Building the foundations for a sustainable future

Annual Report and Accounts 2024

KELLER

Welcome to our Annual Report and Accounts 2024

Keller is the world's largest geotechnical specialist contractor; we prepare ground for construction and excel in tackling geotechnical challenges across the globe. We are equipped to respond swiftly to projects of any scale, delivering innovative, sustainable solutions.

The Keller model empowers us to deliver on our purpose by building the foundations for a sustainable future.

We are specialist

Driven by our purpose, vision and values, we are a specialist contractor dedicated to designing and delivering sustainable geotechnical solutions with an industry-leading portfolio of techniques.

Read more on page 2

We are resilient

Our unparalleled global strength and local focus, commitment to safety and sustainability, and a systematic approach to value creation set us apart in providing optimal geotechnical solutions worldwide.

Read more on page 4

We are differentiated

We leverage our global workforce, extensive network of branches, leading technology and strong financial foundation to provide geotechnical solutions across diverse market sectors, ensuring long-term value for stakeholders.

Read more on page 6

We are delivering

Creating long-term sustainable value, we offer cost-effective geotechnical solutions for customers, prioritise employee wellbeing, provide stable returns for shareholders and actively contribute to local communities.

Read more on page 8

For further information visit us online:
keller.com/investors

Highlights

	Revenue	Order book
Headline	£2,986.7m +1%	£1.6bn +8%
2024	£2,986.7m	£1.6bn
2023	£2,966.0m	£1.5bn

	Statutory profit after tax	Underlying operating profit[1]
Headline	£142.7m +59%	£212.6m +18%
2024	£142.7m	£212.6m
2023	£89.8m	£180.9m

	Underlying operating margin[1]	Dividend
Headline	7.1% +100bps	49.7p +10%
2024	7.1%	49.7p
2023	6.1%	45.2p

	Statutory operating profit	Free cash flow
Headline	£205.1m +34%	£192.6m +87%
2024	£205.1m	£192.6m
2023	£153.1m	£103.2m

	Underlying ROCE	Net debt[2]
Headline	28.2% +540bps	£29.5m -80%
2024	28.2%	£29.5m
2023	22.8%	£146.2m

	Diluted underlying earnings per share[1]	Net debt/underlying EBITDA[1]
Headline	199.9p +30%	0.1x -83%
2024	199.9p	0.1x
2023	153.9p	0.6x

1 Adjusted performance measure defined on page 212.
2 Net debt is on a covenant basis. Reconciliation to statutory numbers is set out in the adjusted performance measures section on page 212.

About this report
This report has been produced to optimise the reading experience using a PDF reader – use these interactive symbols throughout the report:

- Links to another page in the report
- Return to contents page
- Return to previously viewed page
- Move to previous or next page

The Keller model
Who we are

We are a specialist geotechnical contractor

At its simplest, we get ground ready to build on, providing solutions to geotechnical challenges across the entire construction sector. We have the people, expertise, experience and financial stability to respond quickly and see projects through safely and successfully.

Engineers across the Group	Rigs owned by the Group
1,650	**1,100**
Design and build	**Contracts executed per year**
50%	**5,500**

Our purpose
Building the foundations for a sustainable future.

Our vision
To be the leading provider of specialist geotechnical solutions.

Our strategy
To be the preferred international geotechnical specialist contractor focused on sustainable markets and attractive projects generating sustained value for our stakeholders.

Local businesses will leverage the Group's scale and expertise to deliver engineered solutions and operational excellence, driving market share leadership in our selected segments.

A balanced portfolio | **Engineered solutions** | **Operational excellence** | **Expertise and scale**

Read more on pages 20 and 21

Our values
Our values are what we have judged as most important to how we work with colleagues and customers across the globe.

