

Notice of Annual General Meeting 2023

**THIS DOCUMENT IS IMPORTANT AND
REQUIRES YOUR IMMEDIATE ATTENTION.**

When considering what action you should take, you are recommended to seek your own personal advice immediately from your stockbroker, bank manager, solicitor, accountant or other professional adviser duly authorised under the Financial Services and Markets Act 2000 (as amended). If you have sold or transferred all of your shares in Kier Group plc, please send this document, together with any relevant accompanying documents, to the person to whom you sold or transferred your shares, or to the bank, stockbroker or other agent who arranged the sale or transfer for you.



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Chairman's letter

Dear Shareholder

Our Annual General Meeting will be held at 10.00 a.m. on Thursday, 16 November 2023 at Linklaters LLP, One Silk Street, London EC2Y 8HQ (the 'AGM' or the 'Meeting'). Registration will commence at 9.30 a.m.

Details of the resolutions to be proposed at the AGM are set out in the Notice of AGM on pages 3 to 6 of this document. In addition to our usual items of business, you will see that included in the Meeting business are the triennial approval of the Directors' remuneration policy and an authority for the Company to conduct a court-approved capital reduction. An explanation of these items and of all the resolutions can be found on pages 6 to 10 of this document.

I would like to thank the shareholders who took the time to engage with myself and the Chair of the Remuneration Committee during the year and the constructive feedback given during these meetings. A summary of the feedback can be found in the Directors' Remuneration report on pages 121 to 124 of the 2023 Annual Report and Accounts.

If you are not intending to attend the AGM, you may submit questions relating to the business of the AGM beforehand via email to cosec@kier.co.uk. All questions will be considered and addressed at the AGM, via our website or on an individual basis (as appropriate), according to the nature of the question.

2023 Annual Report and Accounts

If you have not asked to be sent a copy of the 2023 Annual Report and Accounts by post, you can find it on our website www.kier.co.uk. If you would like to receive a printed copy of the 2023 Annual Report and Accounts, please contact our registrars, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA. Equiniti's contact details can be found on page 15 of this document.

Lodging your vote

All votes are important to us and I encourage you to submit your voting instructions as early as possible. You can submit your voting instructions in the following ways:

- electronically using www.sharevote.co.uk. You will need your Voting ID, Task ID and Shareholder Reference Number to submit your vote
- if you have a registered Shareview Portfolio, you can log in to vote at www.shareview.co.uk using your unique credentials and click on the link to vote
- by completing the Form of Proxy and returning it to our Registrars using the Freepost address on the back of the Form of Proxy. If you are posting outside the UK, please return the completed Form of Proxy in an envelope with the correct postage to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, United Kingdom
- via the CREST electronic proxy appointment service (for CREST members)
- for institutional investors, via the Proxymity platform at www.proxymity.io.

To be valid, your completed Form of Proxy or online instruction must have been received by 10.00 a.m. on Tuesday, 14 November 2023.

Voting at the AGM

Save for any procedural resolution which will be taken on a show of hands, each of the resolutions to be put to the Meeting will be voted on by poll reflecting all proxy voting instructions received and not by a show of hands. Once the results of the voting have been verified by our registrars, Equiniti, they will be announced via the London Stock Exchange Regulatory News Service and published on our website shortly after the AGM.

Our Company Secretariat remain available to shareholders for any questions related to the AGM via cosec@kier.co.uk.

Recommendation

The Directors of the Company consider that all the resolutions contained in the Notice of the AGM are in the best interests of the Company and its shareholders as a whole and recommend that you vote in favour of each of them, as they intend to do in respect of their beneficial shareholdings.

I would like to thank you, on behalf of the Board of Directors, for your continued support.

Yours faithfully

Matthew Lester
Chairman
22 September 2023

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting (the 'Meeting' or the 'AGM') of Kier Group plc (the 'Company') will be held at 10.00 a.m. on Thursday, 16 November 2023 at Linklaters LLP, One Silk Street, London EC2Y 8HQ for the following purposes:

Ordinary resolutions

Explanatory notes to the resolutions are set out on pages 6 to 10.

2023 Annual Report **Resolution 1**

To receive the Company's Annual Report and Accounts for the financial year ended 30 June 2023.

See explanatory note 1.

Directors' remuneration **Resolution 2**

To approve the Directors' remuneration policy set out on pages 144 to 153 (inclusive) of the Company's Annual Report and Accounts for the financial year ended 30 June 2023, such remuneration policy to take effect from the date on which this Resolution is passed.

See explanatory note 2.

Resolution 3

To approve the Directors' remuneration report set out on pages 120 to 143 (inclusive) of the Company's Annual Report and Accounts for the financial year ended 30 June 2023.

See explanatory note 2.

Election and re-election of Directors

Resolution 4

To re-elect Mr MJ Lester as a Director of the Company.

See explanatory note 3.

Resolution 5

To re-elect Mr AOB Davies as a Director of the Company.

See explanatory note 3.

Resolution 6

To re-elect Mr SJ Kesterton as a Director of the Company.

See explanatory note 3.

Resolution 7

To re-elect Mr JR Atkinson as a Director of the Company.

See explanatory note 3.

Resolution 8

To re-elect Ms AJ Atkinson as a Director of the Company.

See explanatory note 3.

Resolution 9

To re-elect Ms MC Browne OBE as a Director of the Company.

See explanatory note 3.

Resolution 10

To elect Ms MG Hassall as a Director of the Company.

See explanatory note 3.

Resolution 11

To re-elect Mr CG Watson as a Director of the Company.

See explanatory note 3.

Auditor

Resolution 12

To re-appoint PricewaterhouseCoopers LLP as auditor of the Company, to hold office from the conclusion of the Meeting until the conclusion of the next meeting at which accounts are laid before the Company.

See explanatory note 4.

Resolution 13

To authorise the Risk Management and Audit Committee (for and on behalf of the Board of Directors) to agree the remuneration of the auditor.

