

Kier Group plc (the “Company”)

Environment, Social and Governance Committee (the “Committee”)

Terms of Reference

Role

The role of the Committee is to assist the board of directors of the Company (the “Board”) to oversee the Company’s strategy for environmental, social and governance (ESG) matters, including the implementation of that strategy by management, to review the Group’s exposure to ESG risks and monitor performance against ESG targets.

Duties

The Committee shall carry out the following duties:

- In relation to the Company’s operations to receive, review and assess regular management reports on the Company’s strategies, policies, targets, initiatives and performance, and to drive improvement as appropriate, in the following areas:
 - **Safety** including behaviours, health and wellbeing, operational safety and engineering safety
 - **Environment Sustainability** including management of environmental risks, climate change and carbon management, resource efficiency and protection of nature
 - **Social Sustainability** including ethical labour, social impact, social value measurement, social mobility, suppliers (for example matters such as payment policies and supply chain management)
 - **Governance:** including: corporate policies relating to responsible and ethical business practice, including the Code of Conduct (except policies relating to whistleblowing, fraud, anti-bribery and the acceptance of gifts, hospitality and other benefits, which are considered by the Risk Management and Audit Committee (RMAC))
- to receive and review reports as appropriate on forthcoming legislation and other regulations in relation to ESG matters;
- to review and approve the Company’s sustainability and ESG-related targets, key performance indicators and monitor performance against such targets and to review and approve related statements and disclosures, including in the annual report and accounts, and make recommendations to the RMAC and the Board as appropriate;
- to keep under review the extent and effectiveness of the Company’s external reporting of sustainability performance, and its participation in relevant external benchmarking indices and associated disclosure;
- to advise the RMAC of any material non-financial risks identified and any business ethics issues identified which are relevant to the role of the RMAC.

Committee governance and protocols

The following matters are dealt with in the Committee’s governance and protocols document included as an appendix to this document:

- membership/secretary;
- frequency, quorum and attendee of meetings;
- notice of meetings;



- minutes of meetings;
- engagement with shareholders;
- reporting responsibilities; and
- resources and advice.

Last updated: July 2024

APPENDIX – ESG COMMITTEE GOVERNANCE AND PROTOCOLS

Membership/Secretary

Members of the Committee shall be appointed by the Board on the recommendation of the Nomination Committee and shall be made up of at least three (3) members, the majority of whom shall be independent non-executive directors.

The Chair of the Committee will be appointed by the Board. In the absence of the Committee Chair the remaining members present shall elect one of themselves to chair the meeting.

The Company Secretary or his or her nominee shall act as the secretary of the Committee.

Frequency, quorum and attendee of meetings

The Committee shall meet at least three (3) times per annum at appropriate times in the reporting and audit cycle and at such other times as it sees fit. Meetings may be held by conference call. The quorum for meetings of the Committee shall be two (2) members. Only members of the Committee have the right to attend Committee meetings. However, other persons such as the Chair of the Board and Executive Directors of the Company may be invited to attend from time to time. Other executives responsible for ESG strategy including: environment and social sustainability, health and safety, community, human resources, governance (including internal and external auditors), corporate compliance, legal, supply chain and procurement may also be invited as appropriate.

Notice of meetings

Meetings of the Committee shall be called by the secretary of the Committee at the request of the Chair of the Committee or any of its members.

Notice of each meeting confirming the venue, the time and date of the meeting, an agenda of items to be discussed at the meeting and supporting papers shall be sent to each member of the Committee and any other person required to attend in advance of the meeting (in sufficient time to enable consideration of the issues).

Minutes of Meetings

The secretary shall minute the proceedings and decisions of all meetings of the Committee. Draft minutes of Committee meetings shall be circulated to all members of the Committee. Once approved, minutes should be circulated to all other members of the Board and the Company Secretary unless, exceptionally, it would be inappropriate to do so.

Engagement with shareholders

The Chair of the Committee will attend the annual general meeting of the Company to answer shareholder questions on the Committee's activities. In addition, the Chair of the Committee should seek engagement with shareholders on significant matters related to the Committee's areas of responsibility.

Reporting Responsibilities

The Chair of the Committee shall report to the Board on the Committee's proceedings after each Committee meeting on the nature and content of its discussions, recommendations and action to be taken.

The Committee shall compile a report on how it has discharged its responsibilities to be included as a separate section in the Company's annual report to shareholders.

Resource and advice

The Committee shall:

- have access to sufficient resources in order to carry out its duties, including access to the Company Secretary for assistance as required and, at the Committee's discretion, seeking advice from external consultants;
- have access to training to assist members of the Committee to discharge their obligations, both in the form of an induction programme for new members and on an ongoing basis for all members;
- give due consideration to the provisions of the Companies Act 2006, the UK Corporate Governance Code and published guidance, the FRC's Guidance on Board Effectiveness, the Financial Conduct Authority's Listing Rules, Prospectus Rules and Disclosure Guidance and Transparency Rules, the UK Market Abuse Regulation and any other applicable laws, regulations and guidance/recommendations;
- work and liaise, as necessary, with other Board committees, ensuring the interaction between committees and the Board is reviewed regularly;
- oversee any investigation of activities which are within its terms of reference and consider other topics, as determined by the Board from time to time; and
- arrange for periodic reviews of its own performance and, at least annually, review its constitution and terms of reference to ensure it is operating effectively and recommend any changes it considers necessary to the Board for approval.

The Committee is authorised to obtain, at the Company's expense, legal or other professional advice on any matter within its terms of reference.