Integrity | **Collaboration** | **Excellence**

Read more from page 32

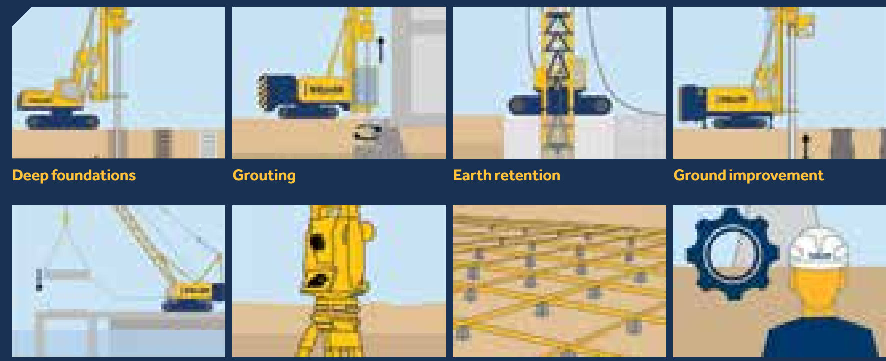
Keller's four Ps
Our commitment to operating sustainably is encapsulated in our sustainability strategy, focused on:

Planet | **People** | **Principles** | **Profitable projects**

Read more on pages 22 and 23

What we do

Specialist contractor
We design and deliver geotechnical solutions for all types of structures that reduce material usage, carbon, cost and time.


Deep foundations | Grouting | Earth retention | Ground improvement | Marine | Instrumentation and monitoring | Post-tension systems | Industrial services

What we do in the project lifecycle

- We are involved at the beginning of the construction cycle.
- We work with designers and we are contracted to deliver groundworks.
- We are one of the first contractors on site.
- We leave site once groundworks are complete.

We are resilient

Our strength stems from our scale, expertise and reliability.

- Operating globally in different sectors with a diverse product mix gives us resilience through national cyclicality.
- Balanced exposure to our chosen markets.
- We operate in markets with relatively low geopolitical risk.

We are diversified

By geography

Percentage of revenue

North America
60%

EME
28%

APAC
12%

North America	EME
North and Pacific	Central Europe
South Central	North-East Europe
Canada	South-East Europe and Nordics
Moretrench and RECON	South-West Europe
Suncoast	UK
	Middle East

APAC
Keller Asia
Keller Australia
Austral

Structure above as from 1 January 2025.

Read more on pages 70 to 75

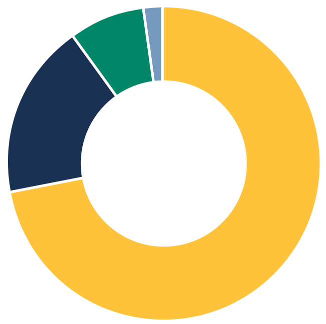
By market sector

Infrastructure/public buildings	33%
Power/industrial	27%
Office/commercial	19%
Residential	21%

By product

Deep foundations	30%
Specialty grouting	12%
Earth retention	8%
Ground improvement	31%
Marine	1%
Instrumentation and monitoring	1%
Post-tensioning	11%
Industrial services	6%

By contract value



Below £250k	72%
£250k to £1m	18%
£1m to £5m	8%
Above £5m	2%

By the number of contracts (by value)

Below £250k	12%
£250k to £1m	16%
£1m to £5m	29%
Above £5m	43%

The Keller model
Our competitive strengths

We are differentiated

We bring the best of Keller to create value across the project lifecycle.

Our financial strength

Our strong balance sheet and cash generation allow us to maintain key resources through the market cycle, reinvest for growth and maintain shareholder distributions.

Underlying operating profit growth	Operating cash conversion[1]
18%	95%

Net debt/EBITDA leverage[2]	Total dividend payment
0.1x	£34.6m

1 10-year underlying cash conversion rate comparing cash from operations with underlying EBITDA.
2 On an IAS 17 covenant basis.

Competitive strengths | How we create and capture value

Local focus

Our unrivalled branch network ensures that we build strong, local relationships with our customers. Our extensive product knowledge and deep understanding of our local markets and ground conditions means we're ideally placed to understand and respond to any local engineering challenge.

Total business units
14

Branches globally
170

Global strength

Our local teams have access to our global network of engineers, which allows them to tap into a wealth of experience, and the brightest minds in the industry, to find the optimum solution, often combining multiple products.

