



Focusing our sustainability efforts

Double materiality assessment | United Nations Sustainable Development Goals alignment

September 2024

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. Our business divisions are:

Property



Invests in and develops schemes and sites across the UK and concentrates on mixed-use commercial and residential development delivered through joint venture partnerships.

Construction



Comprises of our Regional Building, Strategic Projects, Kier Places (workplace solutions, residential solutions and building solutions). Kier is a leading UK national builder, providing project delivery for the public and private sectors across a number of sectors including education, healthcare, defence, justice and borders, and commercial.

Infrastructure Services

Natural Resources, Nuclear & Networks



Delivers long-term contracts in maintenance and capital projects to the water, nuclear and energy sectors; and protection of habitats and communities in our natural environment and waterways.

Transportation



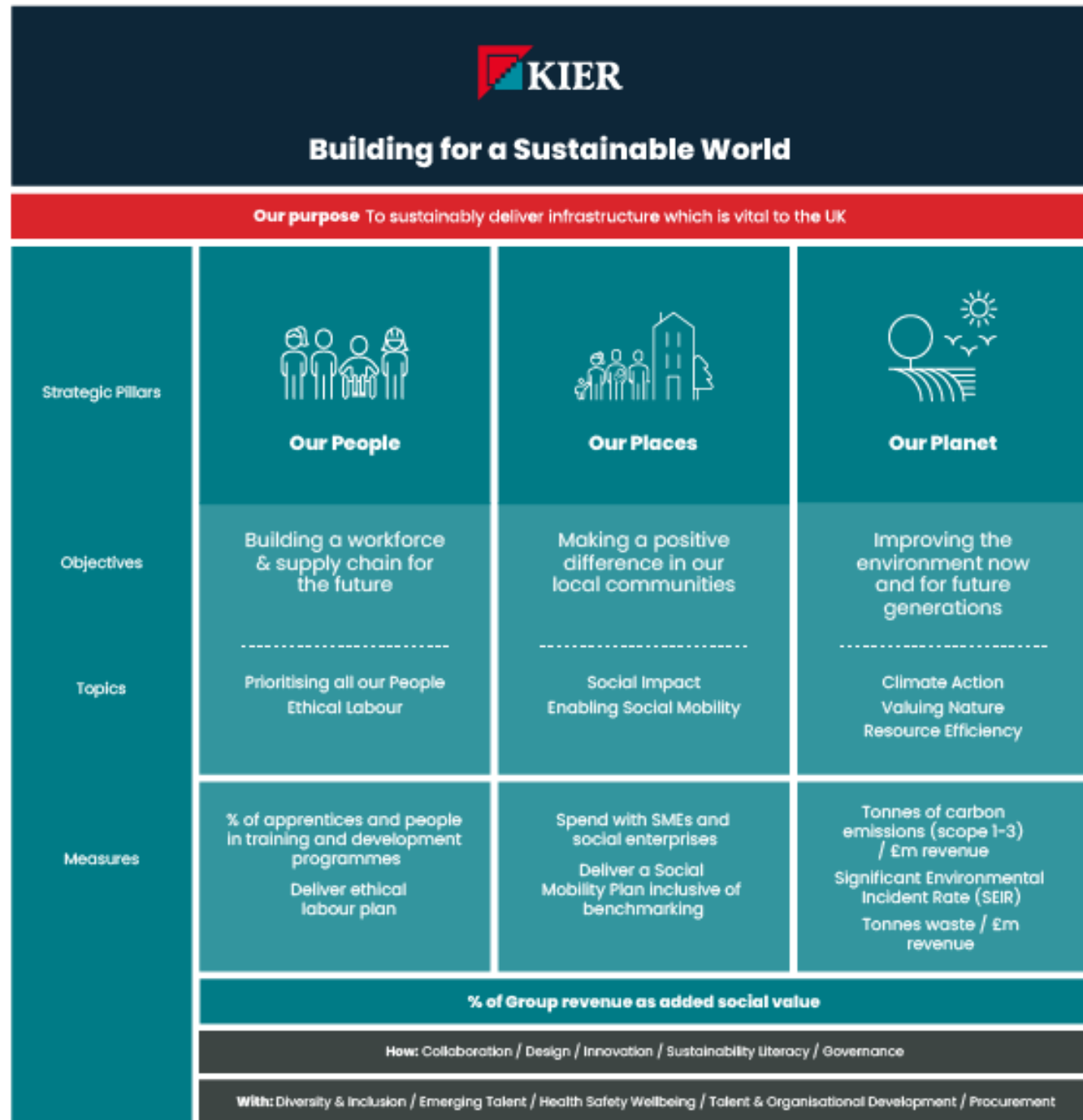
Designs, builds and maintains infrastructure for the highways rail, aviation and ports sectors and delivers work for National Highways, Network Rail, Transport for London and HS2, as well as a number of local and combined authorities.

Introduction

It's important to Kier that our sustainability strategy supports us to address the most pressing environmental and social issues facing our workforce, our communities and our business. Our aim is to leave a lasting, positive legacy in our society and to ensure value for our shareholders, whilst also delivering on our purpose: to sustainably deliver infrastructure that is vital to the UK.

To best utilise our resources to meet this aim, we conducted a '**double materiality**' assessment to identify these issues. We then mapped the results against the targets of the **United Nations Sustainable Development Goals** (UN SDGs / the Goals) to align to those Goals upon which we can have the most meaningful impact.

These exercises informed the evolution of our **Building for a Sustainable World** sustainability framework, led by our Responsible Business function, and identified strategic foundations to be considered in our **Built by Brilliant People™** workforce development approach, led by our People function. In this document, we outline our double materiality approach and methodology, as well as the results of our UN SDG mapping exercise, and present the resultant sustainability framework, as well as its foundations.



Double materiality assessment

Assessing sustainability topics comprehensively requires that we approach our analysis from two perspectives: financial materiality and impact materiality ('double materiality'). Doing so means that we focus on the most important sustainability topics to drive meaningful, positive environmental and social impact, as well as business performance.

Double materiality assessments allow companies to determine 'material topics' – topics that represent an organisation's most significant impacts on the economy, the environment, and people, including impacts on their human rights – and how those topics and/or impacts may positively or negatively affect the organisation's business. For Kier, this meant identifying areas most important to our business and stakeholders, and then developing our sustainability framework and targets in support of those topics.

Key concept



'Double materiality' is a concept which provides criteria for determining whether a sustainability topic or information is included in an organisation's sustainability reporting, in this case, Kier.

A traditional, 'single materiality' assessment allows the identification and evaluation of priority issues for an organisation and its main stakeholders.

'Double materiality' builds on this assessment from two equally important perspectives, covering both impact and financial materiality:

Financial Materiality: potential and actual sustainability impacts that generate material risks or opportunities for Kier, influencing company revenue and company in the short, medium or long term.

Impact Materiality: potential and actual significant impacts caused by Kier on our society and environment in the short, medium or long term.

The impact that Kier's business has on the environment and society, now and in the future.



The sustainability issues that impact Kier's ability to create long term value for the organisation and society.

Introduction

This statement describes Kier's double materiality assessment and outlines the principal steps taken by Kier to determine the organisation's material sustainable topics.

The statement discusses the key findings of the assessment and presents the output: a revised sustainability framework for 2023 – 2028.

Key references

In this document:

Appendix A: Building for a Sustainable World framework
Appendix B: Governance of sustainability matters

On Kier's website:

FY23 Annual Report and Accounts
FY24 Annual Report and Accounts



Context

In 2023, Kier's previous Building for a Sustainable World sustainability framework was reaching the end of its current phase. As part of our journey of continuous improvement and positive contribution, and to ensure we continue to meet external expectations of our sustainability approach and outcomes, we commissioned a double materiality assessment to support the development of the next iteration of our sustainability framework.

Aim

By carrying out this assessment, we aim to ensure that our resources are focused in priority areas, that sustainability informs the business' strategic direction, and that our process is transparent for all impacted internal and external stakeholders.

Governance

Kier's sustainability team engaged an external consultancy to conduct the three-phase double materiality assessment, which was aligned to European Financial Reporting Advisory Group ('EFRAG') guidance for such assessments, which in turn, are informed by guidelines from the Global Reporting Initiative ('GRI') **for impact materiality** and from the International Integrated Reporting Framework ('IIRF') **for financial materiality**. Crucially, engaging with an independent advisor facilitated open and honest stakeholder engagement across all interested groups, and an unbiased assessment of Kier's significant sustainability impacts.

