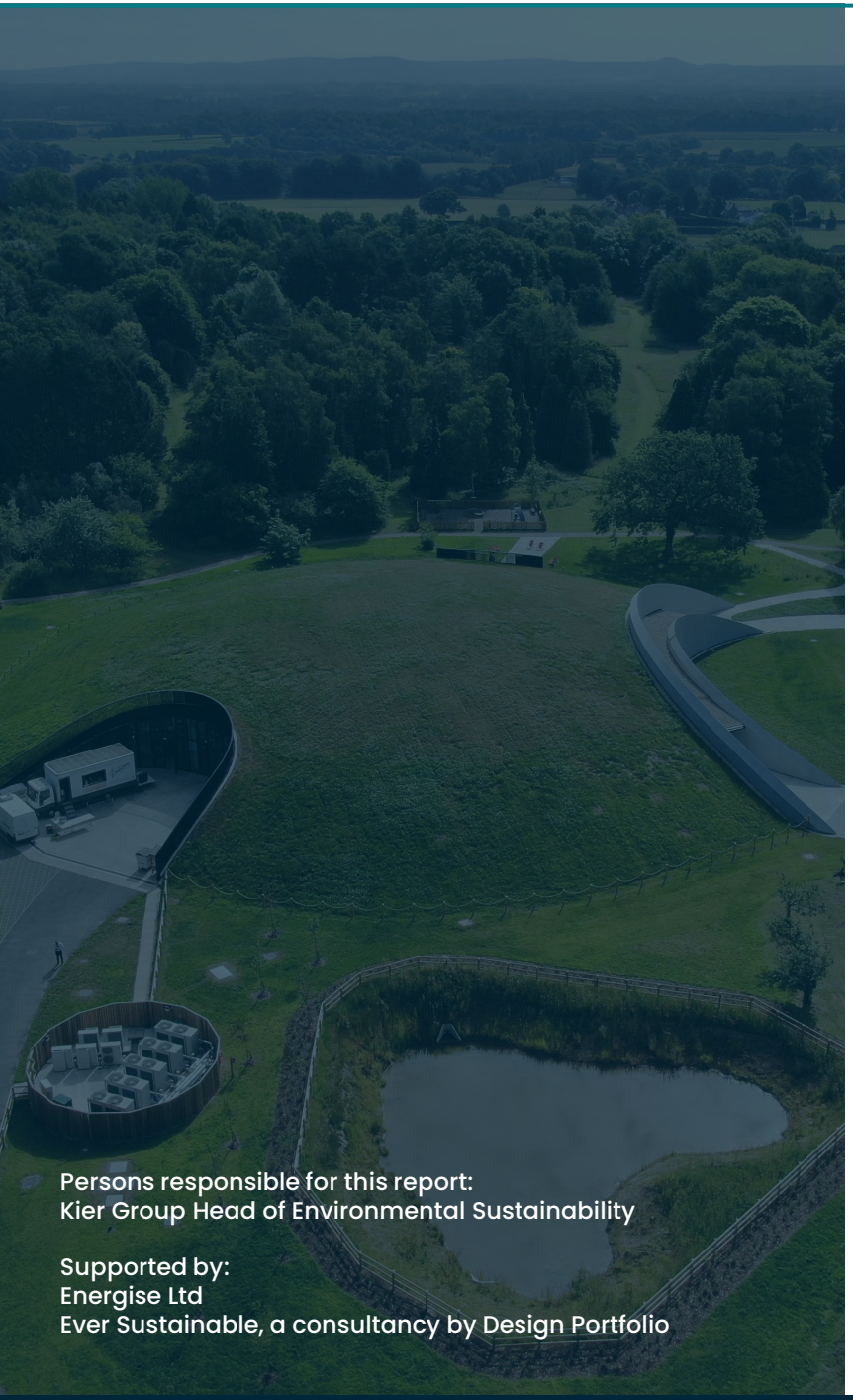
Climate & Nature Report FY25

Kier Group plc

September 2025



Persons responsible for this report:
Kier Group Head of Environmental Sustainability

Supported by:
Energise Ltd
Ever Sustainable, a consultancy by Design Portfolio

This report documents:

- Kier's processes, targets, and performance with regards to scope 1, 2, and 3 greenhouse gas emissions and has been prepared in line with the requirements outlined in ISO 14064:2018.
- Climate and nature disclosure aligned to the Transition Plan Taskforce (TPT) and the Taskforce for Nature-related Financial Disclosures recommendations (TNFD)

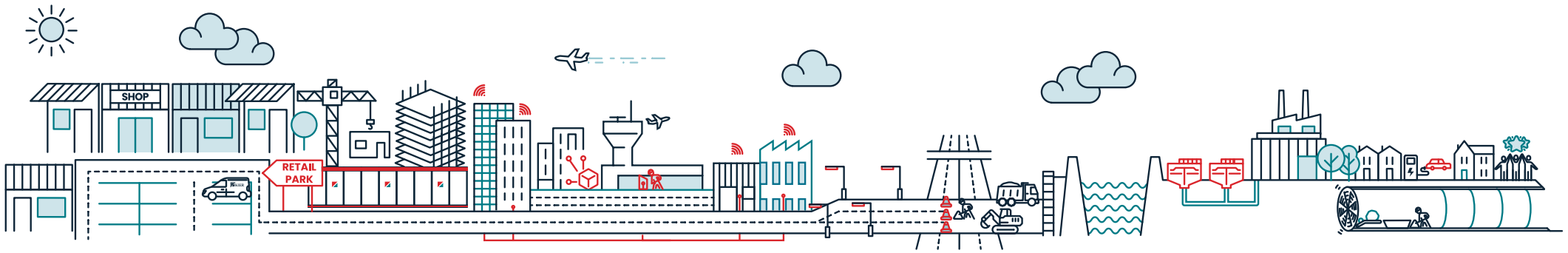
This report is updated annually in line with FY25 annual reporting (July-June inclusive)
All carbon data reflects our most recent carbon reporting year, tax year (April-March inclusive).

Related disclosure

Kier is committed to transparent and comprehensive sustainability disclosure, providing stakeholders with clear insights into how we manage environmental, social, and governance (ESG) impacts across our operations and projects.

Alongside our Climate & Nature report, the below listed disclosures are designed to demonstrate our strategic approach, progress against targets, and alignment with recognised reporting frameworks, enabling stakeholders to understand how sustainability considerations are embedded into our decision-making and long-term value

- **Sustainability at Kier**
  Key information about our key sustainability focus
- **Annual Report and Accounts**
  Our annual non-financial and ESG disclosure, including our TCFD report
- **Building for a Sustainable World framework overview**
  An introduction to our sustainability framework
- **Double materiality assessment (DMA)**
  An overview of our DMA process, findings and SDG alignment
- **Group Policies**
  Corporate policies formalising our commitments to responsible operations
- **Carbon Reduction Plan**
  Our annual carbon reduction plan produced in accordance with PPN06/21
- **Certifications and Memberships**
  Details of corporate memberships and certification evidencing our commitments to responsible operations
- **ESG databook**
  Providing ESG performance data for key reference points



Our business

Our purpose is to sustainably deliver infrastructure which is vital to the UK. We are a leading provider of infrastructure services, construction, and property developments, and committed to delivering for communities and leaving lasting legacies through our work.

In this section you will find:

- **Company overview**
  A summary of what we do within each of our operational business divisions
- **Building for a Sustainable World**
  An introduction to our sustainability framework
- **Sustainability governance**
  An overview of the governance structure for our sustainability framework
- **Sustainability at a glance**
  Headline performance data for our key sustainability metrics

Company Overview

We deliver infrastructure that matters. From decent homes and quality healthcare and educational facilities, to clean water and infrastructure that connects, protects and powers our nation, our business are the fundamentals that matter most. Our business divisions are:

Property

Investing in and developing mixed-use commercial and residential sites across the UK, with a focus on creating vibrant communities and breathing new life into underused spaces. We specialise in urban regeneration, delivering residential-led mixed-use schemes, last mile logistics and industrial developments, sustainable modern offices, and dynamic retail and leisure environments.

Construction

Comprises our regional build, strategic projects and Kier Places businesses. We are a leading UK national contractor, providing project delivery and property maintenance for our public and private clients across a number of sectors, including education, healthcare, justice and borders, defence, and commercial.

Infrastructure Services

Transportation

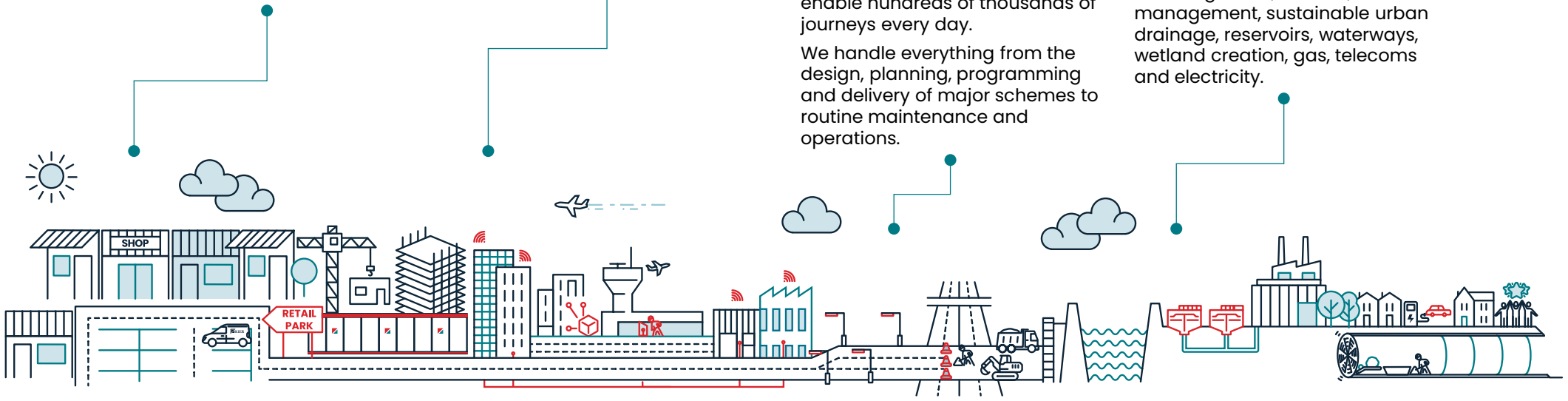
Connects people by delivering design, build, and maintenance infrastructure services that are key to the UK's highways, rail, aviation, and ports sectors. Our transport infrastructure solutions are sustainable, long-lasting and enable hundreds of thousands of journeys every day.

We handle everything from the design, planning, programming and delivery of major schemes to routine maintenance and operations.

Natural Resources, Nuclear & Networks

Provides design, build, maintenance and upgrade solutions to protect essential services and assets, across the UK and Ireland.

Spanning several sectors, including water, nuclear, flood management, sustainable urban drainage, reservoirs, waterways, wetland creation, gas, telecoms and electricity.



Supporting the UK's sustainable transition

By delivering infrastructure that matters across the country, we play our part in enabling the UK's transition to a low-carbon future that is resilient to the effects of climate change. We embed sustainability across our operations—reducing emissions, enhancing biodiversity, supporting green jobs, and delivering energy-efficient buildings to leave lasting legacies and shape a more sustainable built environment.

Property

Kier Property plays an important role in supporting the UK's sustainable transition by delivering developments that prioritise reaching net zero carbon emissions, urban regeneration, and long-term social value. By transforming brownfield sites and aging, inefficient buildings into energy-efficient, low-carbon places, and by working in partnership with both the public and private sectors, we help reimagine places and unlock their full economic potential for the benefit of the wider community.

Construction

Kier Construction deliver low-carbon, high-performance buildings across the education, healthcare, custodial, and defence sectors. Through a focus on net zero carbon emission design, modern methods of construction, and whole-life environmental performance, we help our clients meet their sustainability goals. We create healthier environments for learning, healing, rehabilitation, and national security. Our work also supports wider social aims, enhancing community wellbeing, creating local jobs, and building long-term resilience into public services.

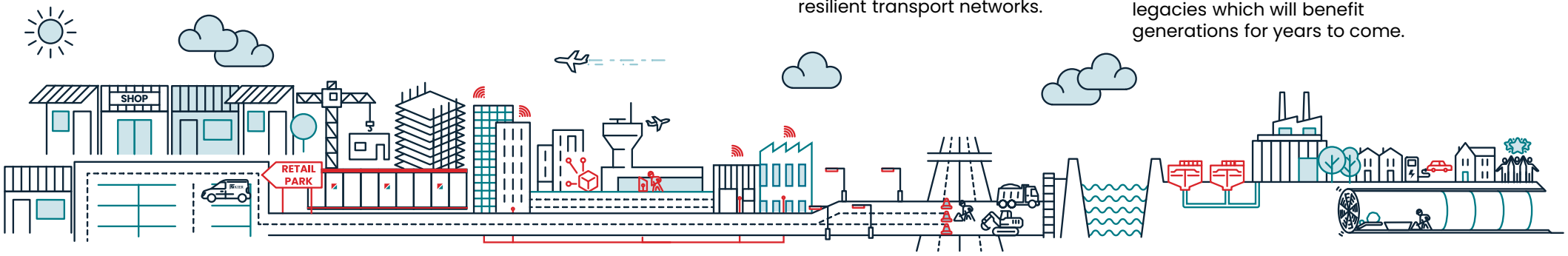
Infrastructure Services

Transportation

Kier Transportation delivers high-performance infrastructure and transport networks to support a sustainable future. We prioritise solutions that create efficient transport systems to boost economic growth while reducing congestion and improving air quality. Our projects foster greener, safer travel options, and generate wider social value by strengthening community connections, creating jobs, and delivering climate change-resilient transport networks.

Natural Resources, Nuclear & Networks

Kier Natural Resources, Nuclear & Networks' work spans water, nuclear, and green energy infrastructure, integrating climate change adaptation measures and nature-based solutions to strengthen resilience against climate impacts. Through environmental restoration, sustainable resource management, and connected networks, we protect communities, restore natural habitats and leave lasting legacies which will benefit generations for years to come.



Building for a Sustainable World

Established in FY20, Building for a Sustainable World is our sustainability framework which defines our strategic approach to address sustainability holistically and comprehensively, from both a financial and environmental impact perspective.

In FY23, using a double materiality assessment and mapping against the United Nations Sustainable Development Goals, we evolved our sustainability framework to focus on the three areas where we can have the greatest impact: Our People, Our Places, and Our Planet.

Double materiality

At the heart of our framework is the principle of double materiality – a critical lens that recognises the dual impact of sustainability issues. This approach assesses both how environmental and social challenges impact our financial performance, and how our business operations impact the wider world.

Sustainable Development Goals (SDGs)

Our framework is also firmly rooted in the United Nations Sustainable Development Goals (SDGs). These global targets provide a roadmap for tackling pressing environmental, social, and economic challenges, shaping our priorities and guiding our commitments. Through our sustainability framework, Kier actively contributes to 10 key SDGs where we have identified material alignment.

KIER

Building for a Sustainable World

Our purpose: To sustainably deliver infrastructure which is vital to the UK

Strategic Pillars	Our People	Our Places	Our Planet
Objectives	Building a workforce & supply chain for the future	Making a positive difference in our local communities	Improving the environment now and for future generations
Topics	Prioritising all our people Ethical labour	Social impact Enabling social mobility	Climate action Valuing nature Resource efficiency
Measures	% of total workforce in training and development programmes Number of people trained in recognising modern slavery	% of total spend with SME's and VCSE's Number of beneficiaries from community or educational outreach	Absolute reduction in carbon emissions (scopes 1 - 3) Significant Environmental Incident Rate Tonnes of waste / £m revenue
	% of Group revenue as added social value		

Kier Built by Brilliant People

Read more about how we focus our sustainability efforts →

Sustainability Framework Governance

To deliver on the objectives of our sustainability framework and to effectively manage and mitigate our Environmental, Social and Governance ('ESG') dependencies, impacts, risks and opportunities, we implement a robust governance structure. Below is a summary of our relevant committees, groups, and foundations.

Leadership

Board

ESG Committee

Chair: Non-Executive Director

Scope: Oversees all ESG matters, including risks and opportunities; advises on strategic direction, embedding ESG priorities into strategic decisions and objectives, and the annual budget process.

Advised by: Group Managing Director ESG Committee and Leadership Forums

Executive

Group Managing Director ESG Committee

Chair: Chief Executive

Scope: Monitors, challenges and provides direction on all Building for a Sustainable World topics.

Advised by: Leadership Forums

Leaders and subject matter experts

Leadership Forums

Chair: Chief People Officer

Scope: Lead implementation of Building for a Sustainable World framework and commitments across all divisions.

Management*

Kier Group functions

Sustainability, health, safety and wellbeing, governance and compliance, assurance, and human resources

Scope: Providing business-wide co-ordination and direction for ESG strategy, including chairing management meetings, ensuring cross-divisional collaboration, ESG reporting, and relationship management with internal and external stakeholders.

Sustainability teams

Building for a Sustainable World framework pillar groups

Chair: Senior member of the Sustainability team

Scope: Co-ordinate strategy, activity and innovation within the respective strategic pillar of the Group.

Subject matter experts

Working groups / task and finish groups

Chair: Nominated subject matter experts

Scope: Explore and action specific focus areas to support our sustainability framework as required by the pillar groups.