Our people and assets are mobile, which means that we can bring together people and equipment from all parts of Keller to be a single provider of solutions for all groundwork challenges. This improves results for customers and profitability for Keller.

Global market share	People across the Group
12.5%	10,000

Best solutions

We have a market-leading portfolio of products and services. Through knowledge transfer, development of existing and acquisition of new techniques, innovation and digitisation, our engineers have access to the widest range of solutions to solve challenges across the entire construction sector.

We take a leadership role in the geotechnical industry with many of our team playing key roles in professional associations and industry activities around the world.

Engineers across the Group	Design and build
1,650	50%

Safety and sustainability

Our experience of project contracting built over many decades, combined with our Group scale, makes us a trusted and reliable partner.

We have a proven track record of one of the lowest accident frequency rates in our industry.

We are committed to better understand our contribution to sustainable development and work collaboratively with our customers and stakeholders to reduce potential impacts.

Accident frequency rate	Women in senior leadership positions
0.05	27%

Assets and specialist skills

We invest in our equipment and people to ensure that we have the capability to respond to all client needs.

Our engineering skills and experience combined with our equipment fleet enables us to offer and deliver value-engineered solutions to our clients for all projects, regardless of complexity.

We also manufacture and service our own specialist equipment, which provides us with a competitive advantage in particular product streams.

Rigs owned across the Group	Revenue from in-house manufacture
1,100	20%

01 Opportunity management

Our local businesses close to their markets and with enduring customer relationships identify demand.

A global network supports cross-border collaboration on opportunities (especially important for major projects).

02 Proposal preparation

Design engineers and cost estimators with local ground knowledge and capacity create optimum solutions.

A significant portion of work is won based on design and build tenders.

Supported by a global network who assist with solution development.

03 Contract agreement

Commercial teams trained in relevant local laws set up contracts.

04 Project execution

Product-specific operations teams, often using specialist equipment, deliver efficiently and effectively (to quality and schedule) and respond to any issues that arise.

05 Feedback and learning

Project leadership secures client sign-off and payment.

Lessons learnt are retained and transferred to the rest of the Group.

The Keller model

The value we create

We are delivering

We are delivering on our strategy to create long-term sustainable value for all of our stakeholders.

For our customers

We continuously engage and build our relationships with customers

- A 'one-stop shop' for cost-effective geotechnical solutions reducing the interface risk for clients of dealing with multiple suppliers.
- In-depth knowledge of local markets and ground conditions combined with a wealth of experience through our global knowledge base.
- Leading health, safety and environmental performance.

Contracts

5,500

For our employees

Our people are our most valuable asset and are critical to our success

- Commitment to provide a safe workplace and promote mental health and wellbeing.
- A diverse, inclusive environment in which employees can thrive regardless of background, identity and circumstances.
- Stable employment with opportunities to develop and progress, including internationally.

People

10,000

Delivering long-term sustainable value

For our communities

Our people come from the communities in which we work

- Local employment opportunities, directly and indirectly.
- A focus on the United Nations Sustainable Development Goals where we can have the greatest impact.
- A commitment to reducing the carbon intensity of our work and increasing the quality and granularity of our carbon reporting.
- Participation in many community and charitable events locally.

CDP score

B **Taking coordinated action on climate issues**

For our shareholders

Our financial strength and dividend record generates consistent returns

- Stable business with a robust balance sheet.
- Inherently strong cash flow characteristics.
- A quality lender base and substantial facilities.
- A 30-year history of uninterrupted dividends.
- Continued growth opportunities.

Total shareholder return

70.0%

Chairman's statement

Focused on our markets

Our performance over the last 12 months has delivered outstanding results, setting another record financial performance through the successful execution of approximately 5,500 projects worldwide.

Peter Hill CBE
Group Chairman

This is my last report to you as Chairman of Keller and I am handing over the reins to Carl-Peter Forster with the Group in a strong position. It has been a great privilege to chair the Group for nine years, alongside an experienced and effective set of Non-executive Directors and executive team. I am proud of what we have achieved together.