Representatives from Kier's business divisions, as well as clients, suppliers and external advisors participated in one or more phases of the assessment. Senior leaders of Kier's business divisions joined final discussions to feedback and agree on material topics, which, in turn, informed our **2023 – 2028 Building for a Sustainable World** framework and wider strategic foundations to be considered in our **Built by Brilliant People™** workforce development approach, led by our Responsible Business and People functions.

It should be noted that we holistically consider the relevance and impact of our material sustainability topics throughout the year by monitoring, in a variety of fora, such as in Executive Committees and Leadership meetings, internal and external opinion towards these issues. We do this to ensure our approach remains contemporary. How we govern sustainability matters is explored in our annual reporting and presented in Appendix B of this document.

Key outcomes

In 2023, we conducted our materiality assessment in three phases. The key outcomes of this assessment are adjacent.

Update for 2024:

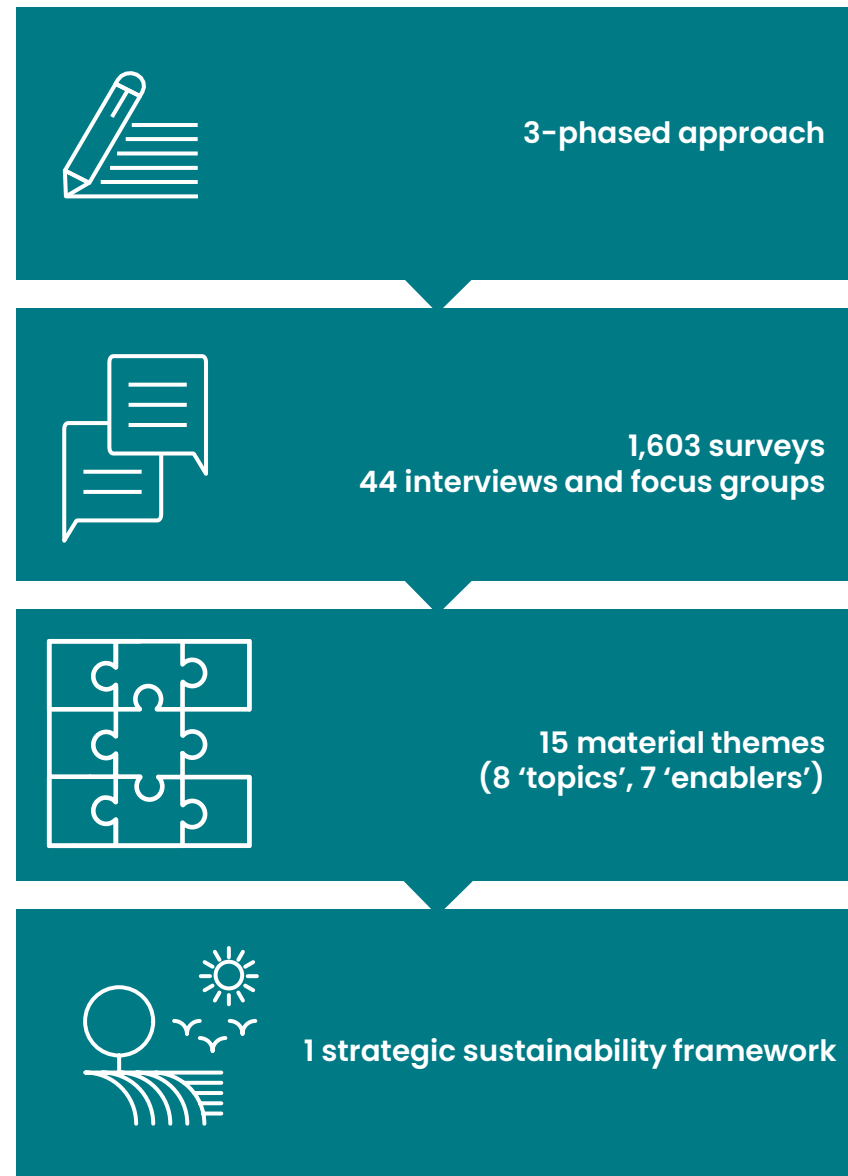
In FY24, we did not identify any requirements to adjust or reprioritise our material topics. As such, we continue to be guided by the outcomes of our FY23 assessment. We plan to repeat our double materiality assessment at the end of our current framework in FY28 but review holistically the relevance and impact of our material sustainability topics annually. See page 5 for Governance details.

Key concept



Topics: Sustainability issues or opportunities.
Enablers: Actions and activities which contribute (directly or indirectly) to a topic(s).

See page 11.



Process and Methodology

We conducted our materiality assessment in three phases.

Sustainability topics were prioritised based on the double materiality approach, which was informed by stakeholder engagement, industry best practice and other externalities such as emerging laws and regulation, global mega trends and investor tendencies and expectations.

Principal phases: overview

Phase 1 – Analysis	Phase 2 – Engagement	Phase 3 – Prioritisation
<p>Aim: Develop a long list of potentially material sustainability topics.</p>	<p>Aim: Gain insights from a wider range of stakeholders across the value chain to inform the prioritisation of long-list issues.</p>	<p>Aim: Analyse topics according to their place on an impact materiality vs. financial materiality matrix.</p>
<p>Action: Review areas where Kier could have a positive and/or negative impact.</p> <p>Action: Review existing and emerging topics which could impact Kier's ability to add value.</p> <p>Action: Review outgoing sustainability framework to derive insights for its evolution.</p> <p>Action: Identify stakeholders to take part in the Engagement phase.</p>	<p>Action: Conduct an anonymous survey with stakeholders to rank the long list of material sustainability topics; gain insights into responders' understanding of sustainability and the UN SDGs.</p> <p>Action: Conduct interviews and hold focus groups with responders to gather qualitative feedback on survey results.</p> <p>Action: Conduct additional desk-based research.</p>	<p>Action: Review the long list of sustainability matters based on insights and feedback from the Engagement phase.</p> <p>Action: Refine the long list.</p> <p>Action: Adjust terminology to reflect industry standard.</p> <p>Action: Separate long-list topic 'impact on local communities' into two topics ('social value', 'community relations') to reflect Kier's reality.</p> <p>Action: Categorise identified sustainability matters into 'topics' and 'enablers'.</p> <p>Action: Quantitative assessment of impact and financial materiality.</p>
<p>Output: A long list of potentially material sustainability topics.</p> <p>Output: A list of internal and external stakeholders from across the business.</p>	<p>Output: A comprehensive view of long list sustainability matters from the perspective of internal and external stakeholders.</p>	<p>Output: A matrix of impact materiality vs. financial materiality which supports the prioritisation of identified topics depending on where they fall on the matrix.</p>
<p>Ongoing: Monitor holistically the relevance and impact of our material topics throughout the year.</p>		

Principal phases : detailed process

Phase 1: Identification

We developed a long list of potentially material sustainability topics by reviewing Kier’s potential positive and/or negative impacts, as well as existing or emerging topics which could impact Kier’s ability to add value.

Such topics included **international frameworks** (such as GRI and the UN SDGs), **regulations** (such as UK Sustainability Disclosure Requirements and the Taskforce on Nature-Related Financial Disclosures), **investor and ratings agency public analysis** (Sustainalytics, ISS, MSCI, Bloomberg, S&P Global), **peer activity, client activity, global megatrends** (such as World Economic Forum Global Risk Report), and **industry memberships**. This list was supplemented with desk-based research.

As an additional step, we reviewed our outgoing sustainability strategy (see Section: Context) to derive insights to support its evolution. This process included evaluating the framework’s position with business divisions, and how it was being applied in documentation, policies, and targets. This captured ongoing activities and initiatives, and ensured they were considered in the process to support alignment and buy-in across the Group.

In preparation for the **Engagement** phase (phase 2), we identified internal and external stakeholders from across business divisions. Business divisions proposed stakeholders to ensure representation, and the final list was selected to provide a spread of stakeholders from across the Group. This list included internal stakeholders, suppliers, clients and other third parties.

Phase 2: Engagement

With a long list of sustainability topics defined, we engaged with our stakeholders through anonymous surveys, as well as in interviews and focus groups, to gain insights and inform the **Prioritisation** phase (phase 3, outlined on page 9).