Implementation

Business divisions

Building for a Sustainable World and Built by Brilliant People™

Scope: Co-ordinate and implement sustainability priorities; deliver division-specific action plans, initiatives and policies; support and embed awareness, compliance and enhanced standards; share innovation and collaborate to continually improve.

Foundations

Sustainability literacy

Providing knowledge and skills, and fostering sustainability mindsets, both at work and at home, to support informed and effective decision making for a sustainable future.

Learning and performance

Supporting professional development and performance reviews to ensure an equipped, competent and confident workforce.

Health, safety and wellbeing competencies

Ensuring appropriate skills and competency to manage health, safety and wellbeing in all areas of the business.

Read more in our FY25 Annual Report →

*Management of climate and nature-related dependencies, impacts, risks and opportunities is integrated into our overarching ESG governance

Our key achievements for climate and nature

Scope 1 and 2 baseline year
Our reference point against which future operational emissions reductions are measured

EV100 commitment
We joined EV100, committing to electrify our owned and leased fleets by 2030.

Scope 3 baseline year
Our reference point against which future value chain emissions reductions are measured

Kier in Bloom
We launched an awards scheme to incentivise employees to embed nature into their workplaces

Double materiality & sustainability framework refresh
We refreshed our strategy, focusing on three pillars where we can have the greatest impact

Adapting landscapes to climate change

We completed the Lower Otter Restoration Project in Devon, reconnecting a river, estuary & flood plain to create a 136-acre landscape resilient to climate change, creating of biodiverse carbon capturing wetland.

2019 | 2021 | 2022 | 2023 | 2024 | 2025

Completion of the UK's first Passivhaus Leisure Centre

Using our extensive Passivhaus experience, we successfully completed the UK's first Passivhaus leisure centre, St Sidwell's Point in Exeter, reducing the energy bills for the client by 70%.

Green revenue
We began assessing the proportion of our revenue derived from projects delivering net environmental benefit.

TCFD adoption
We adopted TCFD, disclosing on our climate-related risk and opportunity management

SCSS nature group
We proposed the establishment, and now chair the nature group with the Supply Chain Sustainability School ('SCSS')

SBTi validation
The Science Based Targets initiative('SBTi') validated our carbon reduction targets. We also increased the ambition of our near-term targets to retain sufficient forward-looking ambition.

ISO 14064-1 verification
Our emissions data for scopes 1, 2 and 3 was third-party verified with reasonable assurance.

PAS 2080 certification
We achieved certification for the first time to PAS 2080 for carbon management in buildings and infrastructure.

Kier 360 Carbon Solutions
Our in-house design consultancy launched this initiative to improve our low carbon offering for our clients

TNFD adoption
We adopted Taskforce on Nature-related Financial Disclosures ('TNFD') for the first time, disclosing on our nature-related dependencies and impacts.

At a glance: integrating climate and nature into our purpose

We embed performance indicators for climate action and valuing nature into our business. This is part of our strategy to achieve sustainable growth through our delivery of infrastructure that matters to our communities.

Carbon reduction

- Scope 1: 70.0% reduction*
- Scope 2: 85.6% reduction*
- Scope 3: 29.5% reduction*

*Since baseline years
scopes 1 & 2 – 2019
scope 3 – 2022

Waste treatment

97.7% diversion from landfill

- Prevention and reuse
- Recycling
- Recovery
- Disposal

Sustainability literacy**

>13,700 hours

- Volunteering
- E-learning
- Conferences & training
- ISEP environmental training
- Carbon literacy
- Supply chain sustainability school training

**The development of knowledge, experience and confidence our people need to make informed sustainability decisions

Green revenue***

71%

- Tier 1: Significant environmental benefits
- Tier 2: Net positive environmental benefits
- Tier 3: overall net neutral or negative

*** As defined by the London Stock Exchange Green Economy Mark (breakdown on page 19)

Environmental management

A strong foundation of environmental management is essential to the success of any sustainability strategy.

In this section you will find:

- **Environmental management**
  An overview of our environmental management processes, including training and skills
- **Supplier engagement and assurance**
  An overview of how we work with our supply chain to mitigate nature-related risks
- **Sustainable design**
  An overview of our sustainable design capability
- **Innovation**
  An overview of how where we are implementing innovation to drive operational sustainability

Our Environmental Management System ('EMS')

ISO 14001 certification for our EMS since 2005

We operate a robust, ISO 14001-certified EMS, in place since 2005, reflecting our long-standing commitment to environmental stewardship and sustainable development. The EMS provides a consistent framework for identifying, managing, and minimising environmental risks and impacts at every stage of project delivery, from planning and design through to construction, maintenance, and repurposing.

Our EMS is a fundamental part of our license to operate, ensuring we meet regulatory requirements, fulfil stakeholder expectations, and retain access to key markets. It drives best practice across biodiversity protection, sustainable land use, water and resource efficiency, pollution prevention, air quality, and waste management.

Our Executive and sustainability functions are responsible for implementing environmental policy and EMS, with environmental risks and opportunities evaluated both at corporate and project level. Site-specific controls and mitigation plans are embedded into delivery processes, helping safeguard natural habitats, prevent ecosystem degradation, and support nature-based solutions that contribute to climate resilience and long-term value creation.

In-house ISEP approved training to build the capability of our teams

In early FY25, we brought delivery of operational environmental training in-house. In collaboration with the Institute of Sustainability and Environmental Professionals ('ISEP'), we developed an accredited course to build capability across our operational teams. Delivered by internal experts, the training is tailored to real-world construction challenges and fully aligned with our EMS and business systems.

This approach increases relevance, engagement, and practical application, equipping employees to manage environmental risks effectively on site. In its first year, the programme received strong feedback with 1,008 hours of training delivered. Roll-out to 1,700 staff is planned for the years ahead.

In-house delivery also improves flexibility and efficiency, embedding environmental awareness more deeply into our culture. The training is now a core part of onboarding and ongoing development, supporting our commitment to delivering sustainable, responsible projects.

A 60-strong team of environmental professionals supporting our EMS

A team of over 70 expert environmental professionals supports the implementation and continuous improvement of our EMS. Their expertise in ecology, compliance, pollution control, and biodiversity is embedded across our operations. They provide strategic advice, conduct site assessments, engage with regulators and stakeholders, and train operational teams to ensure environmental protection is embedded at every level of the business.

Supplier engagement and assurance

Sustainable procurement is a cornerstone of our commitment to sustainability, we recognise the significant influence our supply chain has on environmental, social, and economic outcomes. We are committed to working with suppliers who share our values and help us deliver high-quality, ethical, and low-impact projects.

Supporting our Supply Chain

We are proud that over 60% of our supply chain spend is with Small and Medium Enterprises (SMEs) and Voluntary, Community and Social Enterprises (VCSEs). These partners play a critical role in our delivery model and in building more inclusive, resilient local economies. We actively support these smaller organisations in enhancing their sustainability capabilities, providing guidance, resources, and collaborative opportunities to help them meet our environmental and social expectations.

- **Supply Chain Sustainability School (SCSS)**
  As a founding partner and board member of the SCSS, we work closely with industry peers to upskill and train our shared supply chains. Through SCSS, suppliers have access to free, high-quality learning on topics including carbon management, biodiversity, modern slavery prevention, and circular economy principles, helping to drive sustainable performance across the sector. We also play an active role in the focus groups led by the SCSS on high-priority topics, including our active participation in the climate group and chairing the nature group.

Supported by our Supply Chain

Our suppliers are required to demonstrate alignment with our standards for health and safety, environmental management, quality assurance, equality and diversity, and modern slavery.

- **Build UK Common Assessment Standard**
  Delivered through ConstructionLine, this is used as our primary prequalification tool, ensuring a consistent and rigorous approach to assessing the competence, compliance, and sustainability performance of our supply chain partners.
- **UK Real Living Wage Employers**
  We require our suppliers to be UK Real Living Wage employers, or to have a clear pathway toward accreditation, ensuring fair pay and improved social outcomes across our value chain.
- **Strategy for Responsible Procurement**
  We work to and require our supply chain to work to our strategy for responsible procurement, setting out the high-level requirements and objectives in place to support our sustainability framework.

Sustainable design

Part of our 360 approach, whereby we have the end-to-end capability to support at any stage of a project's lifecycle, is our capability to address broader environmental concerns, particularly decarbonisation and adding social value from the design stage onwards.

Our 750-strong multi-disciplinary design practice comprises a team of skilled professionals, supported by a broad range of specialists in carbon management, fire safety, acoustic design, conservation, and heritage. We also draw on deep in-house expertise across ecology, environmental management, water conservation, climate adaptation, and sustainability strategy. This collective capability allows us to offer a full spectrum of services that deliver innovative, sustainable, and future-ready solutions for our clients.

We are committed to addressing both the climate and nature emergencies and have been at the forefront of sustainable design, construction, and retrofit for over a decade. Central to our approach is a focus on whole-life carbon, ensuring that both operational and embodied carbon are considered from the earliest design stages through to delivery. Our projects are designed to support net zero goals by integrating low-carbon materials, energy-efficient systems, and electrified heating solutions that are compatible with a decarbonised future.

To ensure transparency and alignment with client expectations, we conduct Life Cycle Assessments (LCAs) at key hold points in the design process, enabling informed decision-making that balances performance, environmental impact, and budget considerations. We actively communicate progress and findings throughout to maintain trust and clarity.

Our designs incorporate Passivhaus principles, focusing on building fabric performance, airtightness, and energy efficiency to reduce heating demand and operational emissions. In parallel, we seek opportunities to embed nature-based solutions—such as green roofs, sustainable drainage, and biodiversity corridors—to enhance ecological value and climate resilience.

This 360 approach ensures that our projects are not only low-carbon, but also nature-rich, climate-adapted, and aligned with the principles of net zero delivery.

Kier 360 Carbon Solutions

Kier 360 Carbon Solutions is a pioneering process designed to deliver whole-life carbon reductions across the assets we build. Rooted in an integrated approach to sustainability, our solution supports clients in making informed, low-carbon decisions from the earliest stages of design through to delivery and beyond.

The process clarifies action at every RIBA stage, identifying key whole-life carbon levers. , engineers, commercial experts, construction managers, and soft-landing specialists to drive practical, joined-up delivery.

At the heart of the strategy is a collaborative, multidisciplinary ethos. By connecting designers, engineers, construction and environmental specialists, Kier ensures cost effective carbon reduction and climate resilience features are embedded across the entire lifecycle. Clients benefit from guidance on sustainable construction methods, low-carbon materials, and energy and climate modelling to future-proof their assets.

More than a carbon tool, Kier 360 Carbon Solutions is a platform for culture change. It upskills internal teams, deepens climate understanding, and positions Kier as a leader in sustainable construction and infrastructure.

Read more about integrated 360 approach on our website →

Innovation

Learn more about our biochar initiative on our website →

Green Hydrogen and Solar Power Trial at the Bridgwater Tidal Barrier

In partnership with the Environment Agency, we are trialling a zero-emission power solution, combining solar panels, green hydrogen fuel cells, and batteries to power our site compound.

We've already applied valuable learnings from planning, setup, and real-time monitoring. This includes adding a second fuel cell and sharing live energy usage data to encourage awareness and behavioural change on site.

Between January and April 2025, the system supplied 16,047 kWh avoiding an estimated 20,000 litres of diesel and 53,000 kg CO_2e. Early results show strong potential as a net-zero solution on off-grid projects.

Reversible Soil Stabilisation on the A417

In partnership with National Highways, Kier trialled SureGround, a reversible soil stabilisation system for site compounds and access routes. This technique temporarily solidifies soil with a specialist binder, enabling safe access without permanent infrastructure or imported aggregates. Once complete, the soil is restored to its original condition, supporting habitat recovery.

This low-impact method minimises environmental disruption and reflects Kier's commitment to low-carbon, nature-positive construction on major infrastructure projects.

Producing biochar from highway vegetation on the A417

In partnership with National Highways, Kier and TerrAffix have delivered a UK-first trial, transforming vegetation removed during works into biochar, a charcoal-like material that stores carbon and supports the circular economy.

Produced on-site from cleared vegetation, five tonnes of biochar were created. The trial aims to explore how biochar can be reused across the project, including in landscaping to support tree growth, in the project's green bridge to retain water, and in drainage systems to capture microplastics. Co-funded with National Highways, the project offers scalable potential for carbon reduction across future infrastructure schemes.

Commitments & disclosures

To support the delivery of our sustainability framework, we review opportunities to share best practice, learn from others, and collaborate with our industry. We participate in various commitment, disclosure, certification, and membership schemes, which are set out in this section.

In this section you will find:

- **Certification & disclosures**
  An overview of the voluntary and statutory disclosure and certification schemes in which we participate
- **Commitments & memberships**
  An overview of the organisations and initiatives we align with to complement our sustainability framework
- **Green revenue**
  Our FY25 green revenue report, detailing the proportion of our revenue derived from projects delivering net environmental benefits
- **Incentives and recognition**
  A summary of our employee rewards programmes which support the delivery of our sustainability framework

This climate and nature report is part of Kier's corporate reporting for FY25. For additional detail on sustainability at Kier, this report should be read in conjunction with other Kier reports, policies and resources.

View more on the sustainability pages of our website →

Certifications & disclosures

To ensure that our strategy and activities are aligned with industry best practice, we regularly participate in voluntary certification and disclosure initiatives. These are in addition to our statutory disclosures, such as Streamlined Energy and Carbon Reporting ('SECR'), Task Force on Climate Related Financial Disclosures ('TCFD') and the Energy Savings Opportunities Scheme ('ESOS').

	What it is	First achieved	Construction	Transportation	NRNN	Property
ISO 14001:2015	Our environmental management system, used to identify and reduce environmental impacts	2005	■	■	■	
CDP	Annual disclosure of climate-related (and from 2025, nature- and water-related) matters	2010	■	■	■	■
Carbon Trust Standard	Certification of the reduction of environmental impact of our operations and supply chain	2013		■		
SBTi	Validation of our near-term carbon reduction and net zero targets to demonstrate alignment to 1.5°C	2023	■	■	■	■
PAS 2080	Certification for carbon management in buildings and infrastructure	2023	■	■	■	
CIPS Corporate Ethics Mark	Demonstrating our safeguards against unethical conduct in procurement & supply management	2024	■	■	■	■
ISO 14064-1	Verification of our greenhouse gas emissions and removals data and management procedures	2024	■	■	■	■
TNFD	Disclosure management of nature-related dependencies, impacts risks and opportunities	2025	■	■	■	■
TPT	Outlining the transition actions, timelines, and governance to achieve our climate objectives	2025	■	■	■	■

See our website for more details on our memberships and disclosures →

Read our annual report for more on statutory disclosures →

Our commitments & memberships

Our commitments and memberships help us stay on track with our targets, whilst also helping to support positive industry-wide change.

We are members and signatories to various industry commitments, which have outcomes aligned with our targets and strategy. This helps us to hold ourselves to account and provides platforms for cross-industry collaboration to accelerate positive action.

Supply Chain Sustainability School ('SCSS')	EV100	Race to Zero	Contractors Declare	Considerate Constructors Scheme (CCS)	Rebuilding Nature
An industry-led organisation for driving the improvement of sustainability knowledge and skills throughout the whole value chain. We have representation on various working groups, including climate and nature.	A global initiative aiming to accelerate a transition to electric vehicles. Under this initiative, by 2030 we have committed to transition 100% of vehicles up to 3.5t and 50% of vehicles between 3.5 and 7.5t to electric*. This commitment includes our company car fleet and commercial vehicle fleet.	A campaign to build momentum towards a decarbonised economy.	A public declaration recognising our climate and ecological crises and a commitment to take positive action.	CCS encourages construction companies to improve their environmental and social performance on site. Sites are assessed on appearance, respect for the community, protection of the environment, safety, and workforce welfare.	An alliance of cross sector organisations which want to invest in nature because it is critical infrastructure, with the aim of creating a Strategic Nature Network.
Through the SCSS, we contributed towards the development and publication of a report supporting the sourcing of sustainable hydrotreated vegetable oil ('HVO'), delivering carbon savings whilst minimising nature-related and other sustainability risks.	As a result of our EV100 membership, the proportion of EVs* within our company car fleet has reached 39%, and we are now developing a roadmap to transition our commercial vehicle ('LCV') fleet to electric* options. This includes a trial of hydrogen-powered LCVs, where battery and PHEV options are not viable.			Last year our average CCS score was 44.3 out of 50, reflecting our commitment to high standards in site appearance, community engagement, environmental protection, safety, and workforce welfare.	Kier Infrastructure Services have joined Rebuilding Nature, demonstrating our commitment to restoring ecosystems at scale by recognising nature as critical infrastructure.

*In line with the requirements of EV100, 'electric' here includes battery electric vehicles, plug-in hybrid vehicles ('PHEV'), fuel cell vehicles, and extended range vehicles.

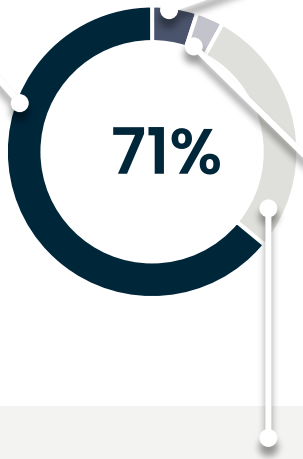
Green revenue

Kier's purpose is to safely and sustainably deliver infrastructure which is vital to the UK, and this includes providing products and services which contribute to a global green economy. To identify the proportion of our projects which deliver on this purpose, we have identified qualifying green revenue from each of our divisions in three tiers as defined by the FTSE Russell Green Revenue Classification System ('GRCS').