Today, Keller is at the forefront of the geotechnical industry, providing industry-leading capability in ground improvement and stabilisation through its focus on sustainable markets and attractive projects, generating sustained value for our stakeholders. During my tenure, the Group has undergone a significant transformation and we have made great strides in reinforcing the strength of the Group, building strong foundations for a sustainable future enabling Keller to create and deliver value for all our stakeholders.

From 2016 to the end of December 2024, Keller achieved a TSR (total shareholder return) of 145%, a compound annual growth rate (CAGR) of 10.5%, whilst the TSR for the FTSE 250 index achieved 54%, a CAGR of 4.9%. Over the same time period Keller has grown revenues by c 65% to c £3bn and operating profit by c 120% to sustainably above £200m a year whilst improving the underlying operating margin by 170 basis points to over 7%. We have improved governance and risk management in our markets; we have significantly reduced our carbon emissions and importantly, driven a substantial improvement in our safety metrics – all whilst building a strong balance sheet that is approaching net cash, deleveraging to 0.1x net debt / EBITDA from 1.9x in 2016.

Keller now has a focused and balanced portfolio in sustainable markets – geography, sector and product following the exit of a number of non-core geographies and non-core products in recent years.

2024 was a remarkable year for Keller, surpassing the record year in 2023, achieving a record performance in both revenue and underlying profit. Return on capital is at its highest in 16 years, supported by strong cash generation, which has bolstered a robust and resilient balance sheet. This has enabled the Board to reward shareholders through a recommended 10% increase to the full-year dividend and announce our intention to launch a multi-year share buyback programme, with an initial tranche of £25m in the first quarter of 2025, part of an ongoing commitment to return capital to shareholders.

Sustainability and Environmental, Social and Governance (ESG)

Sustainability and ESG topics are a core part of the Board's strategic focus, with a Board-level reporting structure, as set out on page 50. As the world's largest geotechnical specialist contractor, we have the responsibility and opportunity to make a difference to our customers and society.

We are committed to reducing our carbon emissions as part of our wider efforts to build a more sustainable future. These include innovating in environmentally sound processes and equipment. Whilst there is more to do, during my tenure Keller has committed to steering the sector towards greener technology and in 2023 we built and launched the KB0-E drilling rig with an electric drive. As an engineer myself, I'm immensely proud of this achievement. You can learn more about our journey to net zero on pages 25 to 30.

Section 172 statement and Code compliance

The Directors have acted to promote the success of the company for the benefit of shareholders, whilst having regard to the matters listed in section 172 of the Companies Act 2006 during 2024.

In addition, the Board and the company fully applied the principles and complied with the provisions of the UK Corporate Governance Code.

For more information on how we deliver for our stakeholders see pages 108 to 110. Our compliance statements can be found on pages 98 and 108.

Maintaining a positive culture is a major focus and the health, safety and wellbeing of our employees remains paramount in all we do. Keeping our people safe is a relentless effort and we have made significant progress in improving the metrics related to both our leading and lagging indicators, with a continued focus on driving improvement in our Accident Frequency Rate (AFR). Over my tenure, AFR has decreased from 0.33 in 2016 to 0.05 in 2024, representing a reduction of 72 fewer injuries reported. Similarly, Total Recordable Incident Rate (TRIR) has improved from 1.41 in 2016 to 0.55 in 2024, reflecting 123 fewer incidents recorded over the same period. Despite achieving industry-leading figures in this area we recognise the need to continually improve as we strive for zero harm.

During my tenure as Chairman, I am proud to reflect on the strides we have made in fostering a diverse, equitable and inclusive culture at Keller. This included adopting a Board Diversity Policy, aligning with the FTSE Women Leaders Review. This policy reinforces our commitment to gender equity at the highest levels of leadership and supports broader efforts to enhance diversity across our organisation.

Our focus on improving female representation over the past six years has yielded notable results across key workforce categories, including at the Board level where for a period Keller was the only FTSE company with 100% female NEDs.

Our performance over the last 12 months has delivered outstanding results setting another record financial performance through the successful execution of approximately 5,500 projects worldwide.