Survey

The primary aim of the survey was to gather insights into how stakeholders across the business and value chain ranked identified sustainability matters in terms of double materiality: **impact** (the impact Kier does/could have) and **financial** (the impact on Kier’s business and operations).

Secondary aims included (1) gaining an overview of how responders understand sustainability and (2) identifying which of the 17 United Nations Development Goals (UN SDGs) were most important. This step informed our assessment of priority UN SDGs, explored in Section: United Nations Sustainable Development Goals.

Interviews & focus groups

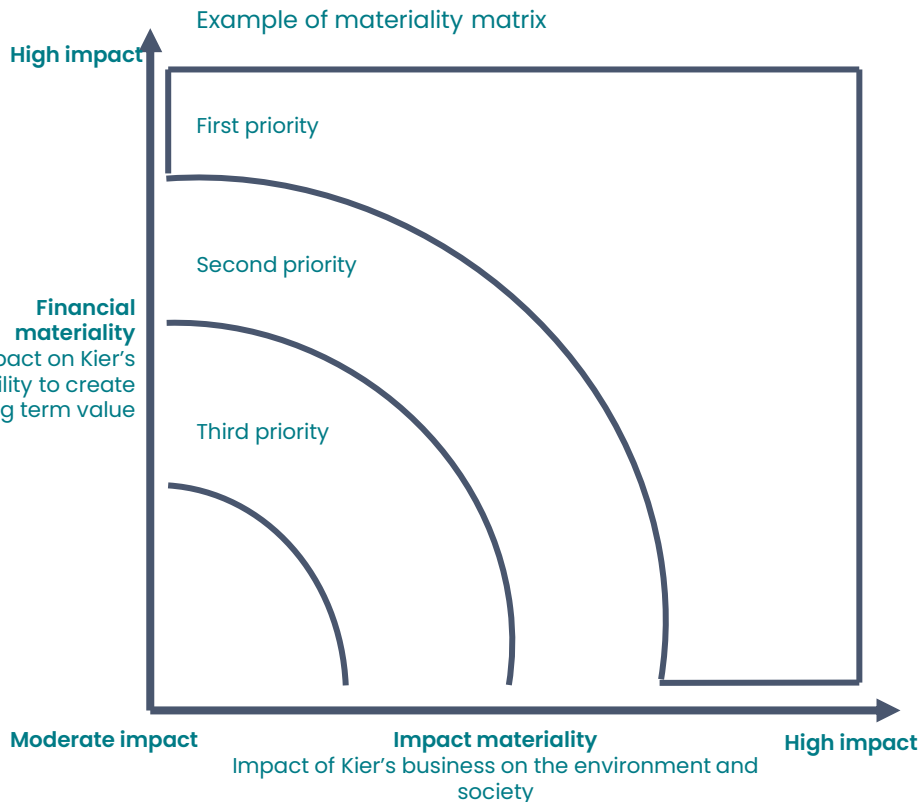
The primary aim of the interviews and focus groups was to gather qualitative feedback on the results from the surveys. Scores and rankings were used to develop a long list of sustainability topics.

Both were governed by a consistent approach and structure set by Kier’s external consultancy partner, and participants received contextualising information in advance of meetings.

In focus groups, our consultant gathered shared perspectives from senior leadership from business divisions, as well as Group-function sustainability leadership teams. In interviews, our consultant held dialogue with senior internal and external stakeholders to explore leadership insights and experience.



Principal phases: detailed process (contd.)



Phase 3: Prioritisation

We reviewed in detail the responses received during the **Engagement** phase in a long-list format to identify our sustainability priorities, ensuring that the sustainability topics raised were considered from both an **impact** and a **financial materiality** perspective:

Impact materiality: We considered the scale¹, scope¹ and remediability¹ of the severity² of the impact, and the urgency determined from social and environmental public policy goals and established planetary boundaries.

Financial materiality: We considered client and investor priorities, according to client feedback from surveys and publicly available information on both clients and investors, and then supplemented this insight with client- and investor-related information mentioned during interviews with Kier employees.

We assigned a weighting of 67% to clients and 33% to investors, reflecting their respective contribution to financial materiality.

The output from the prioritisation was a matrix of **impact materiality** vs **financial materiality** (example opposite). The sustainability issues were then broken down into three priority groups based on where they fell in the matrix.

It is important to note that an issues presence in the matrix indicates that it is relevant to Kier, the double materiality process is just there to help prioritise them.

Ongoing engagement

We holistically consider the relevance and impact of our material sustainability topics throughout the year by monitoring, in a variety of fora, such as in Executive Committees and Leadership meetings, internal and external opinion towards these issues. We do this to ensure our approach remains contemporary.

How we govern sustainability matters is explored in our annual reporting and presented in Appendix B of this document.

Limitations

We note that double materiality assessments are not an exact science due to the quality of quantitative and qualitative data provided during the **Engagement** phase, and the subjective nature of calculating the severity and urgency of each potential impact during the **Prioritisation** phase.

As Kier's understanding of our impacts matures through the course of our 2023-2028 sustainability framework, and sustainability literacy amongst external stakeholders increases, we expect to rely less on assumptions and to be able to make more nuanced distinctions between actual and potential impacts.

Such developments will be explored both holistically in future statements on materiality, and formally in Kier's next double materiality assessment, programmed for FY28.

Key references



In this document:

Appendix B: Governance of sustainability matters

On Kier's website:

FY24 Annual Report and Accounts

1. Scored from 0-4.
2. Scored from 0-12 (addition of scores attributed to scale, scope & remediability. 12 is the most severe).

Output: overview

Output

The Prioritisation phase allowed us to determine 15 material sustainability topics.

12 of which, when grouped under our strategic sustainability aims, inform our Building for a Sustainable World framework.

Health, safety and wellbeing, creating a fair and inclusive workplace and sound governance and ethical behaviour were also identified as material, but to sit outside of sustainability.

These topics are considered the strategic foundations to our framework and are covered at length in our annual reporting.



Key references

In this document:

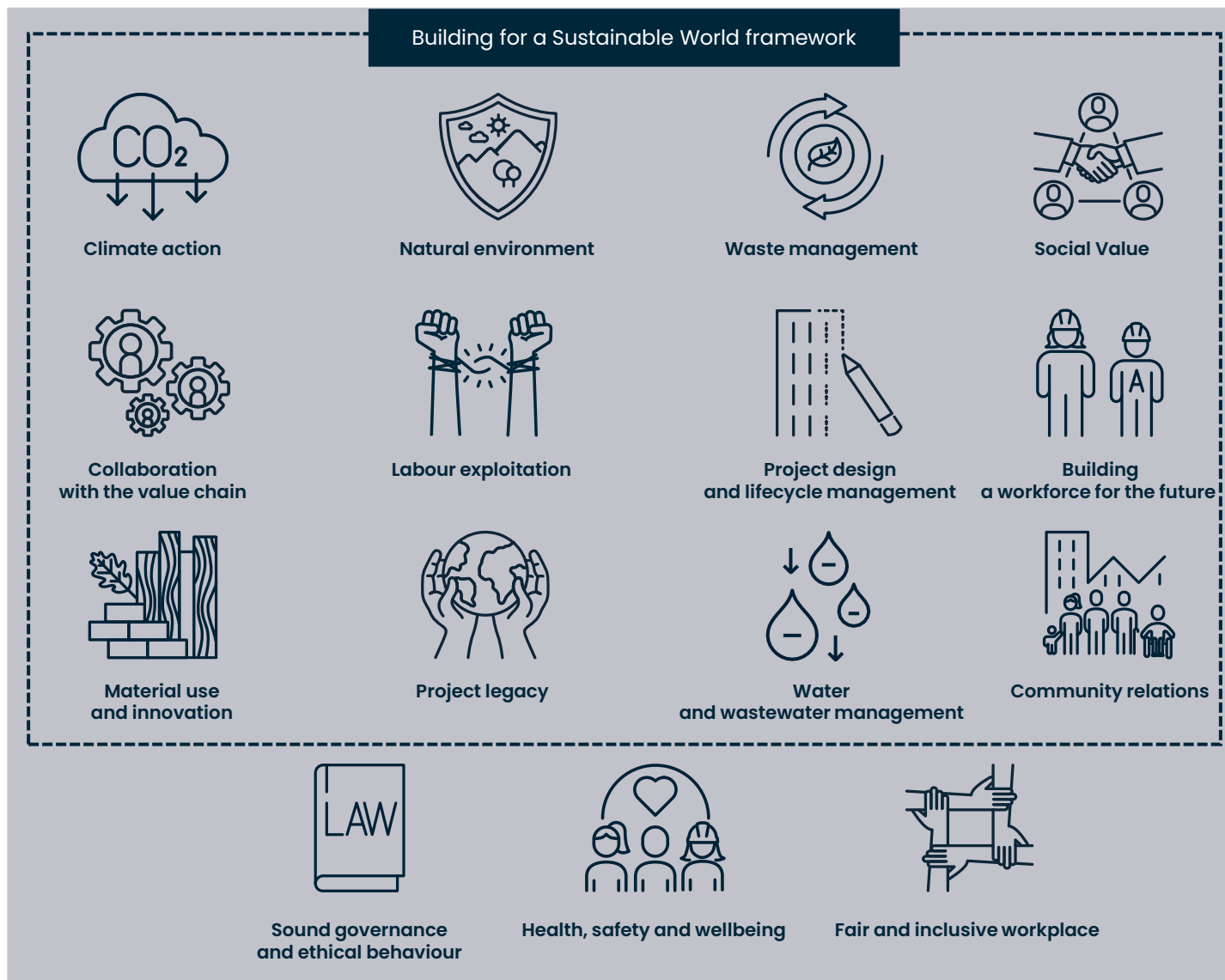
Appendix A: Building for a Sustainable World framework