See explanatory note 4.

Political donations

Resolution 14

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

That the Company and those companies which are subsidiaries of the Company at any time during the period for which this resolution has effect are authorised for the purposes of Part 14 of the Companies Act 2006 (the '2006 Act') during the period from the date of the passing of this resolution to the earlier of the conclusion of the Company's annual general meeting in 2024 or the close of business on 31 December 2024:

- (a) to make political donations (as such term is defined in section 364 of the 2006 Act) to political parties, and/or independent election candidates, and/or to political organisations other than political parties not exceeding £25,000 in total; and
- (b) to incur political expenditure (as such term is defined in section 365 of the 2026 Act) not exceeding (when aggregated with any donations made under the authority granted in paragraph (a) above) £25,000 in total.

Any such amounts may comprise sums paid or incurred in one or more currencies. Any sum paid or incurred in a currency other than sterling shall be converted into sterling at such rate as the Board may decide is appropriate. All existing authorisations and approvals relating to political donations or expenditure under Part 14 of the 2006 Act are hereby revoked without prejudice to any donation made or expenditure incurred prior to the date hereof pursuant to such authorisation or approval. Words and expressions defined for the purpose of the 2006 Act shall have the same meaning in this resolution.

[See explanatory note 5.](#)

Authority to allot shares

Resolution 15

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

That, pursuant to and in accordance with section 551 of the 2006 Act, the Directors of the Company be and are generally and unconditionally authorised to exercise all powers of the Company to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company ('Rights');

- (a) up to an aggregate nominal amount of £1,487,731; and
- (b) comprising equity securities (as defined in Section 560(1) of the 2006 Act) up to a further nominal amount of £2,975,462 in connection with a pre-emptive offer after deducting from such amount the nominal amount of any shares or Rights allotted under paragraph (a) of this resolution 15,

such authority to expire at the end of the next annual general meeting of the Company or, if earlier, at the close of business on 31 December 2024 (unless renewed, varied or revoked by the Company prior to such expiry), save that, prior to such expiry, in each case the Company may make offers or enter into agreements which would, or might, require shares to be allotted or Rights to be granted after such expiry and the Directors of the Company may allot shares and grant Rights under any such offer or agreement as if such authority had not expired. This authority is in substitution for all previous authorities conferred on the Directors of the Company in accordance with section 551 of the 2006 Act.

For the purposes of this resolution:

- (a) "pre-emptive offer" means an offer of equity securities open for acceptance for a period fixed by the Directors to (a) holders (other than the Company) on the register on a record date fixed by the Directors of ordinary shares in proportion to their respective holdings and (b) other persons so entitled by virtue of the rights attaching to any other securities held by them, but subject in both cases to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory; and
- (b) the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights.

[See explanatory note 6.](#)

Special Resolutions

General power to disapply pre-emption rights

Resolution 16

To consider and, if thought fit, to pass the following resolution as a special resolution:

That, subject to the passing of resolution 15, the Directors of the Company be authorised to allot equity securities (as defined in section 560(1) of the 2006 Act) wholly for cash pursuant to the authority given by resolution 15 and/or where the allotment constitutes an allotment of equity securities by virtue of Section 560(3) of the 2006 Act, as if section 561(1) of the 2006 Act did not apply to any such allotment, such authority to be limited to:

- (a) allotments in connection with a pre-emptive offer;
- (b) otherwise than in connection with a pre-emptive offer, allotments up to an aggregate nominal amount of £446,319 (this amount representing not more than 10% of the issued ordinary share capital of the Company as at the latest practicable date prior to the publication of this notice); and
- (c) otherwise than pursuant to paragraph (a) or paragraph (b) of this resolution 16, allotments up to an aggregate nominal amount equal to 20% of any allotment made from time to time under paragraph (b) of this resolution 16, such authority to be used only for the purposes of making a follow-on offer which the Directors determine to be of a kind contemplated by paragraph 3 of section 2B of the Statement of Principles on Disapplying Pre-emption Rights most recently published by the Pre-emption Group prior to the date of this notice,

such authority to expire at the end of the next annual general meeting of the Company or, if earlier, at the close of business on 31 December 2024 (unless renewed, varied or revoked by the Company prior to its expiry), save that, prior to its expiry, in each case the Company may make offers or enter into agreements which would, or might, require equity securities to be allotted (and treasury shares to be sold) after such expiry and the Directors of the Company may allot equity securities (and sell treasury shares) under any such offer or agreement as if such authority had not expired.

For the purposes of this resolution 16:

- (a) “pre-emptive offer” has the same meaning as in resolution 15 above;
- (b) references to an allotment of equity securities shall include a sale of treasury shares; and
- (c) the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights.

See explanatory note 7.

Specific power to disapply pre-emption rights in connection with an acquisition or specified capital investment
Resolution 17

To consider and, if thought fit, to pass the following resolution as a special resolution:

That, subject to the passing of resolution 15, and in addition to any authority granted under resolution 16, the Directors of the Company be authorised to allot equity securities (as defined in section 560(1) of the 2006 Act) wholly for cash pursuant to the authority given by resolution 15 and/or where the allotment constitutes an allotment of equity securities by virtue of Section 560(3) of the 2006 Act, as if section 561(1) of the 2006 Act did not apply to any such allotment, such authority to be limited to:

- (a) allotments up to an aggregate nominal amount of £446,319 (this amount representing not more than 10% of the issued ordinary share capital (excluding treasury shares) of the Company as at the latest practicable date prior to the publication of this notice), such authority to be used solely for the purposes of financing (or refinancing, if the authority is to be used within 12 months of the original transaction) a transaction which the Directors of the Company determine to be an acquisition or a specified capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice; and

- (b) otherwise than under paragraph (a) above, allotments up to an aggregate nominal amount equal to 20% of any allotment made from time to time under paragraph (a) above, such authority to be used solely for the purposes of making a follow-on offer which the Directors of the Company determine to be of a kind contemplated by paragraph 3 of section 2B of the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this notice,

such authority to expire at the end of the next annual general meeting of the Company or, if earlier, at the close of business on 31 December 2024 (unless renewed, varied or revoked by the Company prior to its expiry), save that, prior to its expiry, in each case the Company may make offers or enter into agreements which would, or might, require equity securities to be allotted (and treasury shares to be sold) after such expiry and the Directors of the Company may allot equity securities (and sell treasury shares) under any such offer or agreement as if such authority had not expired.