Chairman's statement continued

Board composition and development

During the last 12 months, the Board has continued to be refreshed. At the AGM Eva Lindqvist stood down from the Board having served seven years as an independent Non-executive Director and five years as the Chair of the Remuneration Committee. Eva left the Board with our thanks and very best wishes. On 1 September 2024 we welcomed Stephen King as an independent Non-executive Director. Stephen is a member of the Audit and Risk, Nomination and Governance, Remuneration, and Sustainability Committees. Stephen brings a wealth of senior level experience within the industrial, engineering and manufacturing sectors, his biography is set out on page 99.

Last year I announced I would be stepping down from the Board in the first half of 2025. The Nomination and Governance Committee, led by Baroness Kate Rock, Senior Independent Director, undertook a thorough search process for the new Chair, and Carl-Peter Forster joined the Board as Non-executive Director and Chair designate on 16 December 2024. As well as his role as Non-executive Director and Chair designate, Carl-Peter was appointed to the Nomination and Governance Committee and will become Chair of that committee on 5 March 2025 when he will also assume the role of Chair of the Board.

The new Chair and Board will continue our commitment to building a diverse and inclusive workforce, attracting talent with a broad range of skills and experience from all backgrounds.

Dividend and share buyback programme

In 2023 the Board rebased the full-year dividend to 45.2p, a 20% increase on 2022 in recognition of the step-change in profitability in 2023. Acknowledging the excellent performance in 2024 and the Group's future growth prospects, the Board is recommending a final dividend of 33.1p, bringing the total dividend for the year to 49.7p (2023: 45.2p), an increase of 10%. Keller has a notable 30-year history of a maintained or growing dividend with a CAGR of 9% since flotation in 1994 and is one of only a very few FTSE listed companies to have consistently paid a dividend over such a period. The final dividend is payable on 20 June 2025 to shareholders on the register as at 23 May 2025.

Reflecting the Group's strong balance sheet as well as the Board's continued confidence in its long-term growth outlook, the Group has announced its intention to launch a multi-year share buyback programme, with an initial tranche of £25m, in the first quarter of 2025, part of an ongoing commitment to return capital to shareholders.

People

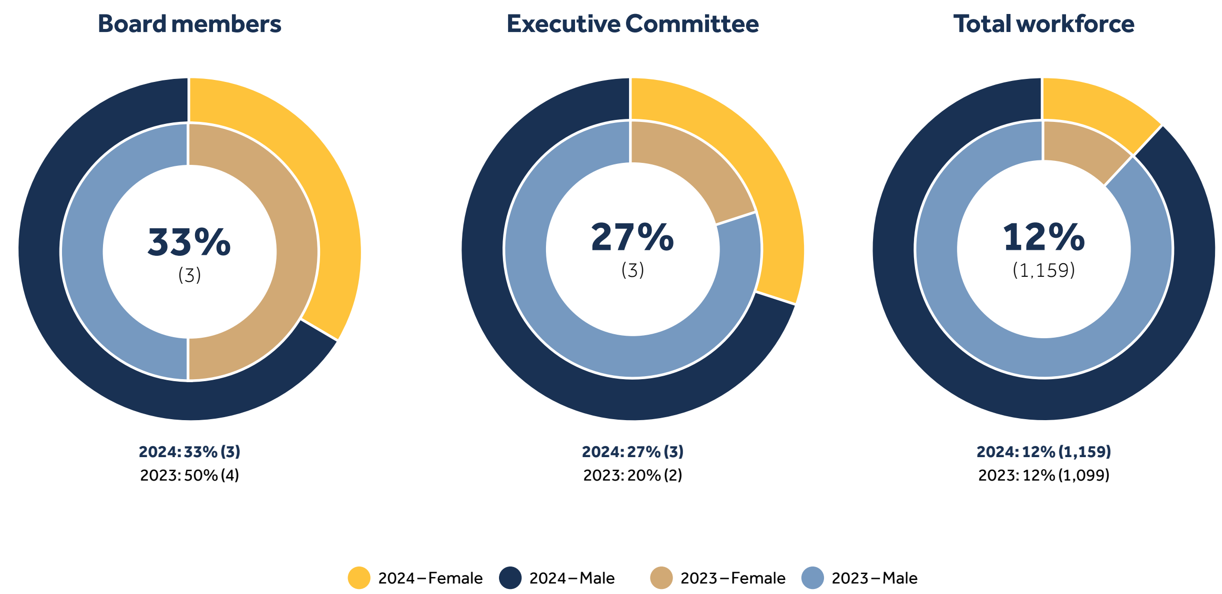
Our track record of successful projects is only possible because of the passion, commitment and enthusiasm of the 10,000 people who work for Keller worldwide. On behalf of the Board, I would like to thank all of them for their hard work and dedication which is reflected in the results we have achieved this year.