Appendix B: Governance of sustainability matters

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Output: Enablers & topics

Below, the **Output** from the **Prioritisation** phase is split into two groups: **‘topics’** and **‘enablers’**.

This reflects Kier’s desire to develop a strategy which focuses on achieving targets for the most material topics, while acknowledging and facilitating the enabling activities which help Kier reach our sustainability objective.

Additionally, topics and enablers are not grouped under Environmental, Social or Governance (‘ESG’) themes. This reflects Kier’s understanding of the interconnectedness of sustainability areas.

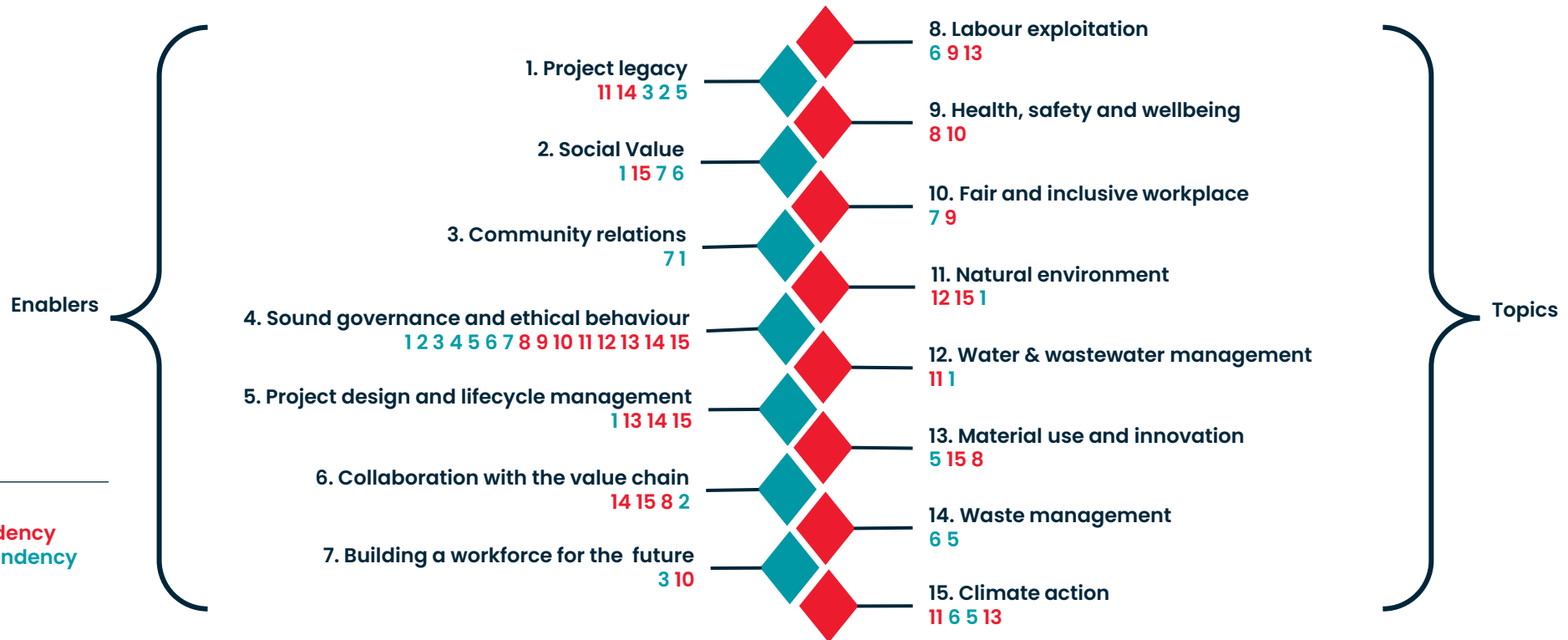
Sustainability issues do not exist in a vacuum. The diagram below describes the identified topics and enablers, as well as their common interdependencies and interactions.

Drawing on this approach, Kier developed a holistic view of material sustainability matters to design a sustainability framework which focused on both the process, as well as the outcome, as explored on pages 13 – 14.

Key concept



Topics: Sustainability issues or opportunities.
Enablers: Actions and activities which contribute (directly or indirectly) to a topic(s).