The qualifying revenue is broken down by tier and relevant micro-sector on the following page. To calculate these totals, we identify the relevant micro-sector for each project or contract and sum the total revenues within each micro-sector.

Tier 1: clear and significant environmental benefits

For Kier, this includes projects relating to energy and resource efficient buildings and property, energy efficient lighting, solar, rail infrastructure, water infrastructure, and smart and efficient grids.



Tier 2: limited but net positive environmental benefits

For Kier, this includes projects relating to smart city design and engineering, waste management, water treatment, and flood control.

Tier 3: some environmental benefits but overall net neutral or negative

For Kier, this includes projects relating to nuclear power generation.

Non-qualifying revenue

For Kier, this includes projects that do not align with the FTSE Russell GRCS, including the construction of buildings which are not BREEAM certified and the construction and maintenance of highways infrastructure. Some of these projects may deliver environmental benefit. For example, our A417 contract is expected to reduce traffic congestion in the area. However, this project is not recognised within the classification approach defined above.

Tier 1 project: Net Zero Logistics City Bracknell

Kier Property focuses on maximising land value while embedding sustainability throughout development. At Logistics City in Bracknell, we have delivered a new high-specification logistics unit covering 104,339 sq ft, featuring Grade A first-floor offices, sustainable building materials, air source heat pumps and 14 electric vehicle chargers.

This development is Kier Property's first EPC A-rated scheme and its first net zero carbon project, achieving an outstanding 96.3% BREEAM score, the fourth highest globally among over 4,000 projects and placing us in the top 0.1% worldwide.

This exceptional rating reflects our commitment to sustainability. Leveraging lessons from previous projects, we are now applying the Bracknell blueprint to our ongoing Logistics City Milton Keynes development, aiming to replicate and exceed these sustainability standards.

Green Economy Mark (FY25 FTSE Russell Green Revenues Classification)

Code	Green Tier	Micro-Sector & Description	Revenue (£000's) Construction	Infrastructure Services	Property	Total
ES.03.0	2	**Smart City Design & Engineering (General)** Revenue generating activities related specifically to the design, development, manufacture or installation of products and services that allow cities to use IT and communication technologies to operate at a significantly higher resource efficiency level.	£0	£15,701	£0	**£15,701**
EM.01.0	1	**Buildings & Property (Integrated) (General)** Revenue generating activities related specifically to the design, development, manufacture or installation of energy and other resource efficient products and services for use in residential, commercial and municipal buildings. Products include those that contribute to international certification standards such as LEED and BREEAM and can include entire buildings.	£1,436,868	£3,442	£46,691	**£1,487,001**
EM.06.0	1	**Lighting (General)** Revenue generating activities related specifically to the design, development, manufacture or installation of energy efficient lighting.	£0	£0	£0	**£0**
EQ.07.0	3	**Nuclear (General)** Revenue generating activities related specifically to the development, processing, production and distribution of equipment and plants engaged in the supply of power generation that harnesses the energy present within atomic nuclei or their components.	£0	£139,005	£0	**£139,005**
TE.02.1	1	**Railway (Infrastructure)** Revenue generating activities related specifically to the design, construction or management of rolling stock and rail infrastructure. Activities include locomotives, rolling stock, railway infrastructure, systems and equipment (excluding infrastructure where the primary good transported is coal)	£0	£840,132	£0	**£840,132**
WI.06.0	1	**Water Infrastructure (General)** Revenue generating activities related specifically to the design, development, manufacture, operation or installation of products and services that enhance water infrastructure systems. This includes specialty pipes, pumps, valves, actuators, hydrants and meters activities and the development and construction of water infrastructure.	£0	£306,450	£0	**£306,450**
WP.07.0	2	**Waste Management (General)** Revenue generating activities related specifically to the design, development, manufacture, installation or operation of equipment and services for the collection, management and treatment of waste.	£19,210	£0	£0	**£19,210**
EM.08.0	1	**Smart & Efficient Grids (General)** Revenue generating activities related specifically to the design, development, manufacture or installation of equipment and services that enhance the efficiency of operation of the electrical power network. This includes advanced meters, distributed generation, "smart grid" technologies, high efficiency power generation, transmission and distribution technologies.	£0	£55,177	£0	**£55,177**
WI.03.0	2	**Flood Control (General)** Revenue generating activities related specifically to the design, development, manufacture, operation or installation of products and services that prevent or reduce the impact of flood waters.	£0	£133,035	£0	**£133,035**
WI.07.0	2	**Water Treatment (General)** Revenue generating activities related specifically to the design, development, manufacture or installation of technologies or facilities for the separation and purification of water to meet environmental standards. This includes membranes, ultra-violet, desalination, filtration, ion exchange, biological treatment, chemical and environmental treatment.	£0	£27,880	£0	**£27,880**
Green Tier 1 revenue		**Clear and significant environmental benefits**	**£1,436,868**	**£1,205,202**	**£46,691**	**£2,688,760 (66%)**
Green Tier 2 revenue		**Limited but net positive environmental benefits**	**£19,210**	**£176,615**	**£0**	**£195,825 (5%)**
Green Tier 3 revenue		**Some environmental benefits but are overall net neutral or negative**	**£0**	**£139,005**	**£0**	**£139,005 (3%)**

Incentives & recognition

To encourage and reward innovation and best practice in support of our sustainability framework, we provide multiple forms of incentivisation and endeavour to recognise our colleagues for their contributions.

- **Long Term Incentive Plan (LTIP)**
  Executive directors & senior management
  Eligible employees receive payment in Kier Group shares if stretching performance targets have been achieved over a three-year period. A reduction in carbon emissions carries a 10% weighting of the overall LTIP award.

- **Pride of Kier Awards**
  All employees
  From rising stars, to unsung heroes, to best-in-class projects, these awards celebrate our people's achievements. In the 2025 event more than 500 employees or teams nominated across eight categories, which include sustainability. Within the sustainability category, the winner will be someone who has played a crucial role in a project or initiative that has clearly benefitted our people, places, or planet, or helped a customer toward a sustainability goal.

- **Sustainable travel incentives**
  All employees
  As an employee benefit, Kier offers our colleagues various incentives to promote sustainable travel. These include our green car scheme to encourage use of low emission vehicles, our cycle to work scheme to encourage active travel, and a passenger payment rate to encourage car sharing.

Employee engagement initiatives

We support a range of initiatives that promote environmental stewardship, connection to nature, and the health and wellbeing of our people and the communities we work in.

- **Moving through May**
  All employees
  As part of our commitment to health, wellbeing, and social value, Kier's *Moving through May* fundraising challenge encourages colleagues and supply chain partners to get outdoors and connect with nature through walking, running, cycling, swimming, and paddling. In addition to raising funds for the Kier Foundation, the initiative promotes the physical and mental health benefits of connecting with nature, spending time outdoors, and being active. It forms part of our wider approach to fostering a healthy, engaged workforce while supporting access to and appreciation of the natural environment.

- **Kier in Bloom**
  All employees
  Kier in Bloom is our annual competition that helps build habits for pollinators, but also encourages teamwork, wellbeing, innovative thinking and friendly competition between colleagues and contracts. Teams are encouraged to participate by making their place of work more nature-friendly, with the chance to win a financial reward towards a wellbeing or team building activity for their team.

- **Volunteering**
  All employees
  At Kier, all employees are encouraged to take up to two paid volunteering days each year to support causes that matter to them and make a positive impact in the communities where we live and work. This initiative supports a wide range of activities, from environmental restoration projects and biodiversity initiatives to skills-based volunteering with local schools, charities, and community groups. By enabling our people to contribute their time and expertise, we not only strengthen community relationships but also promote personal wellbeing, team cohesion, and a deeper connection to the places our projects serve. 6,076 Kier-supported volunteer hours were completed in in FY25.

"Throughout Moving through May, we have been making the most of the stunning surroundings we are privileged to work in by heading out on weekly walks after work. These outings have taken us on some incredible trails, allowing us to connect with the local landscape and each other in a more meaningful way."

- Rebecca, Kier Transportation

"Kier's volunteering policy and flexible working approach have allowed me to fully commit to my role as Chair of the Board of Trustees at the Sheffield & Rotherham Wildlife Trust. This has been both personally rewarding and professionally valuable."

- Ben, Kier Group

Climate action

As a responsible business, it is our duty to avoid and reduce the impact we have on the climate. Given the diverse range of industrial and public sectors, and blue-chip customers we collaborate with, we have a great opportunity to change the landscape of the UK's built environment for the better.

It remains a strategic objective for us to deliver on our net zero commitments and support our clients in doing the same.

In this section you will find:

Our science-based targets

Since 2023, our near-term carbon reduction and net zero targets have been validated by the Science Based Targets initiative (SBTi), ensuring that our targets are in alignment with the aim of the Paris Climate Agreement to limit global warming to 1.5°C.

Our targets are detailed in the timeline to the right, and in line with our SBTi validation, the following details apply:

- **Absolute vs. intensity**
  Our reduction targets are based on absolute emissions (not normalised by revenue or any other metric) to help us better track our actual impact on the climate and ensure that we decouple business growth and environmental impact.
- **Market vs. location based**
  Our scope 2 targets are market-based (using the emission factors specific to the tariffs we source) to help us understand the impacts of our energy sourcing practices. Although our targets are market-based, we also monitor and report our location-based emissions.
- **Minimum target ambition**
  Our net zero targets require a minimum reduction in emissions of 90% from the base year with a maximum of 10% being neutralised through offsetting. This is to ensure we prioritise actions which reduce our impact and that any net zero claims we make are credible.

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

2019 2022

Our base years
For our scope 1 & 2 targets we apply a base year of FY19, and for scope 3, FY22.

Our near-term carbon reduction targets
By FY30, we are targeting:
- 71.5% reduction in scope 1
- 98% reduction in scope 2
- 42% reduction in scope 3

2030

2039

Our scope 1 & 2 net zero target
By FY39, we are targeting net zero across our scope 1 & 2 emissions

Our scope 3 net zero target
By FY45, we are targeting net zero across our scope 3 emissions

2045

Our milestone plan for climate

To work towards our near-term carbon reduction and net zero targets, we work towards a short-term milestone plan, setting out the key strategic deliverables we aim to achieve within the next three years.

Our milestone plan is informed by our performance data, prioritising action on our most significant emission sources and those sources where we have the greatest control and influence.

The graphic below provides an update on milestones achieved this year, and highlights of our upcoming plans.

2025

Internal carbon pricing
Develop a strategy for internal carbon pricing

We have developed an approach which involves the trial of various pricing methodologies (fee, trading and shadow pricing).

This trial will be rolled out in our Natural Resources, Nuclear and Networks division in 2026 and, if successful, will be reviewed for wider roll out in 2027.

Land use change
Determine a baseline and, if material, set targets relating to land use change

Due to delays in the publication of the GHG Protocol Land Sector and Removals Guidance, we have not yet determined a baseline or set targets.

We have however made significant progress in the Valuing Nature area of our sustainability framework, as detailed throughout this report.

2026

Energy procedures
Work with our new utility broker to progress towards more impactful energy sourcing, e.g. self-generation and Power Purchase Agreements

Fleet electrification
Develop and implement a roadmap for the electrification of our commercial vehicle fleets ahead of our EV100 target year

Supplier engagement
Work with our priority suppliers to improve reporting of our scope 3 data and to introduce more comprehensive sustainability requirements

2027

Implementation of EV and PHEV for commercial vehicles
Wider roll out of EV and PHEV commercial vehicles in line with our EV100 target

Set concrete & steel target
This is reliant on the success of expanding the supply chain collection data

Near-term targets
As we approach our near-term SBTi target year, review the need to set additional interim targets to support our net zero transition

Climate-related dependencies

Delivering on our climate objectives requires not only action within our own operations, but also collaboration across our value chain and alignment with wider system change.

We recognise that our progress is influenced by external factors. To manage these, we have identified five significant climate-related dependencies. Case studies and initiatives demonstrating how we take action on these dependencies can be found throughout this report.

	Technology and material innovation	Renewable energy infrastructure	Government policy	Supply chain action	Data quality
Area of operations	Upstream & direct operations	Direct operations & downstream	Upstream, direct operations & downstream	Upstream & direct operations	Upstream
Dependency	Achieving net zero requires the adoption of low-carbon materials - such as green steel and cement alternatives, and to implement innovative techniques, such as digital tools, for carbon modelling and modern methods of construction.	Kier is dependent on infrastructure upgrades to ensure our net zero transition is practical and resilient. As we shift towards electric and hydrogen power the demand for reliable, high-capacity energy supply is increasing.	Our sector depends on clear government, regulation, incentives, and strategies to drive climate action and systemic change. Uncertainty slows investment and innovation.	With 60% of our spend being with SMEs, our progress relies on supporting suppliers taking climate action. We work with suppliers to reduce emissions and adopt low-carbon materials, making collaboration and capacity building vital.	We rely on accurate, high-quality emissions data to inform decision-making. Better data and analysis enables more targeted action, supports reporting, and strengthens collaboration on finding low-carbon solutions.
Management	We actively trial and adopt new solutions across our projects, testing emerging products within live project environments Through Kier 360 Carbon Solutions, we embed whole-life carbon thinking to continually improve.	We are rolling-out and trialling electric and hydrogen-powered plant and vehicles to reduce reliance on fossil fuels. We install renewable technology with battery storage on sites and projects to cut emissions and ease grid demand.	We actively engage with government and industry bodies to help shape and respond to emerging climate policy. Our collaborative approach ensures we are well positioned to adapt, invest, and support government climate goals.	We work with our peers and clients to support SMEs through the Supply Chain Sustainability School, providing resources, training, and tools to build capability in carbon reduction, data reporting, and sustainable practices across our value chain.	We're improving data quality by engaging suppliers, enhancing data collection, automation and transitioning to hybrid inventory methods. This focuses on enabling carbon reduction across our value chain.

Initiatives & offsetting

Achieving our targets is dependent upon collaboration and innovation; and developing and integrating best practice into our operations.

Reducing our impact

When implementing initiatives to contribute to our near-term and net zero targets, we apply a hierarchy of control to ensure that we prioritise actions that will deliver a meaningful difference, offsetting only the emissions we can't avoid.

The table opposite details some of our most impactful initiatives during FY25.

Offsetting residual emissions

We reserve offsetting for unavoidable emissions only, limiting the total quantity of emissions which can be offset to 10% of our base year for each emission scope. This approach aligns with our SBTi commitment and ensures that we reduce our emissions in line within limiting global warming to 1.5°C above pre-industrial levels.

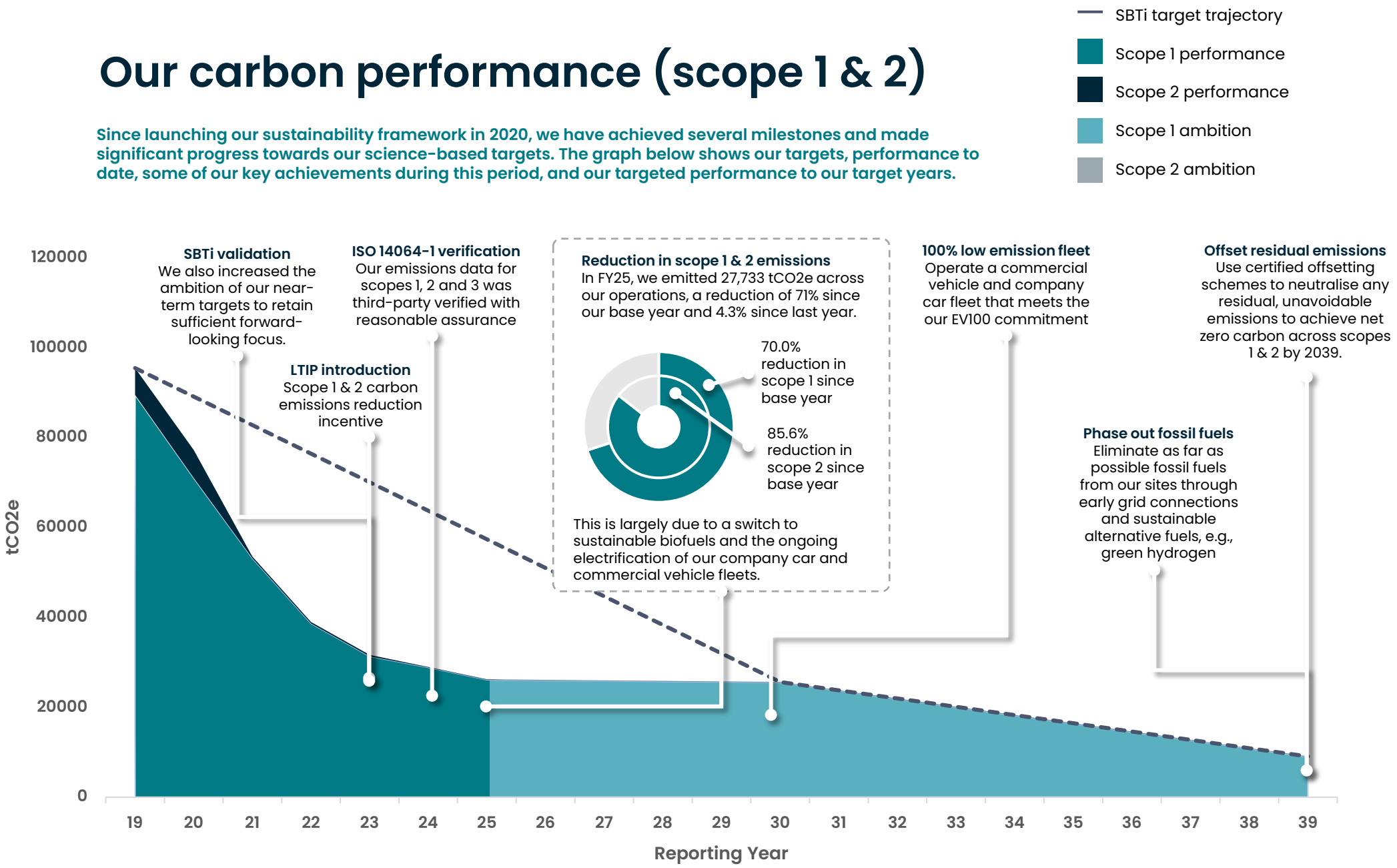
Where offsetting is used for unavoidable emissions, we will use only certified offsetting schemes, prioritising the use of our own sites and land to ensure longevity and locality. We will aim to implement offsetting which also provides valuable enhancements to nature and the local community.

