange St., Wilmington, DE 19801	Investment holding company
Colt Sunbelt Rentals LLC[2]	The Corporation Trust Company, 1209 Orange St., Wilmington, DE 19801	Equipment rental and related services
UK		
Ashtead Holdings PLC	100 Cheapside, London, EC2V 6DT	Investment holding company
Sunbelt Rentals Limited	100 Cheapside, London, EC2V 6DT	Equipment rental and related services
Ashtead Financing Limited	100 Cheapside, London, EC2V 6DT	Finance company
Accession Group Limited	100 Cheapside, London, EC2V 6DT	Dormant
Accession Holdings Limited	100 Cheapside, London, EC2V 6DT	Dormant
Acorn Film & Video Ltd	100 Cheapside, London, EC2V 6DT	Dormant
Alpha Grip (Cardiff) Limited	100 Cheapside, London, EC2V 6DT	Dormant
Alpha Grip (UK) Limited	100 Cheapside, London, EC2V 6DT	Dormant
Anglia Traffic Management Group Limited	100 Cheapside, London, EC2V 6DT	Dormant
Ashtead Canada Limited	100 Cheapside, London, EC2V 6DT	Dormant
Ashtead Plant Hire Company Limited	100 Cheapside, London, EC2V 6DT	Dormant
ATM Traffic Solutions Limited	100 Cheapside, London, EC2V 6DT	Dormant
Carter and Bradbury Limited	36-37 King Street, London, EC2V 8BB	Dormant
Eve Trakway Limited	100 Cheapside, London, EC2V 6DT	Dormant
Media Access Solutions (MAS) Limited	100 Cheapside, London, EC2V 6DT	Dormant
Movietech Camera Rentals Limited	100 Cheapside, London, EC2V 6DT	Dormant
Movietech Cymru Limited	100 Cheapside, London, EC2V 6DT	Dormant
Optimum Power Services Limited	100 Cheapside, London, EC2V 6DT	Dormant
PKE Lighting Holdings Limited	100 Cheapside, London, EC2V 6DT	Dormant
PKE Lighting Limited	100 Cheapside, London, EC2V 6DT	Dormant
JLLighting Limited	100 Cheapside, London, EC2V 6DT	Dormant
Digiset Limited	100 Cheapside, London, EC2V 6DT	Dormant
JLLive Ltd	100 Cheapside, London, EC2V 6DT	Dormant
Canada		
Sunbelt Rentals of Canada Inc.	777 Dunsmuir Steet, 11th Floor, Vancouver, BC V7Y 1K3	Equipment rental and related services
William F. White International Inc.	777 Dunsmuir Steet, 11th Floor, Vancouver, BC V7Y 1K3	Equipment rental and related services

Name	Address of registered office	Principal activity
Republic of Ireland		
Ashtead Financing (Ireland) Unlimited Company	10 Earlsfort Terrace, Dublin 2, D02 T380	Dormant
Sunbelt Rentals (Ireland) Limited	10 Earlsfort Terrace, Dublin 2, D02 T380	Equipment rental and related services
Germany		
Sunbelt Rentals GmbH	Brücklesäckerstraße 14, 74248 Ellhofen	Equipment rental and related services
France		
Sunbelt Rentals SAS	5 Avenue Carnot, 91330 Massy	Dormant
Bahamas		
Sunbelt Rentals of the Bahamas, Inc.	Ocean Centre, Montagu Foreshore, East Bay Street, P.O. Box SS-19084, Nassau, Bahamas	Equipment rental and related services

1 The Company has a 40% ownership interest in Colt Rentals LLC.
2 The Company has a 70% ownership interest in Colt Sunbelt Rentals LLC.