It has been an honour and a privilege to be part of Keller's journey over the last nine years, and I leave the Group well positioned for the future. I wish Keller and all of its stakeholders continued success and a prosperous future.

Peter Hill CBE
Chairman

SDG 5 – Gender Equality

Female representation across Keller



Notes
All data as at 31 December 2024

CASE STUDY

The longest railway bridge built on the foundations of skill and collaboration

At just over a kilometre long, the Tangenvika bridge will be the longest railway bridge in Norway once completed. Keller worked with the contractor from an early stage to design what are the largest bridge foundations in the country.

Keller was contracted to perform foundation works for the newly designed bridge that will span Lake Mjøsa. The project includes bored piles and drilled shafts – the majority of which have been installed in water.

Before the piles could be installed, Keller carried out detailed soil investigations from two rigs set up on a specially designed barge. Due to heavy winds and waves, the barge had to be firmly secured in water up to 50m deep so that drilling of up to 90m could be completed safely.

Soil investigations were carried out at 65 points in the lake and included sonic sampling and cone penetration testing. Eight winches were installed on the deck and several different types of anchors were used to avoid sliding on the lakebed.

"Throughout the entire tender period, we focused on delivering the best concept because the piles are the largest in all of Norway for bridge foundations," says Dominik Gächter, Regional Manager of Keller Norway. "Specially adapted equipment, skilled professionals and close cooperation with both the builders and designers have been essential to the success of this project."

> This project demonstrated that we are a good partner for complex foundation jobs.
>
> **Dominik Gächter**
> Regional Manager

Photo courtesy of Liebherr.

Another outstanding set of record results

This performance builds on the positive momentum developed in recent years as a result of the disciplined execution of our strategy.

Michael Speakman
Chief Executive Officer

Overview

2024 was another outstanding year for Keller, surpassing the record financial performance achieved in 2023. Keller has continued to sustain the material step-up in performance delivered in the prior year in a macro environment that presented both opportunities and challenges.

We have ensured Keller is set up to be resilient over the medium and longer term to capture the growth opportunities we see through continuing positive market demand trends, as reflected in our record year-end order book of £1.6bn (£1.5bn at December 2023), and the effective execution of our strategy.

We are implementing the right set of actions to enhance value now and in the longer term. By doing so, we are well positioned to benefit from our specialist products and solutions offering that play a critical role in the construction industry today and in the future.

We remain fully committed to safety and consistently work towards fostering a workplace where every employee can go home safe and healthy at the end of each day. An increased leadership presence on site, with a focus on high potential risks, played a key role in achieving an improved recordable injury frequency rate in 2024.

Keller has an unbroken record of dividend payments, with the consistent and material growth in its dividend in the 31 years since listing, clearly demonstrating the Group's ability to continue to prosper through economic downturns, including both the global financial crisis and the pandemic. In recognition of the excellent performance in the year and the Group's future growth prospects, the Board is recommending a 10% increase to the dividend for 2024. In addition, given the strength of the Group's balance sheet, Keller announces its intention to launch a multi-year share buyback programme, with an initial tranche of £25m in the first quarter of 2025, part of an ongoing commitment to return capital to shareholders.