During FY25, Kier did not undertake any offsetting initiatives.

Initiative	Duration	Est. tCO_2e saving	Explanation of CO_2e saving calculation	Status
Early grid connections Accelerate typical programme for mains electricity connections for new projects to avoid reliance on generators for early phases of new construction projects	6 months	53	The expected savings will be determined during the trial period	In progress
HVO roll out Enter a partnership with fuel suppliers able to meet our due diligence requirements to replace diesel with sustainable HVO where possible across our operations	1 year	6,829	Calculated as the emissions of 2.7m L of diesel vs. 2.7m L of HVO (contracted volume)	In progress
Internal carbon pricing Launch a trial of various internal carbon pricing methodologies to incentivise emission reductions in the relevant business area	1 year	TBC	The expected savings will be determined during the trial period	In progress
Supply chain SBTi requirements Introduce requirements for priority suppliers to obtain SBTi validation on net zero targets	Ongoing	-	Due to nature of initiative, savings attributable directly to this initiative cannot be determined	Under consideration

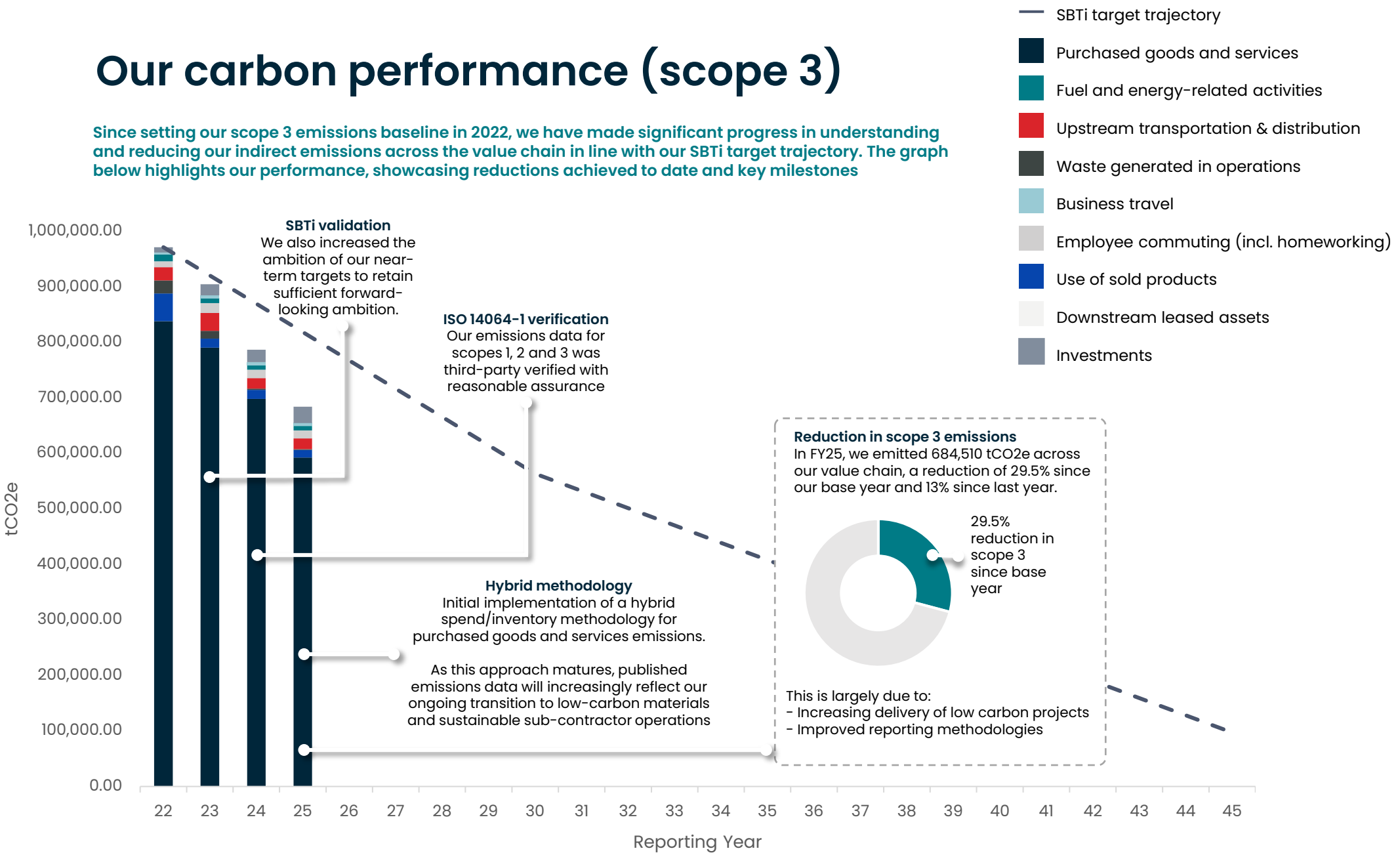
Our carbon performance (scope 1 & 2)

Since launching our sustainability framework in 2020, we have achieved several milestones and made significant progress towards our science-based targets. The graph below shows our targets, performance to date, some of our key achievements during this period, and our targeted performance to our target years.



Our carbon performance (scope 3)

Since setting our scope 3 emissions baseline in 2022, we have made significant progress in understanding and reducing our indirect emissions across the value chain in line with our SBTi target trajectory. The graph below highlights our performance, showcasing reductions achieved to date and key milestones



GHG Inventory

The table opposite details our absolute GHG emissions for our base years (FY19 for scope 1 & 2; FY22 for scope 3), our most recent year (FY25), and two previous years (FY23-24). Emissions here are presented in tonnes carbon dioxide equivalent (tCO_2e).

No GHG removals (offsetting) have occurred in FY25, therefore removals are not reported.

The reporting methodology and other technical reporting detail for this data can be found in Appendix A, and other versions of this inventory, including a breakdown by GHG and our emissions intensity can be found in Appendix B.

*these emissions have been third-party verified to ISO 14064 in line with the Verification Opinion Statement in appendix E.

Category	Greenhouse gas emissions (tCO_2e)				
	FY19 Apr 18 – Mar 19	FY22 Apr 21 – Mar 22	FY23 Apr 22 – Mar 23	FY24 Apr 23 – Mar 24	FY25 Apr 24 – Mar 25
Scope 1: Direct GHG Emissions	**89,490**	**38,643**	**31,342***	**28,853***	**26,873***
Stationary combustion	**84,070**	**17,237**	**12,212***	**12,408***	**13,815***
Mobile combustion	**5,420**	**20,424**	**19,130***	**16,445***	**13,057***
Biogenic emissions	0	3	4,387	3,405	4,456
Scope 2: Indirect GHG emissions from imported energy	**5,970**	**324**	**328**	**115**	**860***
Purchased electricity (location based)	**7,170**	**4,569**	**3,601***	**2,521***	**2,266***
Purchased electricity (market based)	**5,970**	**324**	**328**	**115**	**860***
Scope 3: Indirect GHG emissions from value chain	**-**	**971,314**	**905,529***	**787,008**	**684,479***
Transportation	**-**	**38,243**	**54,771**	**39,585***	**38,957***
Upstream transportation & distribution	-	23,740	32,056*	19,108*	19,172*
Business travel	-	3,817	4,767*	5,329*	5,509*
Employee commuting	-	10,686	17,948*	15,148*	14,277*
Products purchased	**-**	**873,722**	**813,785**	**708,370***	**602,140***
Purchased goods and services	-	838,152	790,384*	697,937*	592,492*
Capital goods	-	Incl. in above	Incl. in above	Incl. in above	Incl. in above
Fuel & energy related activities	-	12,137	9,246*	8,242*	7,917*
Waste generated in operations	-	23,433	14,155*	2,191*	1,731*
Associated with the use of products	**-**	**59,349**	**36,973**	**39,053**	**43,382***
Use of sold products	-	49,853	16,129*	16,389*	13,602*
Downstream leased assets	-		695*	358*	318*
Investments	-	9,496	20,149*	22,306*	29,461*
Total scope 1 & 2 (market based)	**95,460**	**38,967**	**31,670**	**28,968**	**27,733**
Total scope 1, 2 & 3 (market based)	**-**	**1,010,281**	**937,199**	**815,976**	**712,212**

Task Force on Climate-related Financial Disclosures

To ensure we effectively identify, monitor and manage climate-related risks and opportunities, Kier complies with the requirements of the Task Force on Climate Related Financial Disclosure ('TCFD'). Our comprehensive TCFD disclosure can be found in our FY25 Annual Report and Accounts as referenced below.

Recommended Disclosure		Reference
Governance	a) Board oversight of climate-related risks and opportunities	Page 7 & Kier annual report and accounts page 31, 61 – 62, 67
	b) Management's role in assessing and managing climate-related risks and opportunities	Kier annual report and accounts page 31, 61 – 62, 67
Strategy	a) Climate-related risks and opportunities the organisation has identified	Kier annual report and accounts page 56 - 59
	b) Impact of climate-related risks and opportunities on business, strategy, and financials	Kier annual report and accounts page 54 -58
	c) Resilience of strategy under different climate-related scenarios	Kier annual report and accounts page 56 - 58
Risk Management	a) Processes for identifying and assessing climate-related risks	Kier annual report and accounts page 56
	b) Processes for managing climate-related risks	Kier annual report and accounts page 56
	c) Integration into overall risk management	Kier annual report and accounts page 31, 54 - 56
Metrics & Targets	a) Metrics used to assess climate-related risks and opportunities	ESG Databook & Kier annual report and accounts page 43, 56 - 58
	b) Scope 1, 2, and, if appropriate, Scope 3 GHG emissions	Page 29, ESG Databook & Kier annual report and accounts page 43
	c) Climate-related targets and performance	Page 27-28, ESG Databook & Kier annual report and accounts page 21, 39 – 41, 56

Our exposure to physical climate impacts

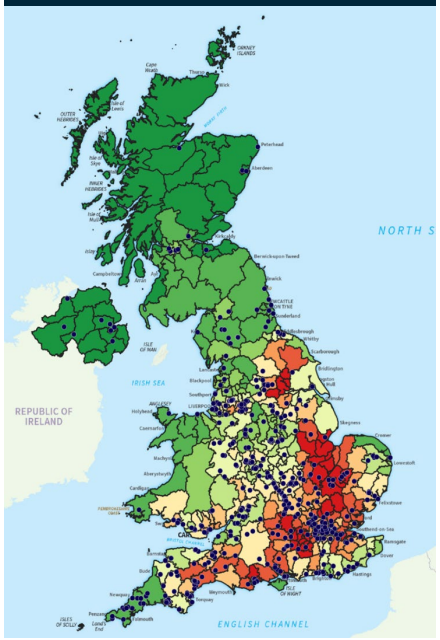
Within our TCFD disclosure, we identified five risks and four opportunities relating to the physical impacts of climate change. These are explored in the maps below, outlining the physical impacts of climate change on Kier operations.

Map legend

Increased likelihood

No / minimal likelihood increase

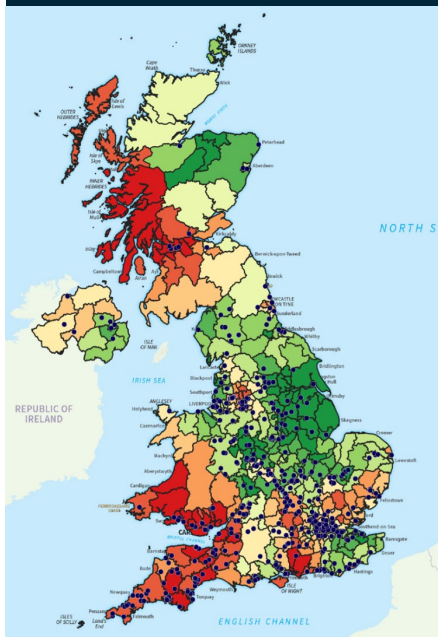
Increasing heatwaves (RCP 4.5)



Over the next 20 years, we expect our operational locations to experience between 27% and 40% more heatwaves* depending on the climate scenario, with the worst affected regions being the South and East of England.

* three consecutive days of temperatures exceeding the "heatwave threshold"

Extreme wet weather (RCP 4.5)



Record breaking wet months reflect a less stable climate and more frequent and intense rainfall events. We expect to see between 20% and 25% more record breaking rainfall months over the next 20 years, primarily in the west of the UK.

Links to our risks

As explained under risk 4 & 5 of our TCFD disclosure, a greater exposure to heatwaves, extreme rainfall, and other severe weather events increases the risk of disruption to our supply chain and to project delivery. This is mitigated through the continual improvement of our environmental management systems

Links to our opportunities

As explained under opportunities 1 & 5 of our TCFD disclosure, these impacts may result in market growth as our clients look to develop new / existing buildings and infrastructure which both reduces their contribution to climate change (e.g., growth in demand for net zero buildings) and is resilient to the effects of climate change (e.g., growth in demand for sustainable drainage schemes and water infrastructure).

Climate adaptation at Toddbrook Reservoir

Kier is leading the restoration of Toddbrook Reservoir for the Canal & River Trust following the emergency in 2019. The project enhances resilience to extreme weather and future flood risks. Recognising increasing climate uncertainty, the project is designed to safely manage a 1 in 10,000-year flood event. This involves strengthening dam structures and upgrading spillways to protect downstream communities.

The restoration also integrates environmental enhancements, supporting local biodiversity and amenity space around the reservoir, creating a sustainable infrastructure asset that balances safety, environmental stewardship, and climate resilience.

Our exposure to physical climate impacts

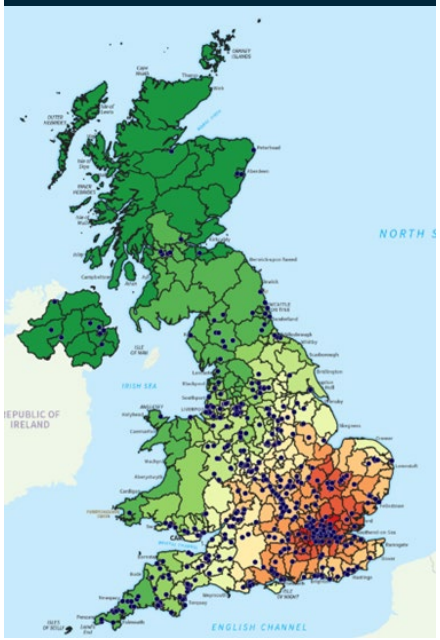
Within our TCFD disclosure we identified five risks and four opportunities relating to the physical impacts of climate change. These are explored in the maps below, outlining the physical impacts of climate change on Kier operations.

Map legend

Increased likelihood

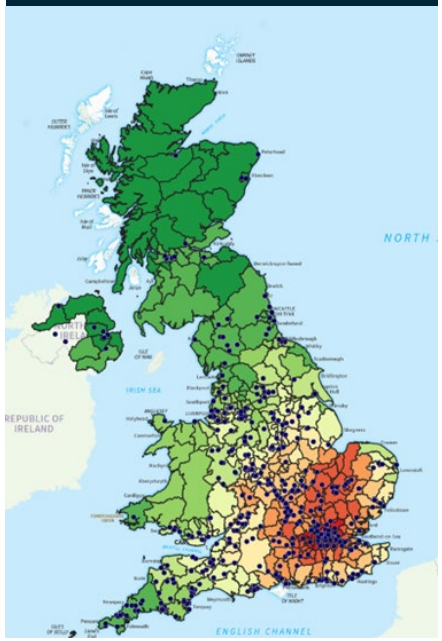
No / minimal likelihood increase

Roads: melt risk
(RCP 4.5)



During heatwave, the risk of road melt increases. This map reflects the increasing risk over the next 20 years associated with prolonged periods above 25°C, across the UK we expect to see between 30 and 55% more events each year depending on scenario

Rail: high temperatures
(RCP 4.5)



Extreme heat, >30C, can lead to rail tracks buckling and transport delays.