For the purposes of this resolution 17:

- (a) references to an allotment of equity securities shall include a sale of treasury shares; and
- (b) the nominal amount of any securities shall be taken to be, in the case of rights to subscribe for or convert any securities into shares of the Company, the nominal amount of such shares which may be allotted pursuant to such rights.

See explanatory note 7.

Authority to purchase own shares
Resolution 18

To consider and, if thought fit, to pass the following resolution as a special resolution:

That the Company is hereby unconditionally and generally authorised for the purpose of Section 701 of the 2006 Act to make market purchases (as defined in Section 693 of the 2006 Act) of ordinary shares of 1 pence each in the capital of the Company, provided that:

- (a) the maximum number of shares which may be purchased under this authority is 44,631,938;
- (b) the minimum price which may be paid for a share is the nominal value of that share;
- (c) the maximum price which may be paid for a share is an amount equal to the higher of (i) 105% of the average of the closing price of the Company’s shares as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which such shares are contracted to be purchased, and (ii) the higher of the price of the last independent trade and the highest current independent bid on the London Stock Exchange as stipulated by Regulatory Technical Standards pursuant to article 5(6) of the Market Abuse Regulation (as it forms part of UK law),

such authority to expire at the end of the next annual general meeting of the Company or, if earlier, at the close of business on 31 December 2024 (except in relation to the purchase of shares the contract for which was concluded before the expiry of such authority and which might be executed wholly or partly after such expiry), unless such authority is renewed prior to such time.

See explanatory note 8.

Capital reduction Resolution 19

To consider and, if thought fit, to pass the following resolution as a special resolution:

That, subject to the confirmation of the High Court of Justice in England and Wales, the share premium account of the Company be cancelled.

See explanatory note 9.

Resolution 20

To consider and, if thought fit, to pass the following resolution as a special resolution:

That, subject to the confirmation of the High Court of Justice in England and Wales, the capital redemption reserve of the Company be cancelled.

See explanatory note 9.

Notice period for general meetings, other than annual general meetings Resolution 21

To consider and, if thought fit, to pass the following resolution as a special resolution:

That, as permitted by section 307A of the 2006 Act, a general meeting of the Company, other than an annual general meeting, may be called on not less than 14 clear days' notice, such authority to expire at the end of the next annual general meeting of the Company.

See explanatory note 10.

By order of the Board

Jaime Tham
Company Secretary
22 September 2023

Registered office:

2nd Floor
Optimum House
Clippers Quay
Salford
M50 3XP

Registered number:
2708030

Explanatory notes to the resolutions

The following notes provide an explanation of the resolutions which are to be proposed at this year's Annual General Meeting. The Notice of Meeting can be found on pages 3 to 6.

Ordinary resolutions

1. Resolution 1 – Annual Report and Accounts

The Directors are legally required to present their reports, the audited accounts and the independent auditors' report in respect of each financial year to shareholders. In accordance with the UK Corporate Governance Code, the Company proposes a resolution on its audited accounts and reports for the financial year ended 30 June 2023 ('2023 Annual Report and Accounts'). A copy of the 2023 Annual Report and Accounts is available on the Company's website.

2. Resolutions 2 and 3 – Directors' Remuneration policy and Directors' Remuneration report

The Company is required to seek shareholder approval of the Directors' Remuneration policy at least every three years. The previous Directors' Remuneration policy was approved by shareholders at the 2020 annual general meeting. The new Directors' Remuneration policy is set out on pages 144 to 153 (inclusive) of the 2023 Annual Report and Accounts and provides details of the Company's proposed policy on Directors' remuneration following extensive engagement with our key shareholders.

The vote on the Directors' Remuneration policy is binding on the Company and, if resolution 2 is passed, the Directors' remuneration policy will take effect immediately and all payments made by the Company to current and former directors (in their capacity as directors) will be made in accordance with the policy. In the event that resolution 2 is not passed, the Directors' Remuneration policy approved by shareholders at the 2020 annual general meeting will continue to apply.

Resolution 3 is in accordance with the 2006 Act, whereby the Company must give shareholders the opportunity to cast an advisory vote on the statement by the Chair of the Remuneration Committee and the Annual Report on Remuneration as set out on pages 120 to 143 (inclusive) of the 2023 Annual Report and Accounts.

3. Resolutions 4 to 11 – election and re-election of Directors

Biographical information relating to each of the Directors of the Company standing for election or re-election is set out on pages 11 and 12 of this notice. The Board considers that each Director of the Company who is proposed for election or re-election has appropriate and relevant skills, experience and knowledge to enable them to continue to discharge the duties and responsibilities of a Director of the Company effectively. The Chairman of the Board considers that the performance of each of these individuals continues to be effective and that each continues to be independent and demonstrate appropriate commitment to the role. Accordingly, the Board recommends their election or re-election as Directors of the Company.

4. Resolutions 12 and 13 – re-appointment and remuneration of auditor

The Company is required to re-appoint its auditor at each general meeting at which accounts are laid, which will normally be at each annual general meeting. Resolution 12 proposes the auditor's re-appointment. Details of the annual assessment of the effectiveness of the external audit, in relation to the 2022 Annual Report and Accounts, and the conclusion that the external audit process for the financial year ended 30 June 2022 was effective and that PwC provided an appropriate independent challenge to management, can be found on page 107 of the 2023 Annual Report and Accounts. An audit tender was carried out during the year and an explanation of the process and outcome are explained on pages 110 and 111 of the 2023 Annual Report and Accounts.