Financial performance

Group revenue at £2,986.7m (2023: £2,966.0m) was 4% higher on the prior year on a constant currency basis, while underlying operating profit was up 22% on a constant currency basis, to a record £212.6m (2023: £180.9m), with, as previously indicated, a modest weighting towards the first half given uncharacteristic beneficial tailwinds in the early months of the year. Underlying operating margin increased to 7.1% (2023: 6.1%), the highest for nine years, demonstrating our continued focus on margin improvement over revenue growth. We expect a return to our typical second half weighting for operating profit in 2025 after a particularly strong performance in the first half of 2024. Underlying earnings per share increased by 30% to 199.9p, driven by higher underlying operating profit as well as lower financing costs and a lower Group effective tax rate. Cashflow generation also saw a significant improvement compared to the strong prior year, largely driven by improved profitability and good working capital management, generating increased free cash flow of £192.6m and a significant reduction in net debt (IAS 17 lender covenant basis) to £29.5m (2023: £146.2m). This equated to a year-end net debt/EBITDA ratio of 0.1x (2023: 0.6x), below the lower end of our leverage target range of 0.5x–1.5x.

Operational performance

In North America (NA), revenue increased by 4.2% to £1,785.8m (on a constant currency basis), driven by improved trading in the foundations business. This was partially offset by lower revenue at Suncoast as a result of the anticipated normalised pricing and slowdown in residential housing, and lower volumes at RECON. Underlying operating profit in North America increased by 16.1% to £190.0m, driven by the sustained improvement in operational performance in the foundations business and benefitting from the buoyant market conditions in the year. The increase in profitability saw underlying operating margin in North America increase to 10.6% (2023: 9.6%).

In Europe and the Middle East (EME), revenue increased by 5.5% to £835.1m, reflecting an improved performance in Europe and the completion of a large infrastructure project in Central Europe. Underlying operating profit reduced by 17.7% to £7.9m on a constant currency basis, as a result of an ongoing challenging project in the Middle East and the successful completion of a large contract in the Middle East in the prior year. EME's performance benefitted from the improved project performance in the Nordic region. Underlying operating margin reduced to 0.9% (2023: 1.2%).

In Asia-Pacific (APAC), revenue declined by 2.1% to £365.8m on a constant currency basis, driven by the moderation of trading volume in Australia following a record trading performance in the prior year, and lower volumes at Austral, reflecting management focus on margin over volume. Underlying operating profit increased significantly to £28.7m (2023: £14.6m) driven primarily by the sustained turnaround at Austral that commenced in the second half of 2023.The operating margin for the division increased to 7.8% (2023: 3.8%).

Strategy

In 2024 we continued to execute our strategy to be the preferred international geotechnical specialist contractor focused on sustainable markets and attractive projects, generating long-term value for our stakeholders. Our local businesses leverage the Group's scale and expertise to deliver engineered solutions and operational excellence, driving market share leadership in our selected markets.

Since the strategy was first developed in 2019, we have rationalised the geographic and product portfolio of the Group and more recently focussed on improving the project execution across the business, resulting in a more consistent performance, generating improved margins and higher levels of cash flow that has allowed the Group to de-lever considerably.

While macroeconomic conditions may lead to short-term market fluctuations, we have positioned Keller for medium and long-term resilience, enabling us to capitalise on our next phase of growth, both organic and through selective M&A. Strengthened by the Group's improved performance, we are confident that the actions we are taking will drive sustainable value creation for shareholders now and in the future.

Progress on strategic priorities in 2024

In 2024 we continued to rationalise and restructure our business to respond most effectively to our evolving markets and maximise the potential benefits of our strategy. In March 2024 we announced the restructuring of two of our divisions; Europe became Europe and Middle East (EME), and AMEA became Asia-Pacific (APAC). This new structure was successfully implemented in the year.

Within our divisions we have rationalised several business units as we look to achieve further efficiency gains whilst delivering on our strategic objectives. In North America, we combined the Northeast business with the West business whilst also rationalising equipment and yard activities in the region. In APAC, we have combined the India Business Unit with ASEAN as we look to maximise our opportunities in the region, and rationalised an equipment yard in Western Australia. In June 2024 we saw the completion of the sale of our South African business. This consolidation and rationalisation across the Group provides us the opportunity to increase both the effectiveness and efficiency of expertise and key resources, and exemplifies the pursuit of operational leverage and economies of scale which is a key aspect of our strategy.