These increased risk (18-28% more days each year by 2046, depending on scenario), are most common in the South East of England.

Links to our risks

As explained under risk 4 of our TCFD disclosure, a greater exposure to heatwaves, extreme rainfall, and other severe weather events increases the risk of disruption to our supply chain and our services. This is mitigated by our close management of supply chains, data collation from preferred suppliers and annual supply chain sustainability risk workshops.

Links to our opportunities

As explained under opportunities 5 of our TCFD disclosure, these impacts may result in market growth as our clients work to adapt infrastructure to ensure resilience to the effects of climate change, ensuring transport networks are not impacted by extreme weather event

Sustainable road surface repairs

Climate change is increasing the frequency of extreme weather events, causing road surfaces to deteriorate more quickly. This, coupled with the need to reduce carbon emissions and waste, is why we have been working with Roadmender's Elastomac technology to deliver an innovative, practical, low carbon solution for efficient road repairs, which supports our clients to do 'more with less'.

Offering a more resilient, sustainable alternative to traditional repairs, Elastomac is made from recycled products, including end-of-life tyres, therefore replacing fossil fuel-derived bitumen with circular, locally sourced materials. The pourable compound welds to the road, which eliminates excavation and reduces time on site.

Key Benefits*

- c. 85% reduction in emissions**
- 80% reduction in virgin asphalt
- Zero excavation waste
- 100% recyclable at end of life
- Up to six times more repairs in same time

* Compared to conventional repairs in the same conditions achieving the same outcome.
** Based on a four-person gang and conversion factors supplied by Roadmender.

Valuing nature

As a major contractor, we have a responsibility to protect, restore and enhance habitats, whilst continuing to mitigate climate change impacts, as part of our delivery of vital infrastructure for clients and customers.

We recognise that climate change and nature loss go hand in hand, which is why we aim to tackle these issues in an integrated fashion.

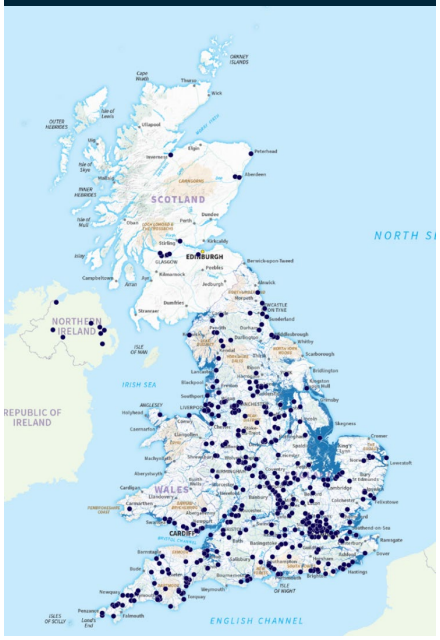
We deliver projects that offer both environmental and social benefits, in line with our holistic approach to sustainability, and which tackle both nature and climate-related impacts. Capitalising on our ability to do so is a competitive advantage for Kier, which also supports our long-term strategy for sustainable growth.

In this section you will find:

Our operations' interaction with nature

To support the assessment of our dependencies, impacts, risks, and opportunities relating to nature, we have mapped our operations to understand our interactions with natural environments. This mapping incorporates issues identified as material through our LEAP assessments, providing a comprehensive view of where our activities intersect with nature. These interactions and identified priorities are presented in the maps below.

Flood risk zones

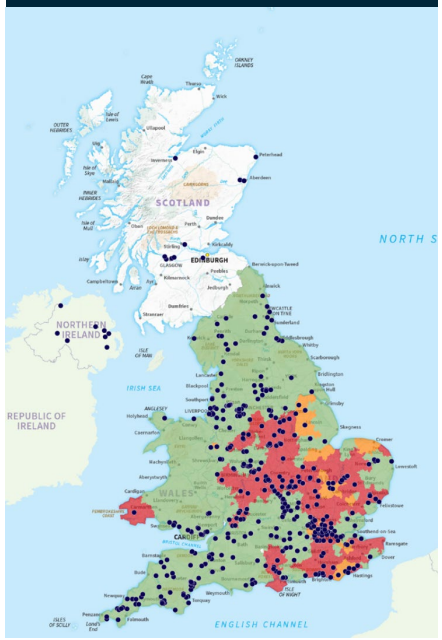


10% of Kier locations are located in:

- Flood zone 2 (1 in 100-year risk of flooding); or
- Flood zone 3 (1 in 30-year risk of flooding)

* Scotland and Northern Ireland data not mapped but included in analysis

Water scarcity



68% of Kier locations are located in areas under serious water stress. The worst affected regions with a high water deficit being London, West Midlands, East Midlands and the East of England

* Scotland and Northern Ireland reviewed separately

Links to our risks

Greater exposure to water scarcity, extreme rainfall, and other severe weather events increases the risk of pollution and spread of invasive species from our projects and supply chains (TNFD risks 1 & 2, see page 41).

This is mitigated by our established EMS and expert consulting and procurement teams, embedding effective controls and continuous improvement of business processes

Links to our opportunities

Our in-house capability and experience delivering nature-based solutions provide opportunities to develop and deliver solutions which are cost effective, low maintenance but also deliver value to social benefits to local communities (TNFD opportunity 1 & 2, see page 42)

Nature-based water resilience at Mansfield SuDS

Working on behalf of Severn Trent, in collaboration with our supply chain partners, our Natural Resources, Nuclear & Networks division assisted in building one of the UK's largest retrofit sustainable drainage systems (SuDS), designed to tackle the growing challenge of extreme rainfall events, increasingly common due to climate change.

The network of green infrastructure, including rain gardens, bioswales, and detention basins captures and slows the flow of surface water. This reduces flood risk to 90,000 people, prevents localised flooding and reduces pressure on combined sewer systems, helping to avoid overflows and drains to cope.

Beyond flood resilience and pollution prevention, the new features have created nature-rich, accessible green spaces that improve biodiversity and provide attractive areas for communities to enjoy, demonstrating how climate adaptation, infrastructure resilience, and community wellbeing can be delivered hand in hand.

Map legend: flood risk: Flood zone 2&3 = shaded blue
water deficit: red = high, amber = medium, green = low

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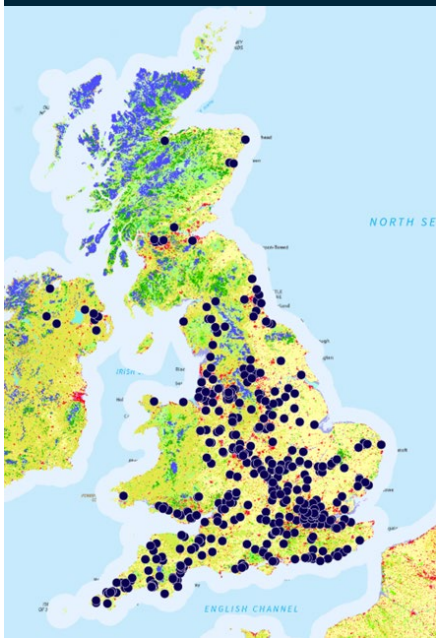
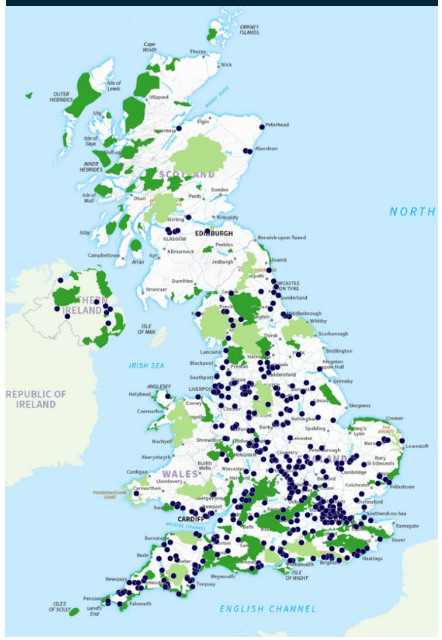
Land classification



81% of Kier locations are located in developed areas.

The majority of remaining locations are within agricultural land. This limits the risk from operations in nature rich landscapes. Exceptions include Arne Moors and the A417 where enhanced ecological controls mitigate higher nature risks

Protected areas



3% of Kier locations are located in national landscapes or national parks.

Assessment of other protected areas including SSSI, SPA, SAC, national and local nature reserves identified limited crossover with works areas

Links to our risks

The designation and protection of land plays a vital role in preserving biodiversity, natural beauty, and cultural heritage. However, these also place constraints on project opportunities (TNFD risks 3 & 4, see page 41). Our mature EMS and experience working with clients such as the Environment Agency demonstrate our effective management controls.

Links to our opportunities

Our environmental expertise help us to ensure we deliver infrastructure that balances societal needs with the protection of natural assets. TNFD opportunity 2 & 3 (see page 42) outline our experience delivering nature-rich projects and remediating brownfield land, turning previously unusable sites into valuable assets—mitigating the risks posed by land designation while delivering sustainable infrastructure and construction development.

Protecting the coast from the impact of climate change

At the Moors at Arne, we are working with the Environment Agency, RSPB and Natural England to create 150 hectares of compensatory intertidal habitat, adapting low-lying grasslands into diverse wetlands that address habitat loss in other areas of Poole Harbour due to rising sea levels pressing against fixed flood defences.

Already home to many rare species such as water voles and sand lizards, as well as a wide variety of birds, botany and invertebrates, our work enhances habitats for such plants and animals, while creating new habitats for a wider range of species.

Once completed, and over time, the tidal movement will create features such as saltmarsh and mudflats, protecting habitats for the vast array of wildlife for decades to come. In addition, new walking paths will allow visitors to explore, see the difference the new habitats have made and enjoy the wildlife.

Map legend: land classification: urban = reds, purple; agriculture = yellow & browns, natural land = greens; wetlands & marsh = blues
protected areas: dark green = national landscapes, light green = national parks

Our milestone plan for nature

To advance our near-term goals for nature recovery and biodiversity enhancement, we work to a milestone plan, setting out the key strategic objectives we aim to achieve over the next three years.

Guided by nature performance data and aligned with Taskforce on Nature-related Financial Disclosure (TNFD) principles, the plan prioritises areas of highest biodiversity value and where we have the greatest influence and deliver environmental outcomes to support global nature and climate transition goals

The graphic below highlights milestones achieved this year, along with key targets for the years ahead.

2025

Enhanced supply chain standards
Ensure sustainability of nature dependent supply chains

We have updated and enhanced procurement standards and controls for biofuels, timber, soils and aggregates.

Our responsible sourcing guidance set standards for direct and indirectly procured resources

Land use change
Determine a baseline and, if material, set targets relating to land use change

As explained on page 24, we have not yet established a baseline or defined targets, however we have made significant progress under Valuing Nature pillar, including collaborating with clients to deliver habitat enhancements, remediate contaminated land, and meet BNG commitment

TNFD report
Publish our first TNFD aligned report

The publication demonstrates our commitment to nature-related reporting and integrating biodiversity into business decision-making.

2026

Large scale biochar trials
Assess benefits of biochar, produced from project vegetation clearance, to tree growth and filtering of microplastics from road run off.

Roll out Soil-flo
Digitise our management and reuse of soil across Kier projects, minimise waste and protect soil resources.

Water data and management systems
Improve and digitise data and enhanced surface water management controls developed.

2027

Social Value of green infrastructure
Embed measurement of social return on investment from green infrastructure delivery

Environmental design & consulting
Grow the expertise and capacity of our in-house design house

Taskforce on Nature-related Financial Disclosures

To ensure we effectively identify, monitor, and manage nature-related risks and opportunities, Kier aligns with the recommendations of the Taskforce on Nature-related Financial Disclosures ('TNFD'). Within this disclosure, we identified key nature-related dependencies, impacts, risks and opportunities, supporting greater understanding of potential business impacts and outlining the mitigation and management measures we are implementing in response.

Recommended Disclosure		Reference
Governance	Describe the board's oversight of nature-related dependencies, impacts, risks, and opportunities.	Page 7 & 38
	Describe management's role in assessing and managing nature-related dependencies, impacts, risks, and opportunities.	Page 38
	Describe how oversight of nature-related dependencies, impacts, risks, and opportunities considers human rights.	Page 38
Strategy	Describe the organisation's nature-related dependencies and impacts.	Page 40
	Describe nature-related risks and opportunities over the short, medium, and long term.	Page 41-42
	Describe the effect of nature-related dependencies, impacts, risks, and opportunities on the business model and value chain.	Page 40-42
	Describe the resilience of the organisation's strategy to nature-related risks and opportunities.	Page 39
Risk & Opportunity Management	Describe processes for identifying nature-related dependencies, impacts, risks, and opportunities.	Page 39
	Describe processes for assessing nature-related dependencies, impacts, risks, and opportunities.	Page 39
	Describe processes for managing nature-related dependencies, impacts, risks, and opportunities.	Page 40-42
	Describe how these processes are integrated into the organisation's overall risk and impact management framework.	Page 39
Metrics & Targets	Disclose the metrics used to assess and monitor nature-related dependencies and impacts.	Page 43 & ESG databook
	Disclose the metrics used to assess and monitor nature-related risks and opportunities.	Page 43 & ESG databook
	Describe the targets used to manage nature-related dependencies, impacts, risks, and opportunities, and performance against them.	Page 43 & ESG databook

Taskforce on Nature-related Financial Disclosure

This is Kier's first disclosure aligned with the Taskforce on Nature-related Financial Disclosures (TNFD) framework. As a construction and engineering business, we recognise that our operations are inherently linked to the natural environment. From sourcing materials and preparing sites, to delivering infrastructure that interacts with ecosystems, our business both depends on and impacts nature at every stage of the value chain.

Introduction

Nature plays a critical role in the resilience, safety, and sustainability of the built environment. Our projects are increasingly shaped by environmental considerations such as land use, water management, biodiversity protection, and climate resilience. Understanding and managing nature-related risks and opportunities is therefore essential—not only for regulatory and stakeholder expectations but for long-term business and environmental performance

Through this first TNFD-aligned report, we aim to establish a structured approach to identifying, assessing, and disclosing our dependencies and impacts on nature. By doing so, we are taking an important step toward integrating nature into our decision-making processes, risk management, and strategic planning, in support of a more sustainable and resilient future for both our business and the communities we serve.

This report should be read alongside our TCFD (Task Force on Climate-related Financial Disclosures) report, available in our FY25 annual report and accounts. Nature and climate are deeply interconnected, recognising this is essential to a resilient and sustainable business strategy.

Governance

The Board maintains oversight of nature-related dependencies, impacts, risks, and opportunities as part of its broader responsibility for environmental, social, and governance (ESG) matters. This includes review and direction of our environmental strategy, nature-related disclosures, and sustainability risk management, supported by our quarterly ESG Committee and senior management team. Our approach ensures that nature considerations are embedded in strategic decision-making and risk oversight at the highest level of the organisation. See page 7 for details on the governance of our sustainability framework.

In line with the TNFD's recommendations, the Board also considers the human rights dimensions of nature-related issues—particularly how environmental impacts may affect the rights and wellbeing of local communities, workers, and other stakeholders. This is aligned with our broader commitment to upholding internationally recognised human rights standards, including those outlined in the UN Guiding Principles on Business and Human Rights.

We acknowledge that there are no Indigenous Peoples formally recognised under international law within the United Kingdom, the primary geography of our operations.

Nevertheless, we apply principles of respect, engagement, and fair treatment to all communities affected by our projects, including through early consultation and impact assessment processes.

Our environmental and social governance structures ensure that both nature and human rights considerations are integrated into project planning and delivery, reinforcing our licence to operate and our commitment to responsible business conduct.

We are committed to systematically integrating community perspectives. This means engaging early and meaningfully with local communities during project planning, embedding feedback loops so that community insights inform risk management and design, and ensuring transparency in communicating potential impacts, benefits, and trade-offs.

We also monitor community outcomes as part of social sustainability activities. Together, these measures ensure that nature and community considerations are built into project delivery, reinforcing both our licence to operate and our commitment to responsible business conduct.

Strategy

Nature loss presents growing and increasingly recognised risks to our business, but valuing nature, particularly the transition toward green infrastructure and nature-based solutions, also offers significant opportunities. While our assessment of nature-related risks and opportunities spans all divisions, certain impacts are more relevant to specific markets, projects, or geographies. This nuance is reflected in how we evaluate the magnitude and materiality of risks across the business.

In FY25, we undertook an internally delivered LEAP (Locate, Evaluate, Assess, Prepare) assessment. This process built on our EFRAG aligned double materiality assessment and leveraged external tools (ENCORE and SBTN) and geographic nature data, internal operational insights, and existing environmental assessments to systematically identify, assess, and respond to material nature-related risks and opportunities. Our use of these tools also supports the identification of ecological thresholds and potential tipping points, helping us consider where critical limits could trigger cascading impacts on biodiversity, ecosystem services, and the communities our projects serve.

This work has enhanced understanding of nature-related dependencies, impacts, risks, and opportunities under different operational conditions and time horizons, enabling us to better anticipate and manage emerging regulatory, physical, and reputational risks, while identifying opportunities to create long-term value through sustainable design, nature-based solutions, and ecosystem resilience.