The issued share capital (all of which comprises ordinary shares) of subsidiaries is 100% owned by the Company or by subsidiary undertakings and all subsidiaries are consolidated, unless otherwise specified.

i) Lease liabilities

(i) Amounts recognised in the balance sheet

	2025 £m	2024 £m
Maturity analysis – undiscounted cash flows:		
Less than one year	**0.8**	0.8
One to five years	**3.1**	3.2
More than five years	**–**	0.7
Total undiscounted lease liabilities at 30 April	**3.9**	4.7
Impact of discounting	**(0.3)**	(0.4)
Lease liabilities included in the balance sheet	**3.6**	4.3
Included in current liabilities	**0.8**	0.8
Included in non-current liabilities	**2.8**	3.5
	3.6	4.3

(ii) Amounts recognised in the income statement

	2025 £m	2024 £m
Depreciation of right-of-use assets	**0.7**	0.7
Interest on lease liabilities	**0.1**	0.1
	0.8	0.8
Income from sub-leasing right-to-use assets	**(0.2)**	(0.2)
	0.6	0.6

(iii) Amounts recognised in the statement of cash flows

	2025 £m	2024 £m
Financing costs paid in relation to lease liabilities	**0.1**	0.1
Repayment of principal under lease liabilities	**0.7**	0.6
Total cash outflow for leases	**0.8**	0.7

j) Financial instruments

The book value and fair value of the Company's financial instruments are not materially different.

k) Notes to the Company cash flow statement

Cash flow from operating activities

	2025 £m	2024 £m
Operating loss	**(22.6)**	(17.8)
Depreciation	**0.8**	0.8
EBITDA	**(21.8)**	(17.0)
Decrease in prepayments and accrued income	**–**	0.1
Increase/(decrease) in accruals and deferred income	**5.3**	(2.0)
Decrease/(increase) in intercompany receivable	**75.0**	(147.4)
Other non-cash movement	**5.0**	6.4
Net cash inflow/(outflow) from operations	**63.5**	(159.9)

TEN YEAR HISTORY

In $m	2025	2024	2023	2022	2021	2020	2019[1]	2018[1]	2017[1]	2016[1]
Income statement										
Revenue	**10,791.7**	10,858.7	9,667.3	7,962.3	6,638.6	6,398.9	5,869.7	4,959.1	4,125.0	3,824.7
Operating costs +	**(5,770.0)**	(5,966.1)	(5,255.5)	(4,352.9)	(3,601.8)	(3,390.7)	(3,121.7)	(2,640.1)	(2,177.7)	(2,055.4)
EBITDA +	**5,021.7**	4,892.6	4,411.8	3,609.4	3,036.8	3,008.2	2,748.0	2,319.0	1,947.3	1,769.3
Depreciation +	**(2,334.7)**	(2,117.7)	(1,772.1)	(1,553.0)	(1,457.6)	(1,380.8)	(1,099.7)	(930.7)	(785.5)	(675.2)
Operating profit +	**2,687.0**	2,774.9	2,639.7	2,056.4	1,579.2	1,627.4	1,648.3	1,388.3	1,161.8	1,094.1
Interest +	**(559.0)**	(544.5)	(366.2)	(232.6)	(262.9)	(284.2)	(200.1)	(147.5)	(134.8)	(124.6)
Pre-tax profit +	**2,128.0**	2,230.4	2,273.5	1,823.8	1,316.3	1,343.2	1,448.2	1,240.8	1,027.0	969.5
Operating profit	**2,557.2**	2,654.0	2,522.0	1,947.8	1,498.0	1,549.3	1,582.2	1,330.2	1,125.1	1,051.1
Pre-tax profit	**1,998.2**	2,109.5	2,155.8	1,668.1	1,235.1	1,244.0	1,382.1	1,154.5	990.3	926.5
Cash flow										
Cash flow from operations before non-recurring costs and changes in rental fleet	**4,953.5**	4,541.0	4,073.6	3,406.5	3,017.0	3,076.2	2,664.4	2,248.0	1,889.3	1,617.5
Free cash flow +	**1,789.9**	216.5	531.5	1,125.4	1,822.2	1,001.5	480.4	516.6	433.1	(93.3)
Balance sheet										
Capital expenditure	**2,401.5**	4,310.7	3,772.1	2,397.3	947.4	1,877.8	2,070.5	1,657.5	1,405.2	1,863.0
Book cost of rental equipment	**18,538.3**	17,745.2	15,825.6	13,538.8	11,854.9	11,868.2	10,796.9	9,046.5	7,564.0	6,564.4
Shareholders' funds	**7,668.1**	7,084.6	6,008.0	5,033.7	4,525.2	3,748.7	3,650.8	3,481.1	2,549.0	2,168.7
In cents										
Dividend per share	**108.0¢**	105.0¢	100.0¢	80.0¢	58.0¢	52.91¢	49.81¢	43.59¢	36.88¢	30.37¢
Earnings per share	**346.5¢**	365.8¢	368.4¢	280.9¢	205.4¢	205.2¢	216.7¢	262.5¢	130.0¢	122.1¢
Adjusted earnings per share	**369.5¢**	386.5¢	388.5¢	307.1¢	219.1¢	221.5¢	227.2¢	170.6¢	135.0¢	127.8¢
In percent										
EBITDA margin +	**46.5%**	45.1%	45.6%	45.3%	45.7%	47.0%	46.8%	46.8%	47.2%	46.3%
Operating profit margin +	**24.9%**	25.6%	27.3%	25.8%	23.8%	25.4%	28.1%	28.0%	28.2%	28.6%
Pre-tax profit margin +	**19.7%**	20.5%	23.5%	22.9%	19.8%	21.0%	24.7%	25.0%	24.9%	25.3%
Return on investment +	**14.5%**	16.3%	19.2%	18.2%	14.9%	15.2%	17.8%	17.6%	17.3%	18.9%
People										
Employees at year end	**25,041**	25,958	25,347	21,752	18,826	19,284	17,803	15,996	14,220	13,106
Locations										
Stores at year end	**1,560**	1,511	1,398	1,233	1,126	1,105	1,036	899	808	715