Resolution 13 proposes that the Risk Management and Audit Committee of the Company be authorised to determine the level of the auditor's remuneration. The Board has delegated responsibility for negotiation and approval of the remuneration and terms of engagement of the auditor to the Risk Management and Audit Committee, in accordance with the Statutory Audit Services Order issued by the Competition and Markets Authority in 2014.

5. Resolution 14 – political donations

The Company is a strategic supplier to the UK Government and must maintain close relationships with Cabinet Office, departments, councils and authorities including ministers and other elected officials.

Part 14 of the 2006 Act requires companies to obtain shareholders' authority for donations to registered political parties and other political organisations, and for any political expenditure, in each case subject to limited exceptions.

The definitions of 'political donations' and 'political expenditure' in this context are very wide and may include some normal business activities that would not otherwise be regarded as being political in nature.

They could include communicating with elected officials, paying membership fees for industry and business forums and attending events to which elected officials are invited, even though these activities are not designed to support or influence support for a particular political party.

It remains Kier's policy not to make political donations or incur political expenditure as those expressions are normally understood and we are not changing that policy. However, the Board considers that it is in the best interests of shareholders for the Company to engage with the UK Government and associated authorities in areas affecting its business.

Consequently, the Board, in common with many other companies, on a precautionary basis and to avoid inadvertent infringement of the 2006 Act, considers it prudent to ask shareholders to approve this authority, which will expire at the conclusion of the next annual general meeting or at the close of business on 31 December 2024, whichever is the earlier. It is the Company's policy to seek renewal of this authority annually.

6. Resolution 15 – Directors' authority to allot new shares

Section 549 of the 2006 Act requires Directors to obtain shareholders' approval to enable them to allot securities. Paragraph (a) of this resolution will, if approved, give the Directors of the Company a general authority to allot additional share capital, within certain constraints. It will permit the Directors of the Company to allot shares in the Company, or to grant rights to subscribe for, or to convert any security into, shares in the Company up to an aggregate nominal amount of £1,487,731 representing approximately one-third of the total issued ordinary share capital of the Company as at 21 September 2023, the latest practicable date before publication of this notice.

In line with guidance issued by The Investment Association in February 2023, paragraph (b) of this resolution will, if approved, give the Directors of the Company additional authority in the case of a pre-emptive offer to allot shares in favour of shareholders up to an aggregate nominal amount of £2,975,462 less the nominal amount of any shares or rights issued under paragraph (a) of the resolution. This amount (before any such reduction) is approximately two-thirds of the total issued ordinary share capital of the Company as at 21 September 2023, the latest practicable date before publication of this notice.

It is the Company's policy to seek renewal of these authorities annually. The Directors of the Company have no present plans to undertake a pre-emptive offer or allot shares, other than in connection with employee share schemes. During the financial year ended 30 June 2023, the Company issued 72,753 ordinary shares of 1 pence each, with an aggregate nominal value of £727.53, in connection with the exercise of options under the Kier Group plc Sharesave Scheme 2016. The Company does not currently hold any of its equity securities in treasury.

Special resolutions

7. Resolutions 16 and 17 – disapplication of pre-emption rights

Section 561(1) of the 2006 Act provides that ‘equity securities’ (including shares) must not normally be issued for cash without first offering them to existing shareholders in proportion to their existing shareholdings at the time of the offer. These pre-emption rights can be modified and/or disapplied, in line with investor recommendations, to give the Directors greater flexibility in raising capital for the Company.

At last year’s annual general meeting, two separate resolutions were passed, in line with institutional shareholder guidelines, empowering the Directors of the Company to allot equity securities for cash without first offering them to existing shareholders in proportion to their existing holdings. It is proposed that these authorities be renewed and enhanced in line with the latest institutional shareholder guidelines, including the revised Pre-Emption Group’s Statement of Principles which were updated in November 2022 (the ‘2022 Principles’).

Resolutions 16 and 17 are in line with the 2022 Principles which are supported by representatives of share owners and investment managers, including the Pensions and Lifetime Savings Association and the Investment Association.

Pre-emptive offers

Limb (a) of resolution 16 seeks shareholder approval to allot a limited number of ordinary shares or other equity securities, or sell treasury shares, for cash on a pre-emptive basis but subject to such exclusions or arrangements as the Directors may deem appropriate to deal with certain legal, regulatory or practical difficulties. For example, in a pre-emptive rights issue, there may be difficulties in relation to fractional entitlements or the issue of new shares to certain shareholders, particularly those resident in certain overseas jurisdictions.

The Directors of the Company have no current intention of exercising this authority but consider the authority to be appropriate in order to allow the Company the flexibility to finance business opportunities or to conduct a rights issue or other pre-emptive offer, having made appropriate exclusions or arrangements to address such difficulties.

Non-pre-emptive offers

In addition, there may be circumstances when the Directors consider it in the best interests of the Company to allot a limited number of ordinary shares or other equity securities, or sell treasury shares for cash on a non-pre-emptive basis. The 2022 Principles support the annual disapplication of pre-emption rights in respect of allotments of shares and other equity securities and sales of treasury shares for cash where these represent no more than 10% of the issued ordinary share capital (exclusive of treasury shares), without restriction as to the use of proceeds of those allotments.

Accordingly, the purpose of limb (b) of resolution 16 is to authorise the Directors to allot new shares and other equity securities pursuant to the allotment authority given by resolution 15, or sell treasury shares, for cash without first offering them to existing shareholders up to an aggregate nominal amount of £446,319 representing approximately 10% of the existing issued ordinary share capital of the Company as at 21 September 2023, the latest practicable date before publication of this notice. The Company does not currently hold any of its equity securities in treasury.

Resolution 16 has been drafted in line with the template resolutions published by the Pre-Emption Group in November 2022.