Risk & Opportunity Management

We consider nature-related risks and opportunities holistically and jointly with climate, including physical ecosystem changes, regulatory change and nature-related transition —whether current or emerging. These are assessed across our own operations as well as upstream and downstream activities, and over short-term (to 2027), medium-term (2028–2030), and long-term (2031–2050) horizon, Nature-related risks and opportunities are assessed using our existing Group risk management framework. Risk prioritisation is based on a 3x3 matrix evaluating impact magnitude and likelihood, supplemented by a risk velocity measure to provide additional insight into how quickly risks may materialise.

Our sustainability principal risk reflects the interconnectedness of nature, climate change, and broader environmental and social factors. Through our assessment, we identified three key nature-related dependencies and impacts, four material risks, and three opportunities that have the potential to significantly affect our business. We define material risks and opportunities as those that, if not effectively managed, could substantially impact our operations, value chain, environmental footprint, or financial performance, detailed on pages 40-42

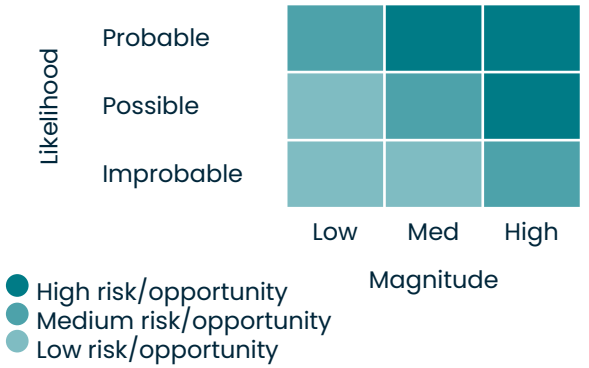
As part of this assessment, we reviewed nature-related dependencies, impacts, risks and opportunities across each of our operating divisions. Each Kier business division maintains an environmental aspects and impacts register covering the entire lifecycle of operations and projects.

These risks and opportunities are managed by our sustainability teams, with material issues escalated to the divisional and corporate risk register as appropriate. Controls are embedded into operational practices through our ISO14001:2015 certified management system.

We recognise the long-term nature of many nature-related risks and opportunities. This presents challenges in fully integrating them into current financial planning and corporate risk processes. As our TNFD approach matures, we remain committed to improving alignment and strengthening our internal systems for long-term risk management and disclosure.

Future scenario analyses will also incorporate ecological thresholds and tipping points alongside climate projections, to better anticipate systemic and non-linear risks while informing resilience planning and investment decisions.

Risk and opportunity assessment



Nature-related dependencies and impacts

Three key nature-related dependencies and impacts have been identified as material in our assessments, presented in the table below.

	1. Land	2. Resources	3. Climate
Significance	High	High	High
Area of operations	Direct operations	Upstream & direct operations	Upstream, direct operations & downstream
Dependency	**Land availability:** As a construction and infrastructure business, Kier is dependent on land availability and is involved in land conversion.	**Resource availability:** Limited availability and increased cost of responsibly produced supply chain products associated with faltering ecosystems slowing material production.	**Climate regulation:** Kier operations are dependent on a stable climate to deliver projects efficiently and on schedule. Extreme weather events associated with climate change increase risks of supply chain disruption, pollution and safety of operations.
Impact	**Land use change:** Land use change has the potential to fragment habitats and species populations, and impairing the regulating ecosystem services they provide	**Resource extraction:** • Unsustainable production of key material leading to nature impacts, habitat loss and pollution. • Inefficient management of resources (materials and water) leading to unnecessary waste and resource use.	**GHG emissions:** Emissions, across our value chain, drive climate change and impacts habitat and species stability
Management	Our design and construction methods retain key habitat and natural features. We work with clients to compensate for habitat loss on site or locally, often delivering biodiversity units/habitat enhancement. Where contaminated land impacts projects we bring this back into use. Prioritising the remediation and safe reuse of contaminated materials preventing waste	Kier operations operate under ISO14001 certified environmental management systems and in accordance with ISO20400. We embed control standards for key resources with a high risk of nature impacts including timber, biofuels and aggregates/soils	Kier has approved science-based carbon targets aligned to 1.5C. We are on track to decarbonise our operations and have committed to net zero. Our physical climate scenario analysis informs corporate, division and project risk registers to ensure effective controls are in place. Our climate and nature actions work in parallel to manage co-dependent impacts and dependencies

Nature-related risks

Four key nature-related risks have been identified as material in our assessments, presented in the table below. Risk rating identified is post-management intervention

	1. Pollution	2. Protected and invasive species impacts	3. Project opportunities reduced due to increased protection for nature	4. Community objections from loss of local nature / green space
Risk rating	Medium	Low	Medium	Low
Area of operations	Upstream and direct operations	Direct operation	Direct Operations	Direct operations & downstream
Primary potential impact	Remediation costs or prosecutions	Project delays, increasing costs or prosecutions	Decreased revenues due to reduced project opportunities	Risk of project delays and reputational harm
Description	Damage to local habitats/species and contamination of soil and water.	Harm to protected species/spreading invasive species through Kier operations.	Increasing protection for habitats, and species and increasing regulatory requirements - e.g. BNG - lead to limited access to new projects and increased material costs due to land constraints	Green space loss / lack of local opportunity to compensate leading to negative impacts on communities such as exposure to floods, storms, soil erosion and wellbeing impacts associated with development
Time Horizon	Short	Medium	Medium	Medium
Mitigation hierarchy	Avoid/Mitigate	Avoid/Mitigate	Mitigate/Offset	Avoid/offset
Management	• Kier operations operate under a certified to ISO14001:2015 environmental management system • Within operations we have over 70 environmental professionals, working to manage environmental risks across the entire project lifecycle • We deliver ISEP approved environmental training to operational staff; ensuring competent management of environmental risks and opportunities • Our in-house environmental consulting teams provide expert support to operations where technical solutions are required		Broad market coverage limit specific market exposure, and a majority of project permission is in pace ahead of involvement. Our experience delivering projects in sensitive areas, ISO14001 management systems and mature processes (such as Group Tender Review Committee) ensures risks are effectively controlled	Our pre-start environmental assessments inform resilient design to minimise risks. We work with our clients and partners to engage communities and stakeholders to address concerns and adapt project delivery
Associated Impacts and Dependencies	• Land use change • Resource Extraction • Climate regulation	• Land use change • Resource Extraction	• Land use change • Resource Availability	• Land use change • Climate regulation

Nature-related opportunities

Three key nature-related opportunities have been identified as material in our assessments, presented in the table below. Opportunity rating identified is post-management intervention

	1. Low carbon and climate resilience expertise	2. Nature rich projects supporting wildlife and community access to nature	3. Land remediation & material reuse
Opportunity rating	Medium	Medium	Medium
Area of operations	Downstream	Direct operations & downstream	Direct Operations
Description	Climate change increasingly impacting existing buildings and infrastructure increasing demand for low carbon solutions and repair and maintenance services We work to align Kier operations to delivery key client sustainability priorities; delivering nature-based solutions that deliver climate adapted and low emission solutions	The creation and improvement of green spaces in our projects not only supports nature, but also provides ecosystem services including: - Reduced flood risk and soil erosion - Urban cooling - Amenity value and wellbeing benefits to local communities Our positive track record and performance on nature provide work winning opportunities, attract talent and build strong nature positive reputation.	Brownfield and contaminated land development and remediation removes waste and pollution ensuring land is safe for development and also provides benefits to the surrounding environment. Our ability to remediate sites and pollution and reuse materials reduces land use change and project delivery costs associated with raw material imports, waste removal and habitat compensation
Time Horizon	Short	Medium	Short
Mitigation hierarchy	Mitigate	Enhance/restore	Restore
Management	Our operations are certified to ISO14001:2015. This EMS manages both environmental risks and opportunities across the business, with C. 60 environmental professionals supporting operations to deliver sustainable outcomes. Our internal design/consultancy providing technical expertise including green infrastructure, nature-based solutions to climate change and cost-effective low carbon solutions. We also draw on deep in-house expertise across ecology, environmental management, water conservation, climate adaptation, and sustainability strategy. This collective capability allows us to offer a full spectrum of services that deliver innovative, sustainable, and future-ready solutions for our clients.		
Associated Impacts and Dependencies	• GHG emissions • Climate regulation	• Climate regulation • Land availability	• Land availability • Land use change • Resource availability

Metrics and targets

To support transparent and effective management of our nature-related dependencies, impacts, risks, and opportunities we have established a suite of key metrics and targets that reflect our most material interfaces with nature across our operations and value chain.

These metrics not only inform our nature-related risk management but also guide our progress towards sustainable and responsible business outcomes. As our TNFD approach evolves, we are committed to refining and adding additional recommended indicators and to work with our peers to ensure consistent disclosure.

Carbon emission data and performance can be found on pages 29 (scope 1, 2 and 3 carbon data is verified with reasonable assurance to ISO14064-1) Additional environmental and sustainability metrics and performance data for the last three years, can be found in our ESG Databook, available on our website.

Metric	Performance	Unit	Target	Scope	Status
Biofuel compliance	100%	% of supplied volume	100% compliance	RFAS Renewable Fuel Declaration (RFD) plus supply chain certification (e.g. ISSC)	
Considerate Constructor Scheme performance	44.3	Average score out of 50	Maintain excellent performance	Registered sites average score, assessing worker wellbeing, community relations & environmental impact	
Green Revenue	71%	% of total revenue	Greater than 50% revenue with a net environmental benefit	Revenue from projects with a net environmental benefit as per FTSE Russell GRCS	
Landfill Diversion*	97.7%	% diversion from landfill	Maintain at least 95% diversion from landfill	Excludes hazardous and wastes where disposal is legally required	
Significant Environmental Incident Rate*	54	Significant Incidents / 100,000 hours	5% annual reduction	Defined by internal threshold: major pollution, regulatory breach, or public harm.	
Sustainability Literacy	13,726	Employee hours	New metric	Engagement, training and volunteering supporting practical and informed sustainability decisions	
Water Use	30.20	m^3 per £1m revenue	New metric	Includes directly supplied water where Kier is the bill payer	
Waste Tonnages*	16.34	Tonnes per £1m revenue	5% annual reduction	All construction and demolition waste included	

* Limited third-party assurance

On-track | Progress made | Off-track | New metric

Appendix A

Carbon Technical Reporting Detail

Reporting methodology

Our approach to GHG reporting is aligned to the Greenhouse Gas Protocol Corporate Accounting Standard, including direct emissions (scope 1), indirect emissions through purchased or acquired electricity (scope 2), and indirect emissions (scope 3).

Organisational Boundary

Consolidation approach

Kier applies a financial control consolidation approach, meaning we account for 100% of emissions from assets and activities over which we have financial control.

Joint ventures

For joint ventures we account for our share, as determined by percentage total revenue, of total GHG emissions from the joint venture project or contract.

- Where Kier's equity share is greater than 50%, we have financial control. We therefore report our equity share of emissions under scopes 1, 2 and 3 in the relevant categories.
- Where Kier's equity share is less than or equal to 50%, we do not have financial control. We therefore report our equity share of the scope 1 & 2 emissions of the contract only under scope 3, category 15 (investments).

Reporting Boundaries

Assessment of significance

A significance threshold is used within our corporate GHG accounting procedure to determine which GHG sources and sinks are material and therefore may not be excluded from our reporting.

Kier's definition of significance aligns with the exclusion limits defined by the Science Based Targets Initiative (SBTi), whereby exclusions of emission sources must not exceed:

- 5% of scope 1 & 2 emissions
- 33% of scope 3 emissions

If an emission source does not exceed the significance threshold defined above, this may still be included within Kier's reporting boundary for completeness.

Details of our excluded emission sources can be found on page 49.

Reporting Boundaries Continued

Greenhouse gases (GHGs)

Emissions are reported for all categories in carbon dioxide equivalent (CO_2e). For direct (scope 1) emissions only, subdivided into GHGs (carbon dioxide (CO_2), methane (CH_4), nitrous oxide (NO_2), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF_6), and nitrogen trifluoride (NF_3)).

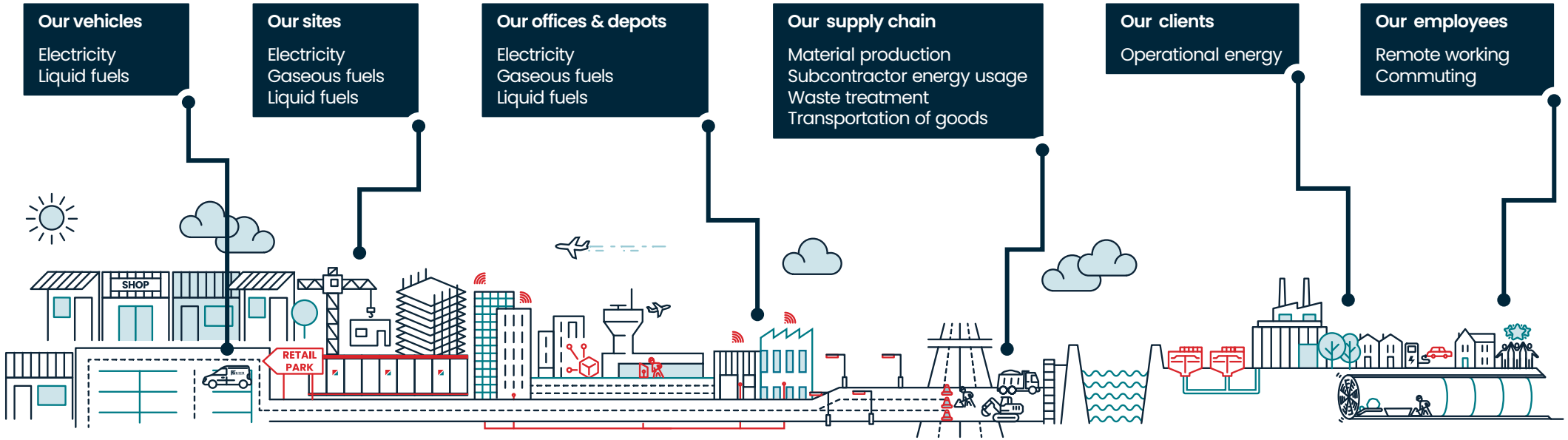
Emission Sources

Kier's operations are predominantly UK-based with minor operations in the Middle East. Our Middle East operations are a negligible emission source in comparison to our UK-based operations.

We operate at c.400 locations at any one time, with a summary of our emission sources detailed below.

Reporting Cycle

Our GHG emissions and removals are reported in alignment with the financial year April-March. The data presented in this report covers the period April 2024 – March 2025 inclusive.



Quantification methodology

To aim for maximum accuracy, our GHG quantification methodology prioritises data with greater accuracy and less uncertainty. These approaches are detailed below in order of priority. In these examples, the 'unit' refers to the quantitative value of the emission source (e.g., litre of fuel, kWh of electricity), and the 'factor' refers to the GHG emissions associated with one unit (e.g., tCO2e per litre).

- Physical unit, supplier specific factor
- Physical unit, generic factor
- Spend unit, generic factor
- Estimated unit, generic factor

Where generic units are used, we use publicly available datasets to ensure consistency with our peers, auditability, and to limit uncertainty.

The following datasets are used for these factors:

- UK Government Conversion Factors: used in all cases except Purchased Goods & Services and Upstream Transportation & Distribution
- UK Government EEIO factors, adjusted for inflation using the average CPI rates published by the ONS: used for Purchased Goods & Services and Upstream Transportation & Distribution

Details of the conversion factors used are shown in Appendix C.

*see page 49 for details on excluded categories.

Scope	Category	Description	Unit type	Factor type
1	Stationary combustion	Liquid and gaseous fuels used for energy generation for use in stationary equipment (e.g. natural gas, generator fuels)	Physical	Generic
1	Mobile combustion	Liquid and gaseous fuels used for energy generation for use in mobile equipment (e.g. fuels in company cars and commercial vehicles)	Physical	Generic
1	Operation of facility	Fugitive emissions, i.e., losses from air conditioning systems	Excluded*	Excluded*
2	Imported electricity	Generation of electricity on Kier's behalf, as purchased for direct use across our operations	Physical	Supplier-specific
3	Purchased goods and services	Emissions associated with the goods and services purchased (cradle-to-gate emissions of directly and indirectly sourced materials, scope 1 & 2 emissions of our subcontractors)	Spend / Physical	Generic
3	Capital goods	Cradle-to-gate emissions of capital goods purchased by Kier, e.g., plant, vehicles, offices	Spend	Generic
3	Fuel and energy related activities	Well-to-tank emissions of fuels and transmission and distribution emissions of electricity purchased by Kier	Physical	Generic
3	Upstream transportation & distribution	Transportation of materials to our sites	Spend / estimation	Generic
3	Waste generated in operations	Treatment and disposal of waste generated at our sites, depots, and offices	Physical	Generic
3	Employee commuting	Fuel and electricity used for commuting mileage and energy consumption from remote working	Estimation	Generic
3	Upstream leased assets	Fuel and electricity used by Kier but supplied by our client or landlord	Excluded*	Excluded*
3	Downstream transportation & distribution	Not relevant to Kier's operations	N/A*	N/A*
3	Processing of sold products	Not relevant to Kier's operations	N/A*	N/A*
3	Use of sold products	Direct, regulated energy use of assets Kier has designed and delivered	Physical	Generic
3	End of life treatment of sold products	Demolition, waste treatment/disposal at the end-of-life of assets Kier has designed and delivered	Excluded*	Excluded*
3	Downstream leased assets	Energy used by lessees at locations owned by Kier	Physical	Generic
3	Franchises	Not relevant to Kier's operations	N/A*	N/A*
3	Investments	Our equity share of scope 1 & 2 emissions of joint ventures over which Kier does not have financial control	Physical	Generic

Quantification of biogenic emissions

The only current source of biogenic emissions within our inventory is biofuels, specifically HVO. Quantification of emissions from HVO aligns with the UK Gov GHG Conversion Factors for Company Reporting: Methodology Paper, whereby only CH_4 and N_2O emissions contribute to the CO_2e. CO_2 expelled during the burning of the fuel is cancelled out by the CO_2 absorbed by the feedstock, and this is reported separately for applicable scopes. The conversion factors set out in the methodology paper are applied to HVO volumes to calculate emissions.