\+ Before non-recurring costs, amortisation and fair value remeasurements.

1 The Group elected to apply IFRS 16 using the modified retrospective approach with no restatement of comparative figures. As a result, the results for 2016 to 2019 are not comparable directly to the later years with the adoption of IFRS 16 resulting in higher EBITDA and operating profit but lower profit before exceptional items, amortisation and tax than under the previous accounting standard.

GLOSSARY OF TERMS

The glossary of terms below sets out definitions of terms used throughout this Annual Report & Accounts. Included are a number of alternative performance measures ('APMs') which the directors have adopted in order to provide additional useful information on the underlying trends, performance and position of the Group. The directors use these measures, which are common across the industry, for planning and reporting purposes. These measures are also used in discussions with the investment analyst community and credit rating agencies. Where relevant, the APMs exclude the impact of IFRS 16 to aid comparability with prior year metrics. The APMs are not defined by IFRS and therefore may not be directly comparable with other companies' APMs and should not be considered superior to or a substitute for IFRS measures.

Term	Closest equivalent statutory measure	Definition and purpose
Adjusted EBITDA	Operating profit	Adjusted EBITDA is operating profit before depreciation, amortisation and non-recurring costs associated with the move of the Group's primary listing to the US.

	2025 $m	2024 $m
Operating profit	**2,557.2**	2,654.0
Depreciation	**2,334.7**	2,117.7
Amortisation	**114.4**	120.9
EBITDA	**5,006.3**	4,892.6
Non-recurring costs associated with relisting:		
– Staff costs	**4.0**	–
– Other operating costs	**11.4**	–
Adjusted EBITDA	**5,021.7**	4,892.6

Term	Closest equivalent statutory measure	Definition and purpose
Adjusted operating profit	Operating profit	Adjusted operating profit is operating profit before amortisation and non-recurring costs associated with the move of the Group's primary listing to the US.

	2025 $m	2024 $m
Operating profit	**2,557.2**	2,654.0
Amortisation	**114.4**	120.9
Non-recurring costs associated with relisting:		
– Staff costs	**4.0**	–
– Other operating costs	**11.4**	–
Adjusted operating profit	**2,687.0**	2,774.9

Term	Closest equivalent statutory measure	Definition and purpose
Adjusted profit before tax	Profit before tax	Adjusted profit before tax is profit before tax, amortisation and non-recurring costs associated with the move of the Group's primary listing to the US.