Authority for acquisitions and specified capital investments

The 2022 Principles also support the annual disapplication of pre-emption rights in respect of allotments of shares and other equity securities and sales of treasury shares for cash where these represent no more than an additional 10% of issued ordinary share capital (exclusive of treasury shares) and are used only in connection with an acquisition or specified capital investment. The 2022 Principles define “specified capital investment” as meaning one or more specific capital investment related uses for the proceeds of an issue of equity securities, in respect of which sufficient information regarding the effect of the transaction on the Company, the assets the subject of the transaction and (where appropriate) the profits attributable to them is made available to shareholders to enable them to reach an assessment of the potential return.

Accordingly, the purpose of resolution 17 is to authorise the Directors to allot new shares and other equity securities under the allotment authority given by resolution 15, or sell treasury shares, for cash up to a further nominal amount of £446,319, only in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment, or which has taken place in the preceding 12-month period and is disclosed in the announcement of the issue. This amount is equivalent to approximately 10% of the existing issued ordinary share capital of the Company as at 21 September 2023, the latest practicable date before publication of this notice. The Company does not currently hold any of its equity securities in treasury.

Resolution 17 has been drafted in line with the template resolutions published by the Pre-Emption Group in November 2022.

Follow-on offers

The 2022 Principles introduce the concept of “follow-on” offers to help existing and retail investors to participate in equity issues. This is in line with the recommendations for improving capital raising processes which were made by the UK Secondary Capital Raising Review in July 2022.

The purpose of limb (c) of resolution 16 and limb (b) of resolution 17 is to give the Directors the flexibility to make a follow-on offer. This wording has been drafted in accordance with the template resolutions published by the Pre-Emption Group in November 2022.

The features of follow-on offers which are set out in Part 2B, paragraph 3 of the 2022 Principles include an individual monetary cap of not more than £30,000 per ultimate beneficial owner, limits on the number of shares issued in any follow-on offer (not more than 20% of the number issued in the placing), and limits on the price (equal to, or less than, the offer price in the placing). The Board intends to adhere to the provisions in the 2022 Principles for any follow-on offers made, as far as practicable.

The maximum amount which can be issued in a follow-on offer is £178,527. This amount is in addition to the amounts authorised for the general use authority and authority for acquisitions and specified capital investments described above, and, in total, is equivalent to approximately 4% of the total issued ordinary share capital of the Company as at 21 September 2023. The Company does not currently hold any of its equity securities in treasury.

The Directors confirm that they intend to follow the shareholder protections set out in Section 2B of the 2022 Principles and, for any follow-on offer made, include the expected features set out in paragraph 3 of Section 2B of the 2022 Principles.

It is the Company’s policy to seek renewal of the authorities referred to in resolutions 15 to 17 annually. The Directors of the Company currently have no intention to allot shares other than in connection with employee share schemes, but the Board believes that it is in the best interests of shareholders for the Directors to have the flexibility to take advantage of these authorities if required.

8. Resolution 18 – authority to purchase own shares

This resolution asks shareholders to grant the Company authority to purchase up to 10% of its issued shares, excluding treasury shares, as at 21 September 2023. With the authority of shareholders, the Company is empowered by its articles of association to buy back its own shares in the market as permitted by the 2006 Act. The resolution specifies the maximum number of shares that may be purchased and the minimum or maximum prices at which they may be bought.

The Directors have no present intention of exercising this authority but wish to have the flexibility to do so in the future. The limits being proposed are in line with market practice. They would only exercise the authority after taking account of the market conditions prevailing at the time, the needs of the Company (including the need to hold shares in treasury to satisfy awards made under the Company’s share incentive plans), its opportunities for expansion and its overall financial position. Consistent with statements issued by the Investment Association in this regard, the Directors would exercise the authority to purchase shares only if they considered the effect would be an increase in earnings per share and would be in the best interests of shareholders.

Pursuant to the 2006 Act, the Company can hold the shares which have been repurchased itself as treasury shares and either resell them for cash, cancel them, either immediately or at a point in the future, or use them for the purposes of its employee share schemes. The Directors believe that it is desirable for the Company to have this choice and therefore intend to hold any shares purchased under this authority as treasury shares. Holding the repurchased shares as treasury shares will give the Company the ability to re-sell or transfer them in the future, and so provide the Company with additional flexibility in the management of its capital base. No dividends will be paid on, and no voting rights will be exercised in respect of, treasury shares.

The total number of shares which may be subscribed for on the exercise of outstanding options as at 21 September 2023 (the latest practicable date prior to the posting of this document) is 20,104,363, which represents approximately 4.5% of the issued ordinary share capital at that date. If the Company were to purchase shares up to the maximum permitted by this resolution, the proportion of shares subject to outstanding options to subscribe would represent approximately 5% of the issued share capital as at 21 September 2023.

If resolution 18 is passed, it will be the Company’s policy to seek renewal of this authority annually. The Company does not currently hold treasury shares.

9. Resolutions 19 and 20 – capital reduction

Pursuant to section 641(1)(b) of the 2006 Act, a company may by a special resolution passed by its shareholders and the confirmation of the High Court of Justice in England and Wales (the ‘Court’) reduce or cancel various reserves, including any share premium account or capital redemption reserve. It may then apply the sums resulting from such reduction to its distributable reserves. These sums may then be treated as distributable by the Company for the purposes of making future returns to shareholders.

The Company's share premium account and capital redemption reserve

The Company currently has a share premium account of £684,300,000 and a capital redemption reserve of £2,700,000. Both reserves are non-distributable reserves of the Company.

The Company is proposing to cancel its share premium account in its entirety. The Company is also proposing to cancel its capital redemption reserve in its entirety (such cancellation, together with the proposed cancellation of the share premium account, being referred to hereafter as the 'Capital Reduction').