Assurance

We run three lines of data assurance on the data presented in this report:

Group-level assurance (ongoing)
Data is reviewed at Group level to ensure quantities from raw data reports equal quantities in our GHG reports and to identify significant anomalies and/or data gaps.

Divisional-level assurance (quarterly)
Data is reviewed at divisional level to identify and investigate anomalies and/or data gaps at a localised level.

Third-party verification (annually)
Data is reviewed by a third party in line with ISO 14064 in order to achieve reasonable assurance for 100% of our GHG inventory.

Base year selection

Kier currently use a base year of Fiscal Year (FY) 19 (April 2018 – March 2019 inclusive) for scope 1 & 2, and a base year of FY22 (April 2021 – March 2022 inclusive) or scope 3.

FY19 has been selected as the base year for scope 1 & 2 because, at the time of setting our net zero targets, it was the most recent complete reporting year which would not have been skewed by any impacts of the COVID-19 pandemic.

FY22 has been selected as the base year for scope 3 as it was the first year in which Kier calculated and reported scope 3 emissions. The reporting methodology for certain scope 3 categories could not be backdated to FY19, therefore separate base years have been used.

Kier's base years shall remain fixed for as long as they remain representative of our current operations and align with our current methodology to ensure a continuous like-for-like comparison.

Following structural change e.g. acquisition, change in methodology including emission factors or discovery of an error/s that amount to a change of at least 5% to Kier's emissions, the representativeness of the base year shall be reviewed in line with our restatement approach defined in our internal standards.

Ongoing improvement

We are committed to ongoing improvements in data quality in order to reduce uncertainty and improve accuracy. Specific improvement measures we aim to implement include:

- Removal of exclusions
- Adoption of physical unit methodologies
- Adoption of supplier-specific factors

Changes in the reporting year

During the reporting year we rolled out the use of our new environmental reporting platform, Rio. This platform enables the reporting of various data types including waste, utilities, fuel, transport, and materials.

To bring greater oversight and control to our GHG data management processes and to improve the accessibility of this data for our internal teams, we have begun using Rio as our GHG quantification platform for the majority of our emission sources, replacing our previous process of consultant-led quantification.

Despite this change in platform, our sources for carbon factors, the raw data sources we use, and the quantification methodology for each source (as defined on page 56) remain unchanged, therefore restatement is not required.

Exclusions

The exclusion of emission sources is limited only to those which do not meet our significance threshold defined on page 45.

The table opposite details the categories that are excluded from our GHG inventory, and those that are not relevant to our operations.

Scope	Category	Excluded/ Not relevant	Estimated % of emissions	Justification
1	Operation of facility (fugitive emissions)	Excluded	<0.1%	Emissions from this category are negligible when compared to Kier's total GHG emissions. Fugitive emissions are assessed annually to ensue this remains the case.
1	Process emissions	Not relevant	-	-
2	Imported heat	Not relevant	-	-
3	Upstream leased assets	Excluded	c.0.1%	Based on an estimation of materiality using scope 1 & 2 energy use and number of leased assets, this category is expected to account for less than 2% of Kier Group's scope 3. A reporting methodology for this category is in development.
3	Downstream transportation and distribution	Not relevant	-	-
3	Processing of sold products	Not relevant	-	-
3	End-of-life treatment of sold products	Excluded	c.0.2%	Based on the LETI Climate Emergency Design Guide, it has been estimated that this category represents c.2% of an asset's lifecycle emissions. A reporting methodology for this category is in development.
3	Franchises	Not relevant	-	-

Uncertainty

While every effort has been made to accurately report on our GHG emissions, for certain sources and processes there is an element of uncertainty. This has been qualitatively assessed in the table opposite, and the definitions of low, medium and high for each source of uncertainty are provided below:

Emission Factors
Low: Official / auditable factor source used
Medium: Bespoke factor for Kier used (auditable)
High: Unofficial / un-auditable factor source used

Mitigation: Where third-party factors are used, we use official, recognised sources such as the UK Government conversion actors. We prioritise use of supplier-specific factors and adjust spend-based factors for inflation.

Activity Data
Low: Automated data capture and/or data subject to robust management / assurance processes
Medium: Manual data capture and/or data subject to some assumptions
High: Estimated data or data subject to high level of assumptions

Mitigation: Where possible, activity data is derived from sources which avoid manual data entry or already benefit from existing management, administration and assurance processes.

Quantification Methodologies
Low: Physical unit methodology
Medium: Spend-based methodology
High: Estimation-based methodology

Mitigation: We apply a hierarchy of data management as defined on page 47 to limit estimation / assumptions.

Category	Overall	Emission factors	Activity data	Quantification methodology
Stationary combustion (bulk fuels)	Low	Low	Low	Low
Stationary combustion (natural gas)	Low-medium	Low	Low-medium	Low
Mobile combustion	Low	Low	Low	Low
Purchased electricity	Low-medium	Low	Low-medium	Low
Purchased goods & services / capital goods	Medium	Low-medium	Low	Medium
Fuel & energy related activities	Low	See comment	See comment	See comment
Upstream transportation & distribution	Medium-high	Low	High	High
Waste generated in operations	Medium	Low	Medium	Low
Business travel	Low-medium	Low	Low	Low-medium
Commuting	Medium	Low	Medium	Medium
Use of sold products	Low-medium	Low	Low-medium	Low
Downstream leased assets	Low	Low	Low	Low
Investments	Low	See comment	See comment	See comment

Appendix B

Additional Emission Inventories

Absolute emissions, GHG breakdown

The table opposite details our absolute GHG emissions for FY25, broken down by greenhouse gas for direct (scope 1) emissions only.

Category	Greenhouse gas emissions (tCO2e)							
	CO2e	CO2	CH4	N2O	HFCs	PFCs	SF6	NF3
Scope 1: Direct GHG Emissions	**26,873**	**26,709**	**10**	**366**	**0**	**0**	**0**	**0**
Stationary combustion	**13,815**	**13,598**	**3**	**210**	**0**	**0**	**0**	**0**
Mobile combustion	**13,057**	**13,111**	**7**	**156**	**0**	**0**	**0**	**0**
Biogenic emissions	4,456	4,456	-	-	-	-	-	-
Scope 2: Indirect GHG emissions from imported energy	**860**	-	-	-	-	-	-	-
Purchased electricity (location based)	**2,266**	-	-	-	-	-	-	-
Purchased electricity (market based)	**860**	-	-	-	-	-	-	-
Scope 3: Indirect GHG emissions from value chain	**684,479**	-	-	-	-	-	-	-
Transportation	**38,957**	-	-	-	-	-	-	-
Upstream transportation & distribution	19,172	-	-	-	-	-	-	-
Business travel	5,509	-	-	-	-	-	-	-
Employee commuting	14,277	-	-	-	-	-	-	-
Products purchased	**602,140**	-	-	-	-	-	-	-
Purchased goods and services	592,492	-	-	-	-	-	-	-
Capital goods	Inc. in above	-	-	-	-	-	-	-
Fuel & energy related activities	7,917	-	-	-	-	-	-	-
Waste generated in operations	1,731	-	-	-	-	-	-	-
Associated with the use of products	**43,382**	-	-	-	-	-	-	-
Use of sold products	13,602	-	-	-	-	-	-	-
Downstream leased assets	318	-	-	-	-	-	-	-
Investments	29,461	-	-	-	-	-	-	-
Total scope 1 & 2 (market based)	**27,733**	-	-	-	-	-	-	-
Total scope 1, 2 & 3 (market based)	**712,212**	-	-	-	-	-	-	-

Normalisation

The table opposite details our scope 1, 2 & 3 GHG data normalised against various metrics.

In some cases, the normalisation metrics may be relevant to only certain parts of our business. Where this is the case, the data is presented for these areas of the business only and this is explained in the notes below.

Tonnes CO2e per normalisation metric	Scope 1	Scope 2 (MB)	Scope 2 (LB)	Scope 3
Per £ million revenue	6.65	0.21	0.56	169.37
Per employee	2.60	0.08	0.22	66.29

Energy

The table opposite details our scope 1 & 2 energy consumption for FY25 on a UK and global basis.

Fuel consumption applications:
Consumption of fuel for the generation of electricity (excluding fleet applications)

Sustainable biomass evidencing:
HVO has been deemed 'sustainable' where compliant with the requirements of the certification system ISCC EU and the requirements of RED II.

Renewable electricity evidencing:
The renewable origin of purchased or acquired electricity is evidenced by REGO certificates. We aim to transition to PPA-based evidencing however are currently restricted as suppliers are prioritising customers with larger electricity consumption.

	UK MWh	UK % of total energy	Global MWh	Global % of total energy
Consumption of fuel	**118,002**	**92%**	**118,048**	**92%**
› Sustainable biomass	10,845	8%	10,845	8%
› Other biomass	-	-	-	-
› Other renewable fuels	-	-	-	-
› Coal	-	-	-	-
› Oil	103,732	81%	103,778	81%
› Natural gas	3,425	3%	3,425	3%
› Other non-renewable fuels	-	-	-	-
Consumption of purchased or acquired electricity	**10,578**	**8%**	**10,578**	**8%**
› Renewable electricity	6,790	5%	6,790	5%
› Non-renewable electricity	3,788	3%	3,788	3%
Consumption of purchased or acquired heat	**-**	**-**	**-**	**-**
Consumption of purchased or acquired steam	**-**	**-**	**-**	**-**
Consumption of purchased or acquired cooling	**-**	**-**	**-**	**-**
Consumption of self-generated renewable energy	**-**	**-**	**-**	**-**
Total	**128,580**		**128,626**	

Appendix C

GHG Conversion Factors

Conversion factors

The conversion factors used for the quantification of our GHG performance are detailed on the following pages.

The conversion factors are shown in tCO2e per the defined unit and are relevant for the reporting period shown. The sources for these conversion factors are shown opposite and listed for each factor with a source reference.

For factors sourced from DEFRA, the GWPs used in the calculation of CO2e are based on the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5) over a 100-year period so that the Conversion Factors are consistent with current national and international reporting requirements.

Source Reference	Source	Link
1	Greenhouse gas reporting: conversion factors 2024. DEFRA (2024). Online.	https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024
2	Conversion factors KgCO2 per £ spent, by SIC code 2022. Online. Note: conversion factors from this source have been adjusted for inflation according to the relevant CPI annual rate as set out in the factor title.	https://www.gov.uk/government/statistics/uks-carbon-footprint
3	EPC certificate data	https://www.gov.uk/find-energy-certificate

GHG Conversion Factors

Factor name	Unit	tCO2e	Reporting Period	Source Reference
Biodiesel HVO (Gross CV)	L	0.00003558	FY25	1
Burning Oil (Gross CV)	L	0.00254015	FY25	1
Diesel (average biofuel blend) (Gross CV)	L	0.00251279	FY25	1
Diesel (average biofuel blend) (Gross CV)	kWh	0.00023902	FY25	1
Gas Oil (Gross CV)	L	0.00275541	FY25	1
LPG (Gross CV)	L	0.00155713	FY25	1
Petrol (Gross CV)	L	0.0020844	FY25	1
Natural Gas (Gross CV)	kWh	0.0001829	FY25	1
Cars (by size) - Large Car - Diesel	Miles	0.00033362	FY25	1
Cars (by size) - Medium Car - Diesel	Miles	0.0002705	FY25	1
Cars (by size) - Small Car - Diesel	Miles	0.00022522	FY25	1
Cars (by size) - Large Car - Petrol	Miles	0.00043267	FY25	1
Cars (by size) - Medium Car - Petrol	Miles	0.00028526	FY25	1
Cars (by size) - Small Car - Petrol	Miles	0.00023126	FY25	1
Cars (by size) - Large Car - Hybrid	Miles	0.00024921	FY25	1
Cars (by size) - Medium Car - Hybrid	Miles	0.000184920	FY25	1
Cars (by size) - Small Car - Hybrid	Miles	0.000181430	FY25	1
UK electricity for EVs - Cars (by size) - Average Car - Battery Electric	Miles	0.000070150	FY25	1
Electricity: UK	kWh	0.000207050	FY25	1
Waste treatment route: Recycled. Waste types: Bricks (17 01 02), Tiles & Ceramics (17 01 03), Concrete (17 01 01) , Inert (17 01 07), Insulation materials (17 06 04), Metals (17 04 07), Metal containers (15 01 04), Metal strapping (15 01 04), Composite packaging (15 01 05), Mixed packaging (15 01 06), Binders (17 01 01), Floor coverings (soft) (20 01 11), Soil and stones other than those mentioned in 17 05 03 (17 05 04), Bituminous mixtures (non hazardous e.g. asphalt) (17 03 02), Mixed construction and/or demolition waste (17 09 04)	tonne	0.0009849	FY25	1
Waste treatment route: Recycled. Waste type: Glass (17 02 02), Cardboard (15 01 01), Cardboard and paper packaging (15 01 01), Plastic sheet (15 01 02), Plastic fill (15 01 02), Plastic containers (15 01 02), Plastic strapping (15 01 02), Other plastic packaging (15 01 02), Pallets (15 01 03), Other timber packaging (15 01 03), Plasterboard / Gypsum (17 08 02), Plastic (excluding packaging waste) (17 02 03), Timber (17 02 01), Electrical and electronic equipment (non hazardous) (20 01 36 or 16 02 14), Aluminium cans (15 01 04), Paper and cardboard (20 01 01), Glass (20 01 02), Plastics (20 01 39), Oils (13 01 13*)	tonne	0.0064106	FY25	1
Waste treatment: Recovered. Waste types: , Bricks (17 01 02), Tiles & Ceramics (17 01 03), Concrete (17 01 01) , Inert (17 01 07), Insulation materials (17 06 04), Metals (17 04 07), Metal containers (15 01 04), Metal strapping (15 01 04), Composite packaging (15 01 05), Mixed packaging (15 01 06), Binders (17 01 01), Floor coverings (soft) (20 01 11), Soil and stones other than those mentioned in 17 05 03 (17 05 04), Bituminous mixtures (non hazardous e.g. asphalt) (17 03 02), Mixed construction and/or demolition waste (17 09 04)	tonne	0.0009849	FY25	1
Waste treatment route: Recovered. Waste type: Glass (17 02 02), Cardboard (15 01 01), Cardboard and paper packaging (15 01 01), Plastic sheet (15 01 02), Plastic fill (15 01 02), Plastic containers (15 01 02), Plastic strapping (15 01 02), Other plastic packaging (15 01 02), Pallets (15 01 03), Other timber packaging (15 01 03), Plasterboard / Gypsum (17 08 02), Plastic (excluding packaging waste) (17 02 03), Timber (17 02 01), Electrical and electronic equipment (non hazardous) (20 01 36 or 16 02 14), Aluminium cans (15 01 04), Paper and cardboard (20 01 01), Glass (20 01 02), Plastics (20 01 39), Oils (13 01 13*)	tonne	0.0064106	FY25	1
Waste treatment type: Energy recovery. Waste types: Tiles & Ceramics (17 01 03), Glass (17 02 02), Cardboard (15 01 01), Cardboard and paper packaging (15 01 01), Plastic sheet (15 01 02), Plastic fill (15 01 02), Plastic containers (15 01 02), Plastic strapping (15 01 02), Other plastic packaging (15 01 02), Pallets (15 01 03), Other timber packaging (15 01 03), Composite packaging (15 01 05), Mixed packaging (15 01 06), Binders (17 01 01), Plastic (excluding packaging waste) (17 02 03), Timber (17 02 01), Floor coverings (soft) (20 01 11), Electrical and electronic equipment (non hazardous) (20 01 36 or 16 02 14), Canteen/Office/Adhoc waste (20 03 01), Aluminium cans (15 01 04), Paper and cardboard (20 01 01), Glass (20 01 02), Biodegradable kitchen and canteen waste (20 01 08), Plastics (20 01 39), Adhoc waste (20 03 01), Site clear up (20 03 01), Office waste (20 03 01), Oils (13 01 13*), Mixed construction and/or demolition waste (17 09 04)	tonne	0.0064106	FY25	1
Waste treatment type: Disposal. Waste types: Bricks (17 01 02), Concrete (17 01 01) , Inert (17 01 07), Insulation materials (17 06 04), Bituminous mixtures (non hazardous e.g. asphalt) (17 03 02)	tonne	0.0012339	FY25	1
Waste treatment type: Disposal. Waste types: Glass (17 02 02), Plastic sheet (15 01 02), Plastic fill (15 01 02), Plastic containers (15 01 02), Plastic strapping (15 01 02), Other plastic packaging (15 01 02), Plastic (excluding packaging waste) (17 02 03), Electrical and electronic equipment (non hazardous) (20 01 36 or 16 02 14), Aluminium cans (15 01 04), Glass (20 01 02), Plastics (20 01 39)	tonne	0.0088839	FY25	1