	2025 $m	2024 $m
Profit before tax	**1,998.2**	2,109.5
Amortisation	**114.4**	120.9
Non-recurring costs associated with relisting:		
– Staff costs	**4.0**	–
– Other operating costs	**11.4**	–
Adjusted profit before tax	**2,128.0**	2,230.4

Term	Closest equivalent statutory measure	Definition and purpose
Adjusted profit after tax	Profit after tax	Adjusted profit after tax is profit after tax before amortisation and non-recurring costs associated with the move of the Group's primary listing to the US.

	2025 $m	2024 $m
Profit after tax	**1,510.5**	1,598.4
Amortisation	**114.4**	120.9
Non-recurring costs associated with relisting:		
– Staff costs	**4.0**	–
– Other operating costs	**11.4**	–
Tax on adjusting items	**(29.8)**	(30.2)
Adjusted profit after tax	**1,610.5**	1,689.1

Term	Closest equivalent statutory measure	Definition and purpose
Adjusted earnings per share	Earnings per share	Adjusted earnings per share is earnings per share before amortisation and non-recurring costs associated with the move to a US primary listing.

	2025 cents	2024 cents
Earnings per share (basic)	**346.5**	365.8
Amortisation	**26.3**	27.6
Non-recurring costs associated with relisting:		
– Staff costs	**0.9**	–
– Other operating costs	**2.6**	–
Tax on adjusting items	**(6.8)**	(6.9)
Adjusted earnings per share (basic)	**369.5**	386.5

Term	Closest equivalent statutory measure	Definition and purpose
Adjusted segment EBITDA	Operating profit	Adjusted segment EBITDA is operating profit by segment before depreciation, amortisation and non-recurring costs associated with the move of the Group's primary listing to the US. Adjusted segment EBITDA is calculated excluding the impact of IFRS 16. A reconciliation of adjusted segment EBITDA to operating profit is shown below:

	2025 $m	2024 $m
Adjusted segment EBITDA		
– North America – General Tool	**3,477.7**	3,653.3
– North America – Specialty	**1,672.1**	1,438.4
– UK	**239.7**	235.0
Impact of IFRS 16	**277.5**	253.5
Other central costs	**(645.3)**	(687.6)
Adjusted EBITDA	**5,021.7**	4,892.6
Non-recurring costs	**(15.4)**	–
EBITDA	**5,006.3**	4,892.6
Depreciation	**(2,334.7)**	(2,117.7)
Amortisation	**(114.4)**	(120.9)
Operating profit	**2,557.2**	2,654.0

Term	Closest equivalent statutory measure	Definition and purpose
Adjusted segment operating profit	Operating profit	Adjusted segment operating profit is operating profit by segment before depreciation, amortisation and non-recurring costs associated with the move of the Group's primary listing to the US. Adjusted segment EBITDA is calculated excluding the impact of IFRS 16. A reconciliation of adjusted segment EBITDA to operating profit is shown below:

	2025 $m	2024 $m
Adjusted segment operating profit		
– North America – General Tool	**2,093.4**	2,394.3
– North America – Specialty	**1,134.5**	968.4
– UK	**68.6**	71.4
Impact of IFRS 16	**73.6**	58.6
Other central costs	**(683.1)**	(717.8)
Adjusted operating profit	**2,687.0**	2,774.9
Non-recurring costs	**(15.4)**	–
Amortisation	**(114.4)**	(120.9)
Operating profit	**2,557.2**	2,654.0

Term	Closest equivalent statutory measure	Definition and purpose
Capital expenditure	None	Represents additions to rental equipment and other property, plant and equipment (excluding assets acquired through a business combination).

Term	Closest equivalent statutory measure	Definition and purpose
Cash conversion ratio	None	Represents cash flow from operations before non-recurring costs and changes in rental equipment as a percentage of Adjusted EBITDA. This measure is utilised to show the proportion of Adjusted EBITDA converted into cash flow from operations generated by the business before investment expenditures, interest and taxation.