The Company is proposing to implement the Capital Reduction as a housekeeping exercise in order to create distributable reserves to support both the potential future payment by the Company of dividends to shareholders as well as future share buybacks should circumstances dictate that it is desirable to do so.

Court confirmation of the Capital Reduction

In seeking the Court's confirmation of the Capital Reduction, the Court will need to be satisfied that the interests of the creditors of the Company (including contingent creditors), whose debts remain outstanding on the date on which the order of the court confirming the Capital Reduction (the 'Court Order') is registered, are protected. If a company is able to show that there is no real likelihood that the proposed reduction of capital would result in the company being unable to discharge its debts or claims when they fall due, the Court will be satisfied.

Sometimes the Court will seek or accept forms of express creditor protection such as seeking the consent of the company's creditors to the proposed reduction of capital or the provision by the company to the Court of an undertaking to deposit a sum of money into a blocked account created for the purpose of discharging the non-consenting creditors of the company, or not to distribute reserves arising upon the proposed reduction of capital until such creditors have consented or been discharged. The Company is not proposing to offer any of these forms of protection as it is satisfied that it is able to show that there is no real likelihood that the Capital Reduction would result in the Company being unable to discharge a creditor's debt or claim when it falls due.

The Board, in consultation with its professional advisers, has undertaken a review of the Company's liabilities (including contingent liabilities) taking account of those factors that the Court is required to consider when giving its approval. The Board considers that the Company will be able to satisfy the Court that, as at the date on which the Court Order becomes effective, the Capital Reduction would not result in the Company being unable to discharge the debt or claim of any creditor of the Company at the time when such debt or claim may fall due.

Subject to resolutions 19 and 20 being passed, the Company intends to apply to the Court to approve the Capital Reduction as soon as reasonably practicable after the AGM and in any event prior to the end of the calendar year. The Company will update shareholders as to the proposed timetable for the Capital Reduction in due course.

Shareholders should note that the reserves arising from the Capital Reduction will, upon the confirmation of the Court, be distributable; however, the Capital Reduction itself will not involve any distribution or repayment of capital or share premium by the Company and will not reduce the underlying net assets of the Company. The distributable reserves arising from the Capital Reduction will nevertheless remain available to the Company to apply, in accordance with Part 23 of the 2006 Act and should it choose to do so, towards the payment of future dividends in line with the Company's dividend policy as well as future share buybacks should circumstances dictate that it is desirable to do so.

Shareholders are being asked to vote in favour of the Capital Reduction so as to facilitate the creation of the proposed distributable reserves of the Company. The completion of the Capital Reduction will not affect the rights attaching to the ordinary shares in the capital of the Company and will not result in any change to the number of ordinary shares in issue.

10. Resolution 21 – notice of general meetings other than annual general meetings

Under the 2006 Act, the notice period required for general meetings of the Company is 21 clear days unless shareholders approve a shorter notice period for meetings other than an annual general meeting, which cannot be less than 14 clear days, and the Company offers a facility for shareholders to vote by electronic means. Annual general meetings will continue to be held on at least 21 clear days' notice.

The Company would like to be able to call general meetings other than an annual general meeting on 14 clear days' notice and this resolution seeks the approval of shareholders to do so. If granted, the approval will be effective until the Company's next annual general meeting, when it is intended that a similar resolution will be proposed. The shorter notice period would not be used as a matter of routine, but only where the flexibility is merited by the business of the meeting and is thought to be in the interests of shareholders as a whole. Electronic voting is provided by the Company's Registrars via www.sharevote.co.uk.

Directors' biographies

Matthew Lester Chairman

N R

Age: 60
Tenure on Board: 3 years 8 months
Independent: Yes (on appointment)

Relevant skills and experience

- Substantial strategic and financial experience, through senior finance roles at Diageo plc and as Group Finance Director of ICAP plc and Chief Financial Officer of Royal Mail plc
- Significant non-executive director experience at Man Group plc, Barclays PLC and Capita plc
- A chartered accountant, having trained and qualified at Arthur Andersen

Principal current external appointments

- Non-Executive Director and Chair of the Audit Committee of Intermediate Capital Group plc

Andrew Davies Chief Executive

N

Age: 59
Tenure on Board: 4 years, 5 months
Independent: No

Relevant skills and experience:

- Strong track record of business leadership across a number of sectors
- Significant experience of mergers and acquisitions and strategy development and implementation
- Significant operational and corporate experience through senior roles and over 28 years with BAE Systems plc
- Formerly Chief Executive Officer of Wates Group Limited
- Fellow of the Institution of Civil Engineers

Principal current external appointments:

- Non-Executive Director and Senior Independent Director of Chemring Group PLC
- Non-Executive Chairman on the Eiffage, Kier, Ferrovial Construction and BAM Nuttall (EKFB) JV Board

Simon Kesterton Chief Financial Officer

Age: 49
Tenure on Board: 4 years
Independent: No

Relevant skills and experience:

- A member of the Chartered Institute of Management Accountants
- Broad range of financial, strategic and IT leadership experience in his former senior roles in the engineering and manufacturing industries
- Formerly Chief Financial Officer, Europe and Chief Strategic Officer at IAC Group and Group Finance Director of RPC Group plc
- Significant experience in the implementation of cost reduction, M&A and profitability improvement programmes

Principal current external appointments:

- None

Justin Atkinson Senior Independent Director

E N R RA

Age: 62
Tenure on Board: 7 years, 11 months
Independent: Yes

Relevant skills and experience:

- Formerly Chief Executive of Keller Group plc and previously Keller's Group Finance Director and Chief Operating Officer
- Significant operational, financial and strategic experience
- In-depth knowledge of the construction sector, both in the UK and internationally
- A chartered accountant, having trained and qualified at a predecessor firm of PwC

Principal current external appointments:

- Chairman of Forterra plc
- Non-Executive Director and Chairman of the Audit Committee of James Fisher and Sons plc

Board Committees key

- E** Environmental, Social and Governance
- N** Nomination
- R** Remuneration
- RA** Risk Management and Audit
- Chair of the Committee