GHG Conversion Factors

Factor name	Unit	tCO2e	Reporting Period	Source Reference
Waste treatment type: Disposal. Waste types: Cardboard (15 01 01), Cardboard and paper packaging (15 01 01), Paper and cardboard (20 01 01)	tonne	1.1643902	FY25	1
Waste treatment type: Disposal. Waste types: Pallets (15 01 03), Other timber packaging (15 01 03)	tonne	0.9252442	FY25	1
Waste treatment type: Disposal. Waste types: Metal containers (15 01 04), Metal strapping (15 01 04)	tonne	0.0088839	FY25	1
Waste treatment type: Disposal. Waste types: Plasterboard / Gypsum (17 08 02)	tonne	0.07195	FY25	1
Waste treatment type: Disposal. Waste types: Timber (17 02 01)	tonne	0.9252442	FY25	1
Waste treatment type: Disposal. Waste types: Canteen/Office/Adhoc waste (20 03 01), Adhoc waste (20 03 01), Site clear up (20 03 01), Office waste (20 03 01)	tonne	0.4970442	FY25	1
Waste treatment type: Disposal. Waste types: Biodegradable kitchen and canteen waste (20 01 08)	tonne	0.7002096	FY25	1
Waste treatment type: Disposal. Waste types: Soil and stones other than those mentioned in 17 05 03 (17 05 04)	tonne	0.0195173	FY25	1
Accommodation services (CPI ANNUAL RATE 11.2 : ACCOMMODATION SERVICES 2022=100)	£	0.000211216	FY25	2
Accounting, bookkeeping and auditing services; tax consulting services (CPI ANNUAL RATE: Services 2022=100)	£	0.000060519	FY25	2
Advertising and market research services (CPI ANNUAL RATE: Services 2022=100)	£	0.000089372	FY25	2
Architectural and engineering services; technical testing and analysis services (CPI ANNUAL RATE: Services 2022=100)	£	0.000167564	FY25	2
Basic iron and steel (CPI ANNUAL RATE: Goods 2022=100)	£	0.000711186	FY25	2
Computer programming, consultancy and related services (CPI ANNUAL RATE 08 : COMMUNICATION 2022=100)	£	0.000103698	FY25	2
Computer, electronic and optical products (CPI ANNUAL RATE: Goods 2022=100)	£	0.000469575	FY25	2
Construction (CPI ANNUAL RATE 04.3.1 : Materials for maintenance and repair 2022=100)	£	0.000263663	FY25	2
Creative, arts and entertainment services (CPI ANNUAL RATE 11.2 : ACCOMMODATION SERVICES 2022=100)	£	0.000380769	FY25	2
Crude petroleum and natural gas & Metal ores (CPI ANNUAL RATE: Goods 2022=100)	£	0.000471543	FY25	2
Education services (CPI ANNUAL RATE: Services 2022=100)	£	0.000119735	FY25	2
Electrical equipment (CPI ANNUAL RATE: Goods 2022=100)	£	0.000871275	FY25	2
Employment services (CPI ANNUAL RATE: Services 2022=100)	£	0.000053825	FY25	2
Fabricated metal products, excl. machinery and equipment and weapons & ammunition (CPI ANNUAL RATE: Goods 2022=100)	£	0.000643821	FY25	2
Financial services, except insurance and pension funding (CPI ANNUAL RATE: Services 2022=100)	£	0.000083297	FY25	2
Food and beverage serving services (CPI ANNUAL RATE 11.2 : ACCOMMODATION SERVICES 2022=100)	£	0.000247153	FY25	2
Furniture (CPI ANNUAL RATE: Goods 2022=100)	£	0.000477859	FY25	2
Glass, refractory, clay, other porcelain and ceramic, stone and abrasive products (CPI ANNUAL RATE: Goods 2022=100)	£	0.001631642	FY25	2
Human health services (CPI ANNUAL RATE: Services 2022=100)	£	0.000188916	FY25	2
Information services (CPI ANNUAL RATE 08 : COMMUNICATION 2022=100)	£	0.000176337	FY25	2
Insurance, reinsurance and pension funding services, except compulsory social security & Pensions (CPI ANNUAL RATE: Services 2022=100)	£	0.000072267	FY25	2
Land transport services and transport services via pipelines, excluding rail transport (CPI ANNUAL RATE: Services 2022=100)		0.000586564	FY25	2
Legal services (CPI ANNUAL RATE: Services 2022=100)	£	0.000045611	FY25	2
Machinery and equipment n.e.c. (CPI ANNUAL RATE: Goods 2022=100)	£	0.000537087	FY25	2
Manufacture of cement, lime, plaster and articles of concrete, cement and plaster (CPI ANNUAL RATE: Goods 2022=100)	£	0.001992162	FY25	2
Motion picture, video and TV programme production services, sound recording & music publishing & programming and broadcasting services (CPI ANNUAL RATE 08 : COMMUNICATION 2022=100)	£	0.000107920	FY25	2
Motor vehicles, trailers and semi-trailers (CPI ANNUAL RATE: Goods 2022=100)	£	0.000505074	FY25	2
Office administrative, office support and other business support services (CPI ANNUAL RATE: Services 2022=100)	£	0.000178253	FY25	2
Other basic metals and casting (CPI ANNUAL RATE: Goods 2022=100)	£	0.000019181	FY25	2
Other food products (CPI ANNUAL RATE: Goods 2022=100)	£	0.000737979	FY25	2
Other professional, scientific and technical services (CPI ANNUAL RATE: Services 2022=100)	£	0.000132746	FY25	2
Paints, varnishes and similar coatings, printing ink and mastics (CPI ANNUAL RATE: Goods 2022=100)	£	0.001121694	FY25	2
Postal and courier services (CPI ANNUAL RATE 07.3 : TRANSPORT SERVICES 2022=100)	£	0.000241540	FY25	2
Printing and recording services (CPI ANNUAL RATE: Goods 2022=100)	£	0.000385488	FY25	2
Public administration and defence services; compulsory social security services (CPI ANNUAL RATE: Services 2022=100)	£	0.000234654	FY25	2

GHG Conversion Factors

Factor name	Unit	tCO2e	Reporting Period	Source Reference
Publishing services (CPI ANNUAL RATE 08 : COMMUNICATION 2022=100)	£	0.000099072	FY25	2
Real estate services, excluding on a fee or contract basis and imputed rent (CPI ANNUAL RATE: Services 2022=100)	£	0.000104344	FY25	2
Rental and leasing services (CPI ANNUAL RATE: Services 2022=100)	£	0.000131996	FY25	2
Repair services of computers and personal and household goods (CPI ANNUAL RATE: Services 2022=100)	£	0.000129062	FY25	2
Rest of repair; Installation (CPI ANNUAL RATE: Goods 2022=100)	£	0.000306592	FY25	2
Road transport (CPI ANNUAL RATE 07.3 : TRANSPORT SERVICES 2022=100)	£	0.000586564	FY25	2
Rubber and plastic products (CPI ANNUAL RATE: Goods 2022=100)	£	0.000711553	FY25	2
Security and investigation services (CPI ANNUAL RATE: Services 2022=100)	£	0.000075146	FY25	2
Services furnished by membership organisations (CPI ANNUAL RATE: Services 2022=100)	£	0.000155367	FY25	2
Services of head offices; management consulting services (CPI ANNUAL RATE: Services 2022=100)	£	0.000103966	FY25	2
Services to buildings and landscape (CPI ANNUAL RATE: Services 2022=100)	£	0.000145075	FY25	2
Soap and detergents, cleaning and polishing preparations, perfumes and toilet preparations (CPI ANNUAL RATE: Goods 2022=100)	£	0.000771346	FY25	2
Telecommunications services (CPI ANNUAL RATE 08 : COMMUNICATION 2022=100)	£	0.000098202	FY25	2
Textiles (CPI ANNUAL RATE: Goods 2022=100)	£	0.000724277	FY25	2
Wearing apparel (CPI ANNUAL RATE: Goods 2022=100)	£	0.000617973	FY25	2
Wholesale and retail trade and repair services of motor vehicles and motorcycles (CPI ANNUAL RATE 07.1.1A : NEW CARS 2022=100)	£	0.000275178	FY25	2
Wood and wood products (CPI ANNUAL RATE: Goods 2022=100)	£	0.000434310	FY25	2
Building emission rates	m2	As per EPC certificates	As per EPC certificate date (assumed 60 yr service life)	3

Appendix D

Climate & nature map data sources

Climate & nature map sources

The table opposite details the source of data used to assess Kier locations and associated climate and nature risks

Operational location assessed as at 31st March 2025

Map layer	Source
Base map	OS GB Overview Maps - https://osdatahub.os.uk/downloads/open/GBOverviewMaps
Flood risk zones UK classifications used to indicate the probability of flooding from rivers and the sea	England - https://environment.data.gov.uk/dataset/04532375-a198-476e-985e-0579a0a11b47 Wales - https://datamap.gov.wales/layergroups/inspire-nrw:FloodMapforPlanningFloodZones2and3 Scotland (not mapped) - https://map.sepa.org.uk/floodmaps Northern Ireland (not mapped) - https://www.infrastructure-ni.gov.uk/topics/flood-maps-ni
Water scarcity Classified by the water resource zone water deficit designation	England and Wales - https://mosl.co.uk/market-insight/market-performance/environmental-impact/water-scarcity-by-postal-sector
Land cover classification Classified using the CORINE Land Cover land cover and land use inventory with 44 thematic classes	Europe - https://land.copernicus.eu/en/products/corine-land-cover
Protected areas UK land classifications covering National parks, National Landscapes, SPA, SAC, Ramsar, SSSI	England - https://naturalengland-defra.opendata.arcgis.com/ Scotland - https://opendata.nature.scot/ Wales - https://datamap.gov.wales/search/ Northern Ireland - https://www.opendatani.gov.uk/
Climate projections Met Office UKCP18 climate projections	UK Climate Risk Indicators - https://uk-cri.org/

Appendix E

Verification Opinion Statements
- ISO14064-1: Carbon footprint
- ESG metric verification

Verification Opinion Statement

The verification opinion statement (VOS) shown opposite covers the GHG data for FY25 (see note to GHG inventory on page 29).

The VOS refers to a GHG report titled "ISO 14064 FY25 Climate & Nature Report V1" which is an older version of this climate report. Changes made since the issue of the VOS have not included any amendments to the calculation methodology, uncertainty assessment, or data.

bsi.

Verification Opinion

Verified with Comments	
Based on the process and procedures conducted, the GHG statement contained in the GHG Report **'ISO 14064 FY25 Climate & Nature Report V1'** produced by Kier Group Plc:	• Is materially correct and is a fair representation of GHG data and information. • Has been prepared in accordance with ISO14064-1:2018 and it's principles
With the following caveats	Commuting estimated and extrapolated based on survey responded by 33% of employees. The deliveries of unknown purchased materials that could not be categorised have been excluded of Upstream T&D. Emissions for the use of sold products have only been calculated for those assets in which Kier has design responsibilities and can therefore influence energy demands. Emissions for Joint Ventures (investments) have been calculated for scope 1 and 2 of JV projects and allocated according to equity share percentage.
Lead Verifier	**Mahivi Vazquez Tarducci**
Independent Reviewer	**Stuart Rogers**
Signed on behalf of BSI	Matt Page, Senior Vice President, Assurance Services EMEA
Issue Date	7/8/2025
BSI Assurance UK Ltd, Kitemark Court, Davy Avenue, Milton Keynes, MK5 8PP, UK)	

NOTE: BSI Assurance UK Ltd is independent to and has no financial interest in Kier Group Plc. This 3rd party Verification Opinion has been prepared for Kier Group Plc only for the purposes of verifying its statement relating to its GHG emissions more particularly described in the scope above. It was not prepared for any other purpose. In making this Statement, BSI Assurance UK Ltd has assumed that all information provided to it by Kier Group Plc is true, accurate and complete. BSI Assurance UK Ltd accepts no liability to any third party who places reliance on this statement.

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UKAS VALIDATION & VERIFICATION 0003

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Verification Engagement

Organization	Kier Group Plc
Responsible party	Kier Group Plc
Verification Objectives	To express an opinion on whether the organizational GHG Statement which is historical in nature: • Is accurate, materially correct and is a fair representation of GHG data and information • Has been prepared in accordance with ISO14064-1:2018 and its principles
Materiality Level	10%
Level of Assurance	Reasonable
Verification evidence gathering procedures	• Evaluation of the monitoring and controls systems through interviewing employees observation & inquiry • Verification of the data through sampling recalculation, retracing, cross checking and reconciliation • Site visit
Verification Standards	The verification was carried out in accordance with ISO 14064-3: 2019, ISO 14065: 2020 and ISO 17029:2019

Note: Kier Group Plc is responsible for the preparation and fair presentation of the GHG statement and report in accordance with the agreed criteria. BSI is responsible for expressing an opinion on the GHG statement based on the verification.

Verification Opinion Statement

The verification opinion statement (VOS) shown opposite covers the key Building for a Sustainable World metrics for FY25.

bsi. Verification Report.

Verification Opinion Statement

Verified with Comments	
Based on the process and procedures conducted, organizational waste data, significant environmental incident rate, percentage of workforce with a valid certificate in Modern Slavery Training, HM Government's Annual Modern Slavery Assessment Tool score, total spend with SMEs and VCSEs data, beneficiaries of education and community outreach data, and percentage of workforce in training and development programs produced by Kier Group PLC:	are materially correct and are a fair representation of the organizational waste data, significant environmental incident rate, percentage of workforce with a valid certificate in Modern Slavery Training, HM Government's Annual Modern Slavery Assessment Tool score, total spend with SMEs and VCSEs data, beneficiaries of education and community outreach data, and percentage of workforce in training and development programs. • have been prepared in accordance with the principles of the organization.
The following improvements were raised in relation to future reporting	• The accuracy of waste-generated data could be improved by using actual rather than estimated data sources. • "5% Club" data summary could be improved to support identification of underlying data sets by categorising the level of training, training completed, and by automating the data system for easy and accurate data retrieval.
Lead Verifiers	Sarath Mohan Victoria DuPont
Signed on behalf of BSI	Matt Page Senior Vice President, Assurance Services EMEA
Issue Date	05/09/2025
BSI Assurance UK Ltd, Kitemark Court, Davy Avenue, Milton Keynes, MK5 8PP, UK	
Note: BSI Assurance UK Ltd is independent to and has no financial interest in Kier Group PLC. This 3rd party Verification Opinion has been prepared for Kier Group PLC only for the purposes of verifying its statement relating to its organizational waste data, significant environmental incident rate, percentage of workforce with a valid certificate in Modern Slavery Training, **HM** Government's Annual Modern Slavery Assessment Tool score, total spend with SMEs and VCSEs data, beneficiaries of education and community outreach data, and percentage of workforce in training and development programs more particularly described in the scope above. It was not prepared for any other purpose. In making this Statement, BSI Assurance UK Ltd has assumed that all information provided to it by Kier Group PLC is true, accurate, and complete. BSI Assurance UK Ltd accepts no liability to any third party who places reliance on this statement.	

BSIV 828278 05092025

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bsi. Verification Report.

Verification Engagement

Organization	Kier Group PLC
Responsible party	Kier Group PLC
Verification Objectives	To express an opinion on whether the organizational waste data, significant environmental incident rate, percentage of workforce with a valid certificate in Modern Slavery Training, HM Government's Annual Modern Slavery Assessment Tool score, total spend with SMEs and VCSEs data, beneficiaries of education and community outreach data, and percentage of workforce in training and development programs, which are historical in nature: • are accurate, materially correct, and are a fair representation of the organizational waste data, significant environmental incident rate, percentage of workforce with a valid certificate in Modern Slavery Training, HM Government's Annual Modern Slavery Assessment Tool score, total spend with SMEs and VCSEs data, beneficiaries of education and community outreach data, and percentage of workforce in training and development programs. • have been prepared in accordance with the criteria used by BSI to verify the organizational waste data, significant environmental incident rate, percentage of workforce with a valid certificate in Modern Slavery Training, HM Government's Annual Modern Slavery Assessment Tool score, total spend with SMEs and VCSEs data, beneficiaries of education and community outreach data, and **percentage of workforce in training and development** programs.
Materiality Level	5%
Level of Assurance	Limited
Verification evidence gathering procedures	• Evaluation of the monitoring and control systems through interviewing employees, observation & inquiry. • Verification of the data through sampling recalculation, retracing, cross-checking, and reconciliation.
Verification Standards	Not applicable.
Note: Kier Group PLC is responsible for the preparation and fair presentation of the organizational waste data, significant environmental incident rate, percentage of workforce with a valid certificate in Modern Slavery Training, HM Government's Annual Modern Slavery Assessment Tool score, total spend with SMEs and VCSEs data, beneficiaries of education and community outreach data, and percentage of workforce in training and development programs in accordance with the agreed criteria. BSI is responsible for expressing an opinion on the organizational waste data, significant environmental incident rate, total spend with SMEs and VCSEs data, beneficiaries of education and community outreach data, total workforce in earn and learn programmes, defined by 5% club data, annual modern slavery data, and training data related to recognising modern slavery based on the verification.	

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