

KIER GROUP PLC

SECTION 430(2B) STATEMENT

The following statement is made by Kier Group plc (the “**Company**”) pursuant to section 430(2B) Companies Act 2006.

Claudio Veritiero stepped down from the board of directors of the Company on 15 November 2019. In accordance with his service agreement, the Company served notice twelve (12) months’ notice of termination of employment on Mr. Veritiero, which took effect on 19 November 2019. The Company will make a payment in lieu of notice (the “**PILON**”) in eleven (11) equal monthly instalments of £41,161.67 and two (2) *pro rated* instalments in November 2019 and November 2020. The eleven (11) equal monthly instalments of the PILON will comprise:

- base salary: £33,475.00;
- pension allowance: £6,695.00;
- car allowance: £991.67.

Under his service agreement, Mr. Veritiero is obliged to his use reasonable endeavours to obtain alternative employment. The remuneration received by Mr. Veritiero from any such alternative employment will be set-off against, and reduce, any outstanding instalments of the PILON.

In addition to the PILON, Mr. Veritiero will receive a statutory redundancy payment of £5,512.50 and a payment of £9,270.00 in respect of accrued, but untaken, holiday and will remain covered by the Company’s private medical insurance until the earlier of the conclusion of the PILON period and the date on which he obtains alternative employment.

Mr. Veritiero will not receive an annual bonus for the financial years ending 30 June 2020 and 2021. His allocations of “deferred shares” with respect to bonuses paid in 2017 and 2018 will be released at the expiry of their respective three-year holding periods in 2020 and 2021 (subject, if appropriate, to any reduction for malus). Mr. Veritiero did not receive a bonus in respect of the financial year ended 30 June 2019.

Mr. Veritiero’s awards under the Company’s Long-Term Incentive Plan granted in October 2017, October 2018 and October 2019 have lapsed.

All payments are subject to deductions for tax and national insurance contributions. Further details of the payments made to Mr. Veritiero in the financial year ending 30 June 2020 will be included in the Company’s 2020 Annual Report.