Key

- [#] Topic/Enabler
- [#] Topic interdependency
- [#] Enabler interdependency

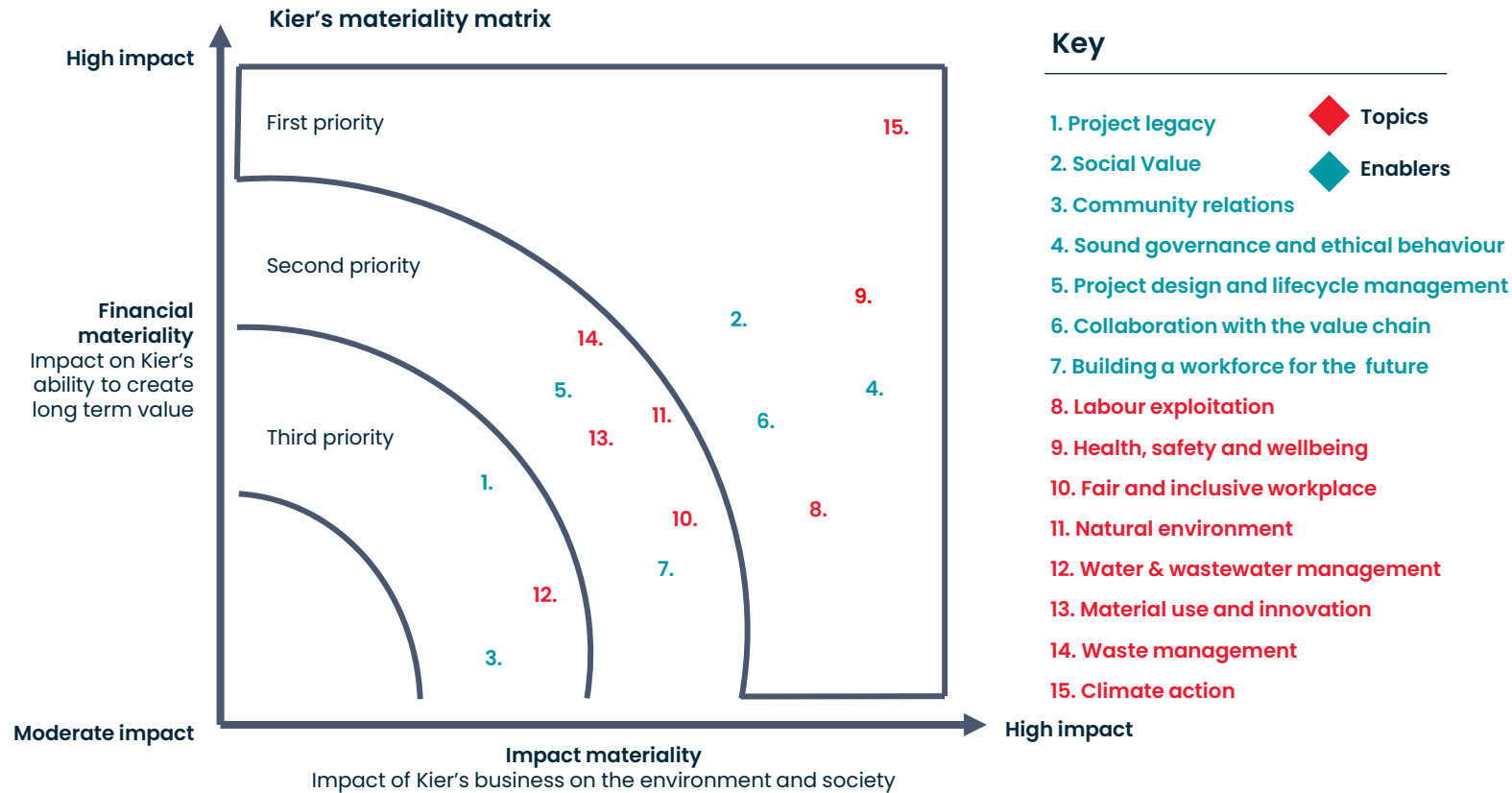
Output: Double materiality matrix¹

Opposite, the sustainability topics and enablers are placed on a double materiality matrix. This matrix is used to determine how material each topic/enabler is to Kier.

The placement of each topic/enabler considers any prioritisation differences between internal and external stakeholders identified during the **Engagement** phase and reflects Kier's reality.

As noted on page 9, this impact materiality vs financial materiality matrix is a result of three phased approach described on pages 7 – 9. To determine the relevance of each material topic, inputs from employees, clients, peers, and investors are considered, as are laws and regulations, sector specific standards, global megatrends and Kier's business strategy.

Once relevance was determined, sustainability issues were then broken down into three priority groups based on where they fell in the matrix.



Key

- 1. Project legacy ◆ Topics
- 2. Social Value ◆ Enablers
- 3. Community relations
- 4. Sound governance and ethical behaviour
- 5. Project design and lifecycle management
- 6. Collaboration with the value chain
- 7. Building a workforce for the future
- 8. Labour exploitation
- 9. Health, safety and wellbeing
- 10. Fair and inclusive workplace
- 11. Natural environment
- 12. Water & wastewater management
- 13. Material use and innovation
- 14. Waste management
- 15. Climate action

<p>First priority</p> <hr/> <p>Social Value</p> <p>Sound governance and ethical behaviour</p> <p>Collaboration with the value chain</p> <p>Labour exploitation</p> <p>Health, safety and wellbeing</p> <p>Climate action</p>	<p>Second priority</p> <hr/> <p>Project design and lifecycle management</p> <p>Building a workforce for the future</p> <p>Fair and inclusive workplace</p> <p>Natural environment</p> <p>Material use and innovation</p> <p>Waste management</p>	<p>Third priority</p> <hr/> <p>Project legacy</p> <p>Community relations</p> <p>Water & wastewater management</p>

1. Double materiality assessments are not an exact science. As sustainability understanding matures over time, gaps and assumptions in data will be filled. See our statement on limitations on page 9.

Output: Developing our strategic sustainability framework

Following the results of the materiality assessment, Kier proceeded to develop our 2023 – 2028 **Building for a Sustainable World** sustainability framework.

We mapped our first, second and third priority sustainability topics to determine seven umbrella topics, grouped under three strategic pillars: Our Planet, Our Places, Our People.

We defined umbrella enablers, and identified inter-functional links which would provide strategic foundations to our Building for a Sustainable World framework. This approach allows us to focus our efforts in areas where we are more likely to drive positive change.

Such inter-functional links drew the topics determined as 'outside of sustainability' (health, safety and wellbeing, creating a fair and inclusive workplace

and sound governance and ethical behaviour (see page 10)) into the wider governance of sustainability matters at Kier. Governance of sustainability matters is explored in Appendix B.

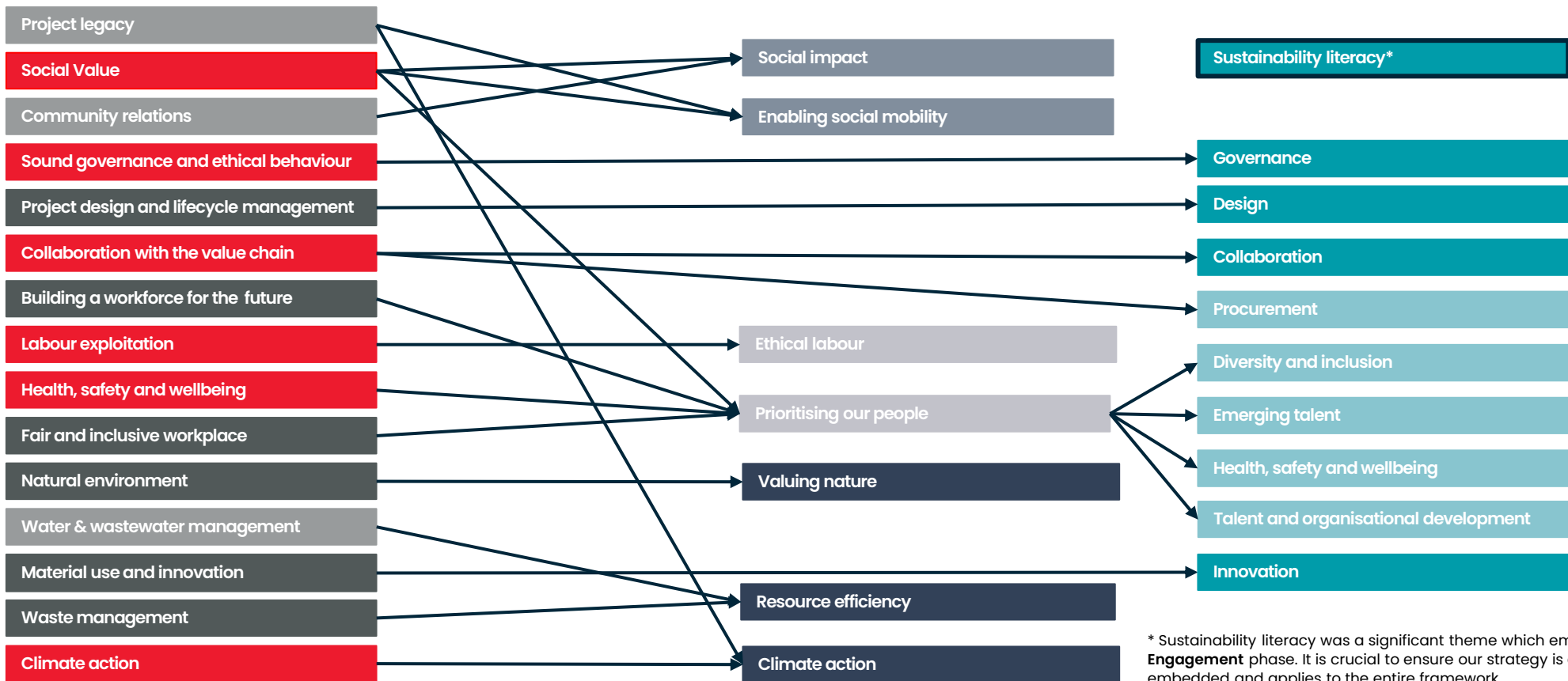
Kier's Group sustainability function reviewed and discussed these findings with divisional business stream leads to formalise the revised 2023 – 2028 sustainability framework.

Double materiality topics

◆ First priority ◆ Second priority ◆ Third priority

2023 – 2028 Building for a Sustainable World framework

◆ Our Planet ◆ Our Places ◆ Our People ◆ Enablers ◆ Strategic foundations



* Sustainability literacy was a significant theme which emerged during the **Engagement** phase. It is crucial to ensure our strategy is effective and embedded and applies to the entire framework.