Progress on the implementation of the enterprise resource planning (ERP) system was delayed in the year due to a necessary change in the strategic implementation partner that is supporting the programme. We expect further carefully managed progress in 2025, with a pilot business unit going live on the system early next year. We have continued to refine our ways of working and our improved Project Performance Management system will also commence roll-out in NA in 2025.

Strategic priorities for 2025

We are nearing the conclusion of the periodic strategy review which has confirmed the strength of the Group's ambition. Over the last six months we have tested, externally revalidated and refined the strategy we established in 2019.

Now we have rationalised our portfolio, honed our project execution capability and strengthened our balance sheet, it is the appropriate time to focus on growing market share within our existing geographic footprint, through both organic investment and targeted bolt-on M&A. We will continue to be customer focused locally through our branch structure and obtain the benefit of operational leverage by gaining high quality, leading market shares in our chosen markets. Organic investment will include initiatives to increase the cross-selling of existing services into established branches that don't currently provide those services, and investing in our people to build on our technical expertise and influence. The Group's disciplined approach to M&A activity will be focussed on expanding the service offering and building critical mass in key local markets, and will be biased towards markets with higher rates of growth. We continue to evaluate optimal targets at an appropriate value.

Chief Executive Officer's review continued

Sustainability and Environmental, Social and Governance (ESG)

As the world's largest geotechnical specialist contractor, we have the responsibility and opportunity to make a difference to our customers and society and to help drive a low-carbon future. We are committed to reducing the carbon intensity of our work and have set out clear targets and action plans for our journey to net zero. We will be net zero across all three emission scopes by 2050: net zero on Scope 2 by 2030, net zero on Scope 1 by 2040 and net zero by 2050 on Operational Scope 3 (covering business travel, material transport and waste disposal). The short, medium and long-term actions required to achieve these goals are in progress and we are on track to meet this year's Scope 2 carbon reduction target.

We continued to focus on safety, as we continually improve our safety culture and performance. In 2024 the Accident Frequency Rate (AFR) halved to 0.05, with a total of 13 lost time incidents reported in the year, a reduction of 13 versus 2023. Of those 13 events, six were classified as critical injuries, an improvement of four less critical injuries year-on-year. Despite achieving industry-leading figures in this area, we recognise the need to continually improve and we will not be satisfied until we eradicate harm in the workplace.

People

In addition to the divisional restructure announced in March 2024, in June we welcomed Paul Leonard to the role of President North America, a highly experienced industry professional with long tenures in public companies. We have further strengthened our Executive Committee with several new leadership roles that will assist us in driving forward our strategy. Kerry Porritt has been appointed as Keller's first Chief Sustainability Officer, in addition to her responsibilities as Group Company Secretary, where she will drive Keller's sustainability agenda and ensure it continues to build momentum across the Group. Marisa Schleter is promoted to the new role of Chief Communications Officer to foster effective communication across the Group. Brent Byford has been promoted to the new role of Chief Construction Officer.

Outlook

2024 was another outstanding year for Keller, ahead of expectations, delivering improved performance across all key metrics – profits, earnings, margin, return on capital, cash conversion and debt reduction. This performance builds on the positive momentum developed in recent years as a result of the disciplined execution of our strategy. Since the strategy was first launched in 2019, we have rationalised the geographic and product portfolio of the Group and more recently focused on improving the project execution across the business. The result is a more consistent performance, improved operating margins and higher levels of cash flow have allowed the Group to grow earnings and de-lever the balance sheet considerably, and given us the platform to increase the dividend and announce our intention to launch a multi-year share buyback programme, part of an ongoing commitment to return capital to shareholders.

Our record year-end order book of £1.6bn across our diverse revenue streams underpins our expectations for growth in the next phase of implementation of the Group's strategy. Whilst we remain mindful of the uncertain geopolitical and macroeconomic environment in the short