	2025	2024
Adjusted EBITDA ($m)	**5,022**	4,893
Cash inflow from operations before non-recurring costs and changes in rental equipment ($m)	**4,954**	4,541
Cash conversion ratio	**99%**	93%

Term	Closest equivalent statutory measure	Definition and purpose
Dollar utilisation	None	Dollar utilisation is trailing 12-month rental revenue divided by average fleet at original (or 'first') cost measured over a 12-month period. Dollar utilisation has been identified as one of the Group's key performance indicators. The components used to calculate this measure are shown within the 'Financial review'.
EBITDA	Profit before tax	EBITDA is not defined by IFRS but is a widely accepted profit measure being earnings before interest, tax, depreciation and amortisation. A reconciliation of EBITDA to profit before tax is shown on the income statement on page 128.
EBITDA margin	None	EBITDA margin is calculated as EBITDA divided by revenue. Progression in EBITDA margin is an important indicator of the Group's performance and this has been identified as one of the Group's key performance indicators.
Free cash flow	Net cash generated from operating activities	Free cash flow is net cash generated from operating activities adjusted for non-recurring costs less non-rental net property, plant and equipment expenditure. Non-rental net property, plant and equipment expenditure comprises payments for non-rental capital expenditure less disposal proceeds received in relation to non-rental asset disposals.

	2025 $m	2024 $m
Net cash generated from operating activities	**2,174**	855
Non-recurring costs	**10**	–
Payments for non-rental property, plant and equipment	**(455)**	(686)
Proceeds from disposal of non-rental property, plant and equipment	**61**	47
Free cash flow	**1,790**	216

This measure shows the cash retained by the Group prior to non-recurring costs and discretionary expenditure on acquisitions and returns to shareholders.

Term	Closest equivalent statutory measure	Definition and purpose
Growth at constant exchange rates	None	Calculated by applying the current period exchange rate to the comparative period result. The relevant foreign currency exchange rates are provided within Note 2, Basis of preparation, to the financial statements. This measure is used as a means of eliminating the effects of foreign exchange rate movements on the period-on-period changes in reported results.

	2025 $m	2024 $m	%
Rental revenue			
As reported	**9,980**	9,630	4%
Retranslation effect	**–**	(3)	
At constant currency	**9,980**	9,627	4%
Adjusted profit before tax			
As reported	**2,128**	2,230	-5%
Retranslation effect	**–**	(1)	
At constant currency	**2,128**	2,229	-5%

Term	Closest equivalent statutory measure	Definition and purpose
Leverage	None	Leverage calculated at constant exchange rates uses the period end exchange rate for the relevant period and is determined as net debt divided by last 12-month ('LTM') adjusted EBITDA.

	2025		2024	
	Excluding IFRS 16	**Including IFRS 16**	Excluding IFRS 16	Including IFRS 16
Net debt ($m)				
As reported and at constant currency	**7,517**	**10,331**	8,014	10,655
Adjusted EBITDA ($m)				
As reported	**4,743**	**5,022**	4,637	4,893
Retranslation effect	**11**	**12**	(5)	(6)
At constant currency	**4,754**	**5,034**	4,632	4,887
Leverage				
As reported	**1.6**	**2.1**	1.7	2.2
At constant currency	**1.6**	**2.1**	1.7	2.2

This measure is used to provide an indication of the strength of the Group's balance sheet and is widely used by investors and credit rating agencies. It also forms part of the remuneration targets of the Group and has been identified as one of the Group's key performance indicators.

Term	Closest equivalent statutory measure	Definition and purpose
Net debt	None	Net debt is total borrowings (bank, bonds) and lease liabilities less cash balances, as reported. This measure is used to provide an indication of the Group's overall level of indebtedness and is widely used by investors and credit rating agencies. It has been identified as one of the Group's key performance indicators. An analysis of net debt is provided in Note 25 (b) of the financial statements.
Operating profit	Profit before tax	Operating profit is earnings before interest and tax. A reconciliation of operating profit to profit before tax is shown on the income statement on page 128.
Operating profit margin	None	Operating profit margin is calculated as operating profit divided by revenue. Progression in operating profit margin is an important indicator of the Group's performance.
Organic measures	See definition	Organic measures are used to explain the financial and operational performance of North America – General Tool and North America – Specialty and comprise all locations, excluding locations arising from a bolt-on acquisition completed after the start of the comparative financial period.
Return on Investment ('RoI')	None	Last 12-month ('LTM') adjusted operating profit divided by the last 12-month average of the sum of net tangible and intangible fixed assets, plus net working capital but excluding net debt and tax. RoI is calculated excluding the impact of IFRS 16.