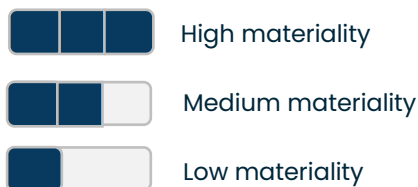
Output: Developing our strategic sustainability framework and foundations

The diagram adjacent introduces our evolved **Building for a Sustainable World** framework, and the final financial and impact materiality scores for each umbrella material topic, demonstrating our ambition to focus our sustainability efforts and ensure that sustainability informs our business’ strategic direction.

Conclusion

By carrying out this assessment, we aim to ensure that our resources are focused in priority areas, that sustainability informs the business’ strategic direction, and that our process is transparent for all impacted internal and external stakeholders.

Key



Key references

In this document:
Appendix A: Building for a Sustainable World framework



Strategic pillar	Our People		Our Places		Our Planet		
Objective	Building a workforce for the future		Making a positive difference in our communities		Improving the environment now and for future generations		
Material sustainability topic	Prioritising all our people	Ethical labour	Social impact	Enabling social mobility	Climate action	Valuing nature	Resource efficiency
	We aim to build a workforce that has the skills and capabilities for now and in the future	We aim to ensure fair and equal treatment for our entire workforce and value chain	We aim to leave a positive legacy in the communities we work in	We aim to tackle inequality by giving individuals and communities tools and opportunities	We aim to take carbon action by: – reducing carbon emissions from our operations; – working with our clients to build infrastructure which is resilient against the impact of flooding, droughts, and higher temperatures	We aim to protect and enhance biodiversity by: – respecting our neighbours and natural surroundings – managing nature risks in our supply chain – working with our customers to construct green infrastructure that encourages people and nature to thrive	We aim to accelerate our transition to resource-efficient construction by: – working with our supply chain to use resources in a sustainable way throughout a project’s lifecycle – designing for a low carbon/resource efficient and water efficient future
Aim							
Financial materiality							
Impact materiality							
Enabler (How)	How: Collaboration Design Innovation Sustainability literacy Governance						
Strategic foundations (With)	With: Diversity and inclusion Emerging talent Health, safety and wellbeing Talent and organisation development Procurement						

United Nations Sustainable Development Goals alignment

As part of our efforts to focus our sustainability efforts, we also examine how we can align our material topics with relevant United Nations Sustainable Development Goals (UN SDGs / the Goals), as well as how these Goals inform and support the achievement of our own ambitions. In this way, we can more accurately understand our wider contribution to global objectives.

When consulting this United Nations Sustainable Development Goals alignment, you are encouraged to consult the Double materiality assessment at front of this report for key concepts and terminology.

Key references



In this document:

Double materiality assessment

Appendix A: Building for a Sustainable World framework

Appendix B: Governance of sustainability matters

On Kier's website:

FY23 Annual Report and Accounts

FY24 Annual Report and Accounts

**SUSTAINABLE
DEVELOPMENT
GOALS**

Introduction

This statement outlines the principal steps taken by Kier to determine the organisation's priority United Nations Sustainable Development Goals.

Key outcomes

In 2024 we identified:
11 priority goals
35 targets



Update for 2024:

In 2023, we mapped six Goals against our framework. These main reference SDGs remain relevant. However, in 2024 we have broadened our scope to reflect a more mature understanding of the ambitions behind the Goals. Hence, an increase of five Goals. See page 17 for Process and Methodology.

Context

In 2023, Kier's double materiality assessment was conducted by an external consultancy, and was aligned to EFRAG guidance, which is, itself, informed by IIRF and GRI guidelines. GRI encourage organisations to align their sustainability reporting with UN SDGs' core metrics and outcomes. As part of the **Engagement** phase of this double materiality assessment, our consultant obtained insight from our internal and external stakeholders into their understanding of the UN SDGs, and of the Goals' importance and relevance to Kier. We recognised the requirement to align the material sustainability topics identified in this assessment with the UN SDGs to support our objective to leave a lasting positive legacy in our communities and deliver on our company's purpose.

To do so, we asked ourselves two principal questions:

- How can our sustainability framework and strategy support the achievement the targets set under the UN SDGs? and;
- How can the global targets set under the UN SDGs inform and support our view of our material topics, and thus our Building for a Sustainable World framework?

This nuanced approach has allowed us to both comprehensively consider the UN SDGs and our ability to positively contribute to their achievement, as well as align our priority material topics with the Goals to ensure our sustainability strategy and framework complements national and international goals and achieves global reach.

Governance

During 2023's double materiality assessment, our external consultancy partner supported Kier to map our material topics against the UN SDGs and identify our priority Goals, i.e., Goals to which we can most materially contribute. We published the initial results of this mapping exercise in our FY23 Annual Report and Accounts.

Kier's priority UN SDGs are reviewed holistically throughout the year, and formally on an annual basis to ensure our approach remains contemporary. Kier's process and methodology for establishing our priority Goals is adaptable. As our framework matures, we will review our approach to the UN SDGs.

In this annual review, Group-wide sustainability leadership teams review the Goals and their associated targets and discuss the relevance of each to our sustainability framework and material topics, determine our ability to positively contribute and design new, or maintain existing, measures to track our performance.

Limitations

During the **Evaluation** phase, we recognised the potential for applicability (to varying, and often minor, degrees of impact) of many of the UN SDGs to our less material topics and in certain divisions of our business.

Due to our limited ability to qualitatively or quantitatively contribute to each Goal's targets, we do not track our progress against these Goals. This is in line with Kier's aim to strategically focus our sustainability efforts.

Summary of principal phases & output

Phase 1 – Analysis	Phase 2 – Evaluation	Phase 3 – Prioritisation
<p>Aim: Review in detail the 17 UN SDGs and the 169 associated targets.</p> <p>Action: Analyse the 169 targets under the 17 UN SDGs.</p> <p>Action: Consider how the Goals inform and support our view of our material topics.</p> <p>Action: Consider how our sustainability framework supports the achievement of the targets set under the Goals.</p> <p>Action: Perform benchmarking exercise to establish Kier’s preferred approach to incorporating the UN SDGs into our framework, and how we can best support the Goals.</p>	<p>Aim: Ensure we focus our efforts on Goals which align with our most material topics, and our sustainability framework.</p> <p>Action: Evaluate our ability to positively contribute to each Goal and associated targets, according to our sustainability framework and associated measures for success, and against ongoing projects and initiatives which have a positive impact on people, places and/or planet.</p> <p>Action: Apply material topic(s) to each Goal to ensure interoperability with, and therefore relevance to, our sustainability framework and material topics.</p> <p>Action: Review each relevant UN SDG and the associated target and worked to apply a quantitative or qualitative measure for success.</p>	<p>Aim: Prioritise 11 UN SDGs through the lens of our materiality assessment.</p> <p>Action: Review the alignment between targets under the UN SDGs and our material topics, counting the frequency with which a Goal is applicable to one or more of our material topics.</p> <p>Action: Apply a ‘materiality weighting’ to this frequency* to support with prioritisation.</p> <p>Action: Apply a measure for success to each of relevant goal.</p>
<p>Output: Where relevant, Goals will be aligned with our material topics.</p>	<p>Output: Goals which did not directly apply to our sustainability framework were considered ‘outside of sustainability’ (Goal 3).</p> <p>Output: Goals which did not directly apply to our operations were evaluated as ‘not aligned’ due to Kier’s limited ability to influence or positively impact through our business the targets set under the Goals (Goals 1, 2, 4, 6, 16 & 17).</p>	<p>Output: Goals which apply most frequently to our most material topics received the highest ranking and have been prioritised as ‘most aligned’.</p> <p>Output: UN SDGs were categorised by relevance to our business, and associate measures for success defined.</p>
<p>Ongoing: Monitor holistically the relevance of each UN SDG to Kier’s business, and contribution to each Goal throughout the year.</p>		

In FY24, Kier’s sustainability leaders comprehensively considered all 17 Goals in the context of our double materiality assessment. We evaluated the applicability of each Goal to our material topics and considered our ability to positively contribute to meeting the Goals’ objectives.

This process allowed us to review each Goal from a strategic, Group-wide perspective, and prioritise them by relating them directly to the material topics identified in our double materiality assessment, designing measures to monitor our impact.

*Materiality weighting was calculated by multiplying the **Impact materiality** x **Financial materiality** of each material topic and dividing the result by 9 (the maximum available score). The highest materiality weighting is therefore ‘1’ (Climate action) and the lowest is ‘0.11’ (Water, Community relations).