Alison Atkinson, FEng, MICE, CEng
Non-Executive Director

E N R RA

Age: 53
Tenure on Board: 2 years, 9 months
Independent: Yes

Relevant skills and experience:

- Significant operational experience in large scale national infrastructure
- In-depth experience of oversight of civil engineering and contracting through her roles as Projects & Development Director at Anglo American plc, Chief Executive Officer at AWE plc, and at Halcrow
- Significant experience in safety, diversity and inclusion, and sustainability matters
- Fellow of the Royal Academy of Engineering

Principal current external appointments:

- From May 2023, member of the Executive Leadership Team at Anglo American plc as Projects & Development Director

Board Committees key

- E** Environmental, Social and Governance
- N** Nomination
- R** Remuneration
- RA** Risk Management and Audit
- Chair of the Committee

Chris Browne OBE
Non-Executive Director

E N R RA

Age: 63
Tenure on Board: 1 year
Independent: Yes

Relevant skills and experience:

- Experience of the construction sector through her role as a Non-Executive Director of Vistry Group plc
- Significant commercial and operational experience through senior leadership positions in the aviation industry
- Chief Operating Officer of easyJet plc until June 2019, where she also served as their Non-Executive Director from January to September 2016, and Non-Executive Director of Norwegian Air Shuttle AS from June 2020 to December 2022
- Doctorate of Science (Honorary) for Leadership in Management from the University of Ulster
- Doctorate of Science (Honorary) in recognition of her outstanding contribution to the Aviation Travel Industry from Cranfield University
- Doctorate of Science in Economics (Honorary) from the Queen's University of Belfast

Principal current external appointments:

- Non-Executive Director of Vistry Group plc
- Non-Executive Director of Constellium SE
- Non Executive Director of C&C Group plc (from 2 October 2023)

Margaret Hassall
Non-Executive Director

E N R RA

Age: 62
Tenure on Board: 5 months
Independent: Yes

Relevant skills and experience:

- Significant experience of remuneration matters through her current and former appointments as Chair of Remuneration Committees
- An experienced non-executive director from past appointments at Phoenix Group life companies, Tandem Bank, Nucleus Financial Group plc and One Savings Bank plc
- Broad experience in business operations, technology and large transformational change developed through senior positions across a range of different industry sectors, including some of the world's largest banks, financial services, manufacturing and utilities companies

Principal current external appointments:

- Non-Executive Director, Chair of the Remuneration Committee and a member of the Audit and Nomination Committees of AJ Bell plc

Clive Watson
Non-Executive Director

E N R RA

Age: 65
Tenure on Board: 3 years, 5 months
Independent: Yes

Relevant skills and experience:

- Significant experience in financial matters, through senior finance positions both in the UK and overseas, latterly as the Group Finance Director of Spectris plc
- Experience of the engineering sector through his roles at Borealis AG and as a Non-Executive Director at Spirax-Sarco Engineering plc
- Detailed knowledge of systems of risk management and internal control

Principal current external appointments:

- Senior Independent Director and Chair of the Audit Committee of Breedon Group plc
- Non-Executive Director, Chair of the Audit and Risk Committee of discoverIE Group plc
- Senior Independent Director and Chair of the Audit and Risk Committee of Trifast plc

Notes to Notice of Annual General Meeting

Voting

1. Only those shareholders entered in the register of members of the Company at the close of business on Tuesday, 14 November 2023 may vote in relation to the AGM in respect of the shares registered in their name at that time or, if the AGM is adjourned, such time being not more than 48 hours prior to the time fixed for the adjourned meeting. Changes to entries in the register of members after such time shall be disregarded in determining the rights of any person to vote in relation to the AGM.

Appointment of proxies

2. In order to be valid, a completed and signed Form of Proxy must be lodged with the Company's Registrars, Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, United Kingdom, by no later than 10.00 a.m. on Tuesday, 14 November 2023, or not less than 48 hours before the time appointed for holding any adjourned meeting, along with any power of attorney under or pursuant to which the proxy is appointed. The Form of Proxy can be lodged by post (please complete and return the Form of Proxy), electronically (see note 4 below) or, for CREST members, via the CREST electronic proxy appointment service (see note 7 below), or, for institutional investors, via the Proxymity platform (see note 8 below).

3. If you require a paper proxy, please contact Equiniti by calling them on +44 (0)371 384 2030. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Equiniti are open between 08:30 and 17:30, Monday to Friday excluding public holidays in England and Wales. You can also contact Equiniti by email via the Shareview website at www.shareview.co.uk.

4. Shareholders may register the appointment of their proxy or proxies electronically via www.sharevote.co.uk, and follow the on-screen instructions. Shareholders will need their Shareholder Reference Number, Voting ID and Task ID printed on the Form of Proxy. If you are a shareholder who has already registered with Shareview, Equiniti's online portfolio service, you can appoint a proxy or proxies electronically by logging into your portfolio at www.shareview.co.uk and clicking on the link to vote.

5. To be valid, the Form of Proxy, electronic proxy appointment, proxy appointment through CREST (see note 7 below) or proxy appointment via Proxymity (see note 8 below) must be received by Equiniti no later than 10.00 a.m. on Tuesday, 14 November 2023.

6. In the case of joint shareholders, where more than one of the joint shareholders purports to appoint a proxy, only the appointment submitted by the most senior shareholder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members, the first-named being the most senior.

Electronic proxy appointment through CREST

7. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM and any adjournment thereof by using the procedures described in the CREST manual. The CREST manual can be found at www.euroclear.com. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a 'CREST proxy instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's ('EUI') specification and must contain the information required for such instructions, as described in the CREST manual. All messages regarding the appointment of a proxy or an instruction to a previously appointed proxy must be transmitted so as to be received by Equiniti (ID RA19) by no later than 10.00 a.m. on Tuesday, 14 November 2023. CREST members and, where applicable, their CREST sponsors or voting service providers should note that EUI does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will apply in relation to the input of CREST proxy instructions. It is therefore the responsibility of the CREST member concerned to take such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time.