RoI is used by management to help inform capital allocation decisions within the business and has been identified as one of the Group's key performance indicators. It also forms part of the remuneration targets of the Group. The impact of IFRS 16 has been excluded so as to reflect the way the business is managed.

A reconciliation of Group RoI is provided below:

	2025	2024
Adjusted operating profit ($m)	**2,687**	2,775
IFRS 16 impact ($m)	**(74)**	(59)
Adjusted operating profit (excluding IFRS 16) ($m)	**2,613**	2,716
Average net assets ($m)	**17,989**	16,657
Return on investment	**15%**	16%

RoI for the businesses is calculated in the same way, but excludes goodwill and intangible assets:

	North America General Tool $m	North America Specialty $m	UK $m
Adjusted segment operating profit (excluding IFRS 16)	2,093	1,135	69
Average net assets, excluding goodwill and intangibles	10,378	3,776	1,053
Return on investment	20%	30%	7%

Other terms used within this Annual Report & Accounts include:

- **Adjusted:** adjusted results are results stated before non-recurring costs associated with the move of the Group's primary listing to the US and the amortisation of acquired intangibles. A reconciliation is shown above.
- **Availability:** represents the headroom on a given date under the terms of our $4.75bn asset-backed senior bank facility, taking account of current borrowings.
- **Fleet age:** original cost weighted age of serialised rental assets. Serialised rental assets constitute the substantial majority of our fleet.
- **Fleet on rent:** quantity measured at original cost of our rental fleet on rent. Fleet on rent has been identified as one of the Group's key performance indicators.
- **Rental only revenue:** rental revenue excluding loss damage waiver, environmental fees, erection and dismantling revenue and revenue from rental equipment delivery and collection.
- **RIDDOR rate:** the RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) reportable rate is the number of major injuries or over seven-day injuries per 100,000 hours worked.
- **Same store:** same-stores are those locations which were open at the start of the comparative financial period.
- **Segment profit:** operating profit before amortisation and exceptional items by segment.
- **Staff turnover:** staff turnover is calculated as the number of leavers in a year (excluding redundancies) divided by the average headcount during the year.
- **Suppressed availability:** represents the amount on a given date that the asset base exceeds the facility size under the terms of our $4.75bn asset-backed senior bank facility.
- **TRIR rate:** reportable incidents in North America are reported in accordance with the OSHA (Occupational, Safety and Health Administration) framework as a Total Recordable Incident Rate ('TRIR').

ADDITIONAL INFORMATION

Advisers

Auditor
PricewaterhouseCoopers LLP
Statutory Auditor
Embankment Place
London
WC2N 6RH

Registrars and Transfer Office
Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol
BS99 6ZZ

Financial PR Advisers
H/Advisors Maitland
3 Pancras Square
London
N1C 4AG

Solicitors
Slaughter and May
One Bunhill Row
London
EC1Y 8YY

Skadden, Arps, Slate, Meagher & Flom LLP
155 N Wacker Drive
Chicago, IL 60606

Parker, Poe, Adams & Bernstein LLP
401 South Tryon Street
Charlotte, NC 28202

Brokers
Barclays Bank plc
North Colonnade
Canary Wharf
London
E14 4BB

J.P. Morgan Cazenove
25 Bank Street
Canary Wharf
London
E14 5JP

Registered number
01807982

Registered office
100 Cheapside
London
EC2V 6DT

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Printed by Empress Litho on Forest Stewardship Council® (FSC®) certified paper using vegetable based inks. Revive 100 Silk is manufactured from FSC®-certified Recycled fibre derived from 100% pre and post-consumer waste. Both the paper manufacturing and the printer are registered to the Environmental Management System ISO14001 and are FSC® chain-of-custody certified.

Designed and produced by
Conran Design Group

Ashtead Group plc
100 Cheapside
London EC2V 6DT

Phone: + 44 (0) 20 7726 9700
www.ashtead-group.com

WWW.ASHTEAD-GROUP.COM