Output: overview

Output

The Prioritisation phase demonstrated Group-wide alignment with our most material topics and 11 Goals, 10 of which relate to our Building for a Sustainable World framework.

Goal 3 aligns closely with our Health, safety and wellbeing topic, which is highly material. However, this topic is managed 'outside of sustainability' (see pages 10 - 14).

Six Goals are considered within wider sustainability projects, as they have the weakest alignment with our material topics.

Key



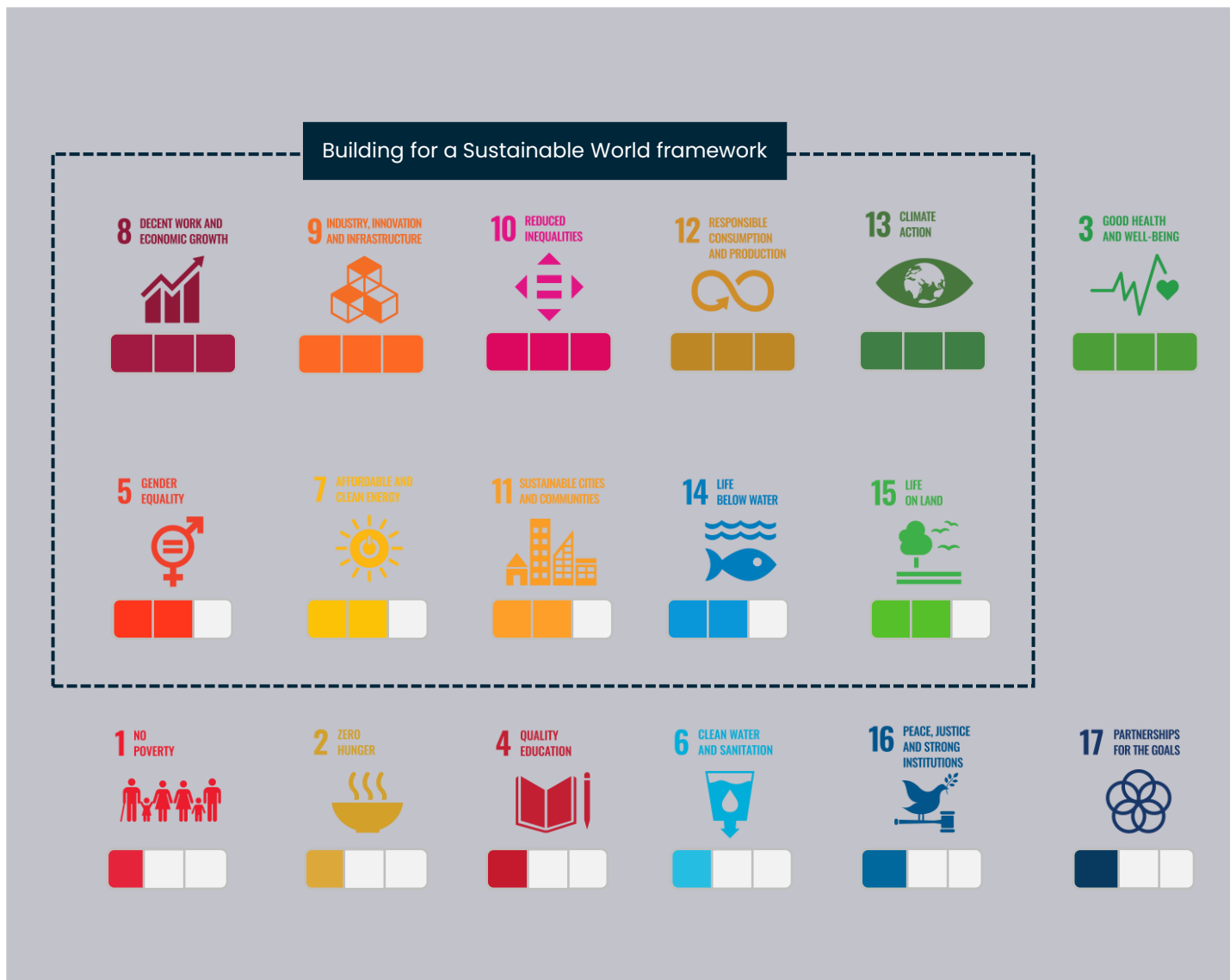
Aligns closely with **majority** of the **most** material sustainability topics.



Aligns with **some** material sustainability topics.



Considered within wider sustainability projects.



Output: aligned targets

Building for a Sustainable World framework



UN SDG targets (where Kier can have the most impact)

<p>3.4 By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being</p>	<p>5.1 End all forms of discrimination against all women and girls everywhere.</p>	<p>7.1 By 2030, ensure universal access to affordable, reliable and modern energy services</p>	<p>8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors</p>	<p>9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all</p>	<p>10.1 By 2030, progressively achieve and sustain income growth of the bottom 40 per cent of the population at a rate higher than the national average</p>	<p>11.1 By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums</p>	<p>12.2 By 2030, achieve the sustainable management and efficient use of natural resources</p>	<p>13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries</p>	<p>14.1 By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution</p>	<p>15.1 By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements</p>
<p>3.6 By 2020, halve the number of global deaths and injuries from road traffic accidents</p>	<p>5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life</p>	<p>7.2 By 2030, increase substantially the share of renewable energy in the global energy mix</p>	<p>8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services</p>	<p>9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities</p>	<p>10.2 By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status</p>	<p>11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons</p>	<p>12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse</p>	<p>13.2 Integrate climate change measures into national policies, strategies and planning</p>	<p>14.2 By 2020, sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts, including by strengthening their resilience, and take action for their restoration in order to achieve healthy and productive oceans</p>	<p>15.2 By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally</p>



Output: aligned targets (contd.)

Building for a Sustainable World framework

7 AFFORDABLE AND CLEAN ENERGY




8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES




11 SUSTAINABLE CITIES AND COMMUNITIES




12 RESPONSIBLE CONSUMPTION AND PRODUCTION




13 CLIMATE ACTION




15 LIFE ON LAND




UN SDG targets (where Kier can have the most impact)

7.3 By 2030, double the global rate of improvement in energy efficiency

8.4 Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-Year Framework of Programmes on Sustainable Consumption and Production, with developed countries taking the lead.