Electronic proxy appointment through Proxymity

8. If you are an institutional investor, you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 10.00 a.m. on Tuesday, 14 November 2023 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.

Changing proxy instructions

9. Shareholders may change their proxy instructions by submitting a new proxy appointment using the methods set out or referred to above. The cut-off times for receipt of proxy appointments set out above also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

Where a shareholder has appointed a proxy using the hard copy Form of Proxy and would like to change the instructions using another hard copy Form of Proxy, they should contact the Company's Registrars, Equiniti.

If more than one valid proxy appointment is submitted, the appointment received last before the latest time for the receipt of proxies will take precedence.

10. In order to revoke a proxy instruction, a shareholder will need to inform the Company by sending a signed hard copy notice clearly stating its intention to revoke its proxy appointment to the Company's Registrars, Equiniti. In the case of a shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

The revocation notice must be received by no later than 10.00 a.m. on Tuesday, 14 November 2023. If a shareholder attempts to revoke its proxy appointment but the revocation is received after the time specified then the original proxy appointment will remain valid.

11. Termination of proxy appointments made through CREST must be made in accordance with the procedures described in the CREST manual.
12. CREST members and, where applicable, their CREST sponsors or voting service providers, are directed to those sections of the CREST manual concerning the practical limitations of the CREST systems and timings. The Company may treat as invalid a CREST proxy instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Issued share capital

13. As at 21 September 2023 (the latest practicable date before publication of this notice), the total number of ordinary shares of 1 pence each in the capital of the Company in issue was 446,319,384 ordinary shares, with each share carrying the right to one vote. The total number of voting rights in the Company as at such date was therefore 446,319,384. There are no shares held in treasury.

Documents available for inspection

14. Copies of the following documents are available for inspection at the Company's registered office during normal business hours on any weekday (public holidays excluded) from the date of this notice until the close of the meeting and at the place of the meeting from at least 15 minutes prior to, and until the conclusion of, the meeting:

- a. the service contracts of the Executive Directors of the Company; and
- b. the letters of appointment of the Non-Executive Directors of the Company.

If you would like to inspect any of the above documents, please send your request to cosec@kier.co.uk and we will make suitable arrangements.

Availability of information on the website

15. For a period of two years from the date of this notice, the following information will be available on the Company's website (www.kier.co.uk):

- a. this notice;
- b. the total number of shares in the Company in respect of which members are entitled to exercise voting rights at the meeting; and
- c. the total of the voting rights that members are entitled to exercise at the meeting.

Any members' statements, members' resolutions and members' matters of business received by the Company after the date of this notice will be added to the information already available on the website as soon as reasonably practicable and will also be made available for the following two years.

Shareholder questions

16. The Company must answer questions relating to the business being dealt with at the meeting, but no such answer need be given if: (i) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information or (ii) the answer has already been given on a website in the form of an answer to a question or (iii) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

Website publication of audit concerns

17. Pursuant to Chapter 5 of Part 16 of the 2006 Act, where requested by either a member or members meeting the threshold requirements set out in section 527 of that Chapter 5, the Company must publish on its website a statement setting out any matter that such member or members propose(s) to raise at the meeting relating to the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the meeting.

Where the Company is required to publish such a statement on its website, it may not require the members making the request to pay any expenses incurred by the Company in complying with the request. It must forward the statement to the Company's auditor no later than the time the statement is made available on the Company's website and the statement may be dealt with as part of the business of the meeting.

Communication with the Company

18. A member may not use any electronic address provided either in this notice or in any related documents to communicate with the Company for any purpose other than those expressly stated in this notice or in such other related documents.

Registrars' contact details

Please contact the Company's Registrars, Equiniti, for any questions about the AGM or your shares.

Telephone

+44 (0)371 384 2030 (calls from outside the UK will be charged at the applicable international rate).

Lines are open between 8.30 a.m. and 5.30 p.m. (UK time), Monday to Friday, excluding public holidays in England and Wales.

You can send your enquiry via secure email from the Shareview website at www.shareview.co.uk.

Address

Equiniti Limited
Aspect House
Spencer Road
Lancing, West Sussex
BN99 6DA

Online

Visit www.shareview.co.uk

The Shareview portal allows you to view and manage your shareholding online. Shareview is a secure online site where you can:

- Elect to receive certain shareholder communications electronically
- Update your UK bank account details
- Send your general meeting voting instructions in advance of shareholder meetings
- Keep your contact details up to date
- Buy and sell shares easily.

Notes for shareholders attending the AGM

Place of meeting

Linklaters LLP, One Silk Street, London EC2Y 8HQ

Date and time

10.00 a.m. on Thursday, 16 November 2023

Registration

Upon arrival, please go to the registration desk with your 'admission card' which forms part of your Form of Proxy. If you do not have an admission card, you will need to confirm your name and address details with our registrars prior to admittance. Please bring an official photo ID (for example, a driving licence, passport or other national identity card) with you as you will be asked to show it to the reception team on arrival.

Attending the AGM

All entitled shareholders and any proxy or corporate representative validly appointed by such shareholders may attend, speak and vote at the AGM. However, in the case of a joint shareholder, only the vote of the most senior shareholder present (in person or by proxy) at the AGM (as determined by the order in which the names are listed on the Register of Members) shall be accepted.

Asking questions

Shareholders may submit questions in advance via email to cosec@kier.co.uk. You will still have the opportunity to ask questions in person at the AGM.

Schedule

9.30 a.m.	Registration commences
9.45 a.m.	Auditorium doors open
10.00 a.m.	AGM commences

Tea and coffee will be available at the meeting.



Kier Group plc
2nd Floor
Optimum House
Clippers Quay
Salford
M50 3XP

www.kier.co.uk