

## Policy Statement

Kier does not tolerate fraud in any form or at any level. Employees who are proven to be involved with fraud may be subject to the Company's disciplinary process up to and including dismissal.

## Introduction

The Board, including the Risk Management and Audit Committee, have specific corporate responsibilities in relation to the prevention, detection and investigation of fraud. However, they rely on the honesty and integrity of the Group's employees to assist them and, in particular, the active support of managers at all levels throughout the business.

This policy does not form part of any employee's contract of employment and we may amend it at any time.

The ability to report concerns under this policy is open to use by employees, contractors, subcontractors, clients, other members of Kier's supply chain and the general public.

## Objectives

This Anti-Fraud policy outlines what fraud is, the measures that should be taken to prevent it and how to report a suspected fraud.

## Definition of Fraud

Fraud covers a number of areas but is essentially theft of company property by different means including by use of deception.

This theft can be explicit, such as stealing cash, taking small tools, office stationery or scrap materials. However, it can also be implicit such as:

- Agreeing inappropriate variation orders thus reducing profit to Kier for personal gain.
- Receiving personal payments or benefits from suppliers or sub-contractors in return for preferential treatment.
- Theft of data, whether developed by someone in company time or proprietary data.
- Misuse of company credit, procurement or fuel cards.

Attempted thefts or frauds are treated in the same way as actual thefts and fraud and fall under this policy. In addition, unexplained financial irregularities, particularly those in excess of £10K or anywhere misconduct is a possible cause also fall under this policy and need to be escalated accordingly.

This policy covers any fraud that could potentially affect Kier's operations or put it at risk, including those committed by:

- Employees, including consultants, contractors, agency workers and temps
- Sub-contractors
- Clients
- Members of the public

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### Internal control

Operating companies maintain effective controls to prevent fraud and to aid prompt detection. These include:

- clearly defined operating guidelines and procedures including:
  - segregation of duties
  - robust procurement procedures
  - appropriate levels of authorisation and approval
  - objective tender assessment;
- assignment of tasks to specific roles/individuals
- clear communication of responsibilities
- physical and system access controls;
- regular review of actual results against latest forecast;
- a system of self-examination and self-certification of internal controls; and
- procedures and guidance issued with regard to the screening of new employees.
- A suite of policy, procedure, guidance and training on expected behaviour, including induction training that covers this policy, whistleblowing, anti-bribery and corruption (including gifts and hospitality), conflicts of interest, Code of Conduct, competition law etc.

The Board has responsibility for overseeing the effectiveness of the systems of internal control. Group Risk & Assurance has responsibility for providing assurance with regard to the soundness and adequacy of the system of internal control and risk management systems, and to recommend improved measures where appropriate. Such assurance is partly based upon ensuring compliance with the Group finance manual, applicable to all businesses and developed and maintained by Group Risk & Assurance.

Locally, Business Unit Directors and senior management are responsible for implementing and enforcing these control mechanisms, providing quarterly assurance that the controls included within Kier's control self-assessment process are operating effectively. Employees are required to play their part in identifying and reporting any control failures, for resolution whether or not a fraud has occurred.

### Raising a concern

If you have a concern or a suspicion about the conduct of any company or individual, whether a customer, competitor or member of the Group, you should speak up immediately.

Please don't ignore it. Identifying an issue before it becomes a breach of law or before it is discovered by others could help save the Group from severe penalties, further financial loss or reputational damage.

There are 4 options available for reporting concerns, as follows:

- Reporting it to Group Compliance team is the preferred option as this team has a degree of independence from the business.
- Using the [speakup@kier.co.uk](mailto:speakup@kier.co.uk) email address.
- Raising the issue directly with line management or HR. However, the line manager or HR are then required to report the matter to Group Compliance immediately.

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- If you wish to report it anonymously, you can use the Whistleblowing facility operated on Kier's behalf by an independent third-party service provider. However, you should be aware that remaining anonymous may make it more difficult to fully investigate matters without the ability to clarify details with you. Thus, we would recommend that, wherever possible, concerns are raised directly with the Group Compliance instead. If you decide to use the helpline then you can call any of the following numbers, free of charge (unless stated otherwise below) and in complete confidence, any time of the day or night.
- If you are calling from the UK the number is 0800 915 1571
- If you are calling from Hong Kong the number is 800 90 8258
- If you are calling from the UAE the number is 8000 441 3376
- If you are calling from Saudi Arabia the number is 800 844 2067
- If you are calling from Australia the number is 0011 800 72332255

You can also make a report via the website: [www.safecall.co.uk/report](http://www.safecall.co.uk/report)

### Investigating Reported Concerns

Once concerns of this nature have been reported to Kier, they are considered, escalated and investigated in line with the protocols set out in the organisation's Speak Up Policy. Predominantly, this involves Group Compliance, together with Senior Management in the business, taking overall responsibility for each investigation and ensuring they are completed appropriately in compliance with group policy and the law.

Once concerns of this nature have been reported to Kier, the person who initially receives the information is also responsible for immediately informing the relevant Business Unit Finance Director and Chief Finance Officer, in line with Kier Standing Orders regarding financial irregularity.

### Consequences

Kier takes fraud very seriously. If an investigation identifies sufficient evidence indicating fraud or other wrongdoing by anyone working for Kier, a supplier or subcontractor, the matter will be escalated for further appropriate action to be taken. For an employee, this is likely to lead to a formal disciplinary case and, if wrongdoing is proved, the outcome is likely to be gross misconduct, which normally results in summary dismissal. Kier may also seek formal recovery of any losses incurred from any individuals or organisations who have committed fraud against Kier. Where criminal activity is involved, the matter may be reported to the police.

### Speaking up

If you have a concern or suspect a violation of this policy, we want you to speak up immediately. Speaking up can be a difficult thing to do, so be reassured that all information received will be treated seriously and investigated appropriately. If you act in good faith, believing your information is accurate, we will protect you even if you are wrong. Some concerns can be addressed by speaking to the person whose conduct is the cause for concern. We understand that this is not always possible, so we suggest that you speak to your line manager. If, for whatever reason, you do not feel comfortable doing this, you can contact any member of the Compliance or Legal departments. Alternatively, you may prefer to use the Speak-Up line, which is run by an independent, external company.

### Kier contact information:

Speak-up mailbox: [speakup@kier.co.uk](mailto:speakup@kier.co.uk)

David Foster: E-mail [david.foster@kier.co.uk](mailto:david.foster@kier.co.uk)

Mobile: 07580 905917

Amish Chauhan: E-mail [amish.chauhan@kier.co.uk](mailto:amish.chauhan@kier.co.uk)

Mobile: 07834 800 193

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**Safe call, independent speak-up contact information:**

- If you are calling from the UK the number is 0800 915 1571
- If you are calling from Hong Kong the number is 800 90 8258
- If you are calling from the UAE the number is 8000 4413376
- If you are calling from Saudi Arabia the number is 800 8442067
- If you are calling from Australia the number is 0011 800 72332255

The line is available 24 hours a day. Calls are free of charge and can be made in complete confidence. You can also make a report via the website: [www.safecall.co.uk/report](http://www.safecall.co.uk/report) or email [kier@safecall.co.uk](mailto:kier@safecall.co.uk)

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