8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value

8.6 By 2020, substantially reduce the proportion of youth not in employment, education or training

8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms

8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment

10.4 Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality

11.6 By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management

11.7 By 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities

12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle

12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature

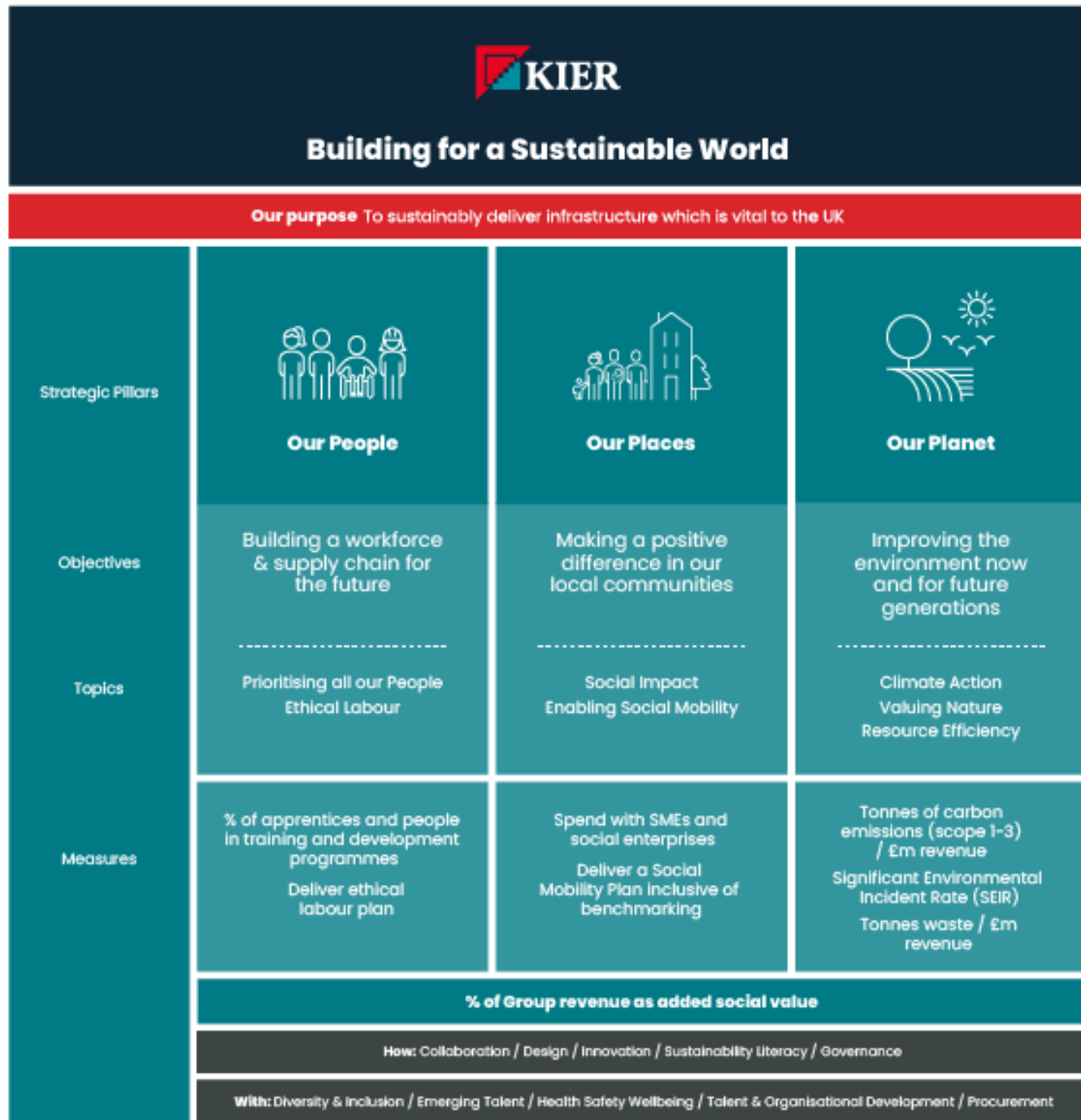
13.3 Improve education, awareness-raising and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning

15.5 Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species

Output: aligned targets (contd.)

Building for a Sustainable World framework										
3 GOOD HEALTH AND WELL-BEING	5 GENDER EQUALITY	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	14 LIFE BELOW WATER	15 LIFE ON LAND
Kier's contribution										
Kier trains mental health first aiders and wellbeing champions and provides health & wellbeing support through our Rewards schemes. We contribute to a safer road network in the United Kingdom	We aim to shape a high-performing, diverse and inclusive business. All employees are trained in diversity & inclusion. We work to reduce our gender pay gap and increase representation across our business.	As part of our climate action milestone plan, renewable energy provision is built into the design of our projects. We work with our peers to develop guidance on alternative fuel procurement	We monitor and aim to increase spending with SMEs and VCSEs, and work to eradicate modern slavery. Kier is a Real Living Wage employer, providing development opportunities to diverse age and ability groups. We are reducing our gender pay gap.	In our business, we develop reliable, sustainable and effective infrastructure required by the community. We focus on reducing the lifecycle carbon of infrastructure, as well as our consumption of water and production of waste on our projects.	We aim to provide support that addresses needs in local communities, focusing on the most vulnerable and disadvantaged, according to the indices of deprivation. Kier is a Real Living Wage employer, and we are working our gender pay gap.	We work to integrate <i>Placemaking</i> into our projects. Installation of public infrastructure such as cycle lanes, as well as community facilities, public green spaces, and overall air quality are all considerations at the design phase.	We use modern methods of construction to reduce waste in our projects. We have grown our resource efficiency working group to embed circular economy principles into our business. We training to our staff to support this journey.	We are reducing our emissions and have set targets validated by SBTi. Our emissions disclosure is to ISO 14064 standards. We deliver climate resilient projects and low-carbon infrastructure. We provide climate training to our staff to support this journey.	In our projects, we work to prevent urban runoff and reduce pollution. We implement innovate projects to prevent microplastics reaching marine environments, and support biodiversity gain in coastal areas.	In all our projects, we monitor the Biodiversity performance. We work with our supplier to source timber sustainably. We have developed a biodiversity baseline through the TNFD's LEAP approach.
Alignment to our frameworks										
Built by Brilliant People™: Health, safety & wellbeing	Building for a Sustainable World: Our People: Prioritising all our people Our Places: Enabling social mobility Built by Brilliant People™: Diversity & Inclusion	Building for a Sustainable World: Our Planet: Climate Action, Resource Efficiency	Building for a Sustainable World: Our People: Prioritising all our people, Ethical labour Our Places: Social impact, Enabling social mobility Our Planet: Resource efficiency	Building for a Sustainable World: Our Places: Social impact Our Planet: Resource efficiency	Building for a Sustainable World: Our Places: Enabling social mobility, Social impact	Building for a Sustainable World: Our Places: Social impact Our Planet: Valuing Nature	Building for a Sustainable World: Our Planet: Resource efficiency Our People: Prioritising all our people	Building for a Sustainable World: Our Planet: Climate action Our People: Prioritising all our people	Building for a Sustainable World: Our Planet: Valuing nature	Building for a Sustainable World: Our Planet: Valuing nature, Resource efficiency, Climate Action
Key references										
← FY24 Annual Report and Accounts →										
• Benefits page	• Diversity & Inclusion Roadmap • Gender pay gap report	• Carbon Reduction Plan	• 2023 Modern slavery statement • Gender pay gap report	• Sustainability pages on Kier's website	• Gender pay gap report	• Sustainability pages on Kier's website	• Sustainability pages on Kier's website	• Carbon Reduction Plan Greenhouse Gas Report	• Sustainability pages on Kier's website	• Sustainability pages on Kier's website

Building for a Sustainable World framework



Governance of sustainability matters

Leadership		
Board ESG Committee	Executive Group Managing Director ESG Committee	Leaders & Subject Matter Experts Leadership Forums
<p>Chair: Non-Executive Director Scope: Oversees all ESG matters, including climate-related issues, risks and opportunities; Weaves ESG priorities into strategic decisions, objectives and annual budget process; Advises on strategic direction. The committee is advised by the Group Managing Director ESG Committee and Leadership Forums.</p>	<p>Chair: Chief Executive Scope: Monitors, challenges and provides direction on all 'Building for a Sustainable World' and 'Built by Brilliant People™' topics.</p>	<p>Chair: Chief People Officer Members: Health, Safety & Wellbeing, Human Resources and Sustainability Leaders & Subject Matter experts Scope: Leads implementation of 'Building for a Sustainable World' and 'Built by Brilliant People™' strategic frameworks and commitments across all divisions.</p>
Management		
Group Functions Responsible Business Function (Health, Safety & Wellbeing, Assurance & Sustainability) Human Resources		
<p>Scope: Provide business-wide coordination and direction for ESG strategy; Chair management meetings and collaborates across business divisions; Manage governance and reporting; and lead relationships with internal and external stakeholders.</p>		
Sustainability Teams Building for a Sustainable World Pillar Groups	Subject Matter Experts Working Groups Task & Finish Groups	
<p>Context: Each of the three strategic pillars of our Building for a Sustainable World framework has a dedicated per-pillar working group, so-called 'Pillar Group'. Lead: Each working group is led by a senior member of the sustainability team. Scope: Coordinates strategy, activity and innovation with each strategic pillar.</p>	<p>Context: Material topics have dedicated per-topic working groups. Lead: Nominated Subject Matter Expert. Scope: Working Groups explore climate, ethical labour, social value, diversity & inclusion, and inclusive PPE; Task & Finish Groups develop improvements and tackle common challenges.</p>	
Implementation		
Business Divisions Building for a Sustainable World and Built by Brilliant People™		
<p>Scope: Coordinates and implements sustainability- and people-related priorities; deliver division-specific action plans, initiatives and policies; support and embed awareness, compliance and enhanced standards; share innovation and collaborate to continually improve.</p>		
Foundations		
Sustainability Literacy	Learning & Performance	Health, Safety and Wellbeing Competencies
<p>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.</p>	<p>Supporting professional development and performance reviews to ensure an equipped, competent and confident workforce.</p>	<p>Ensuring appropriate skills and competency to manage health, safety and wellbeing in all areas of the business.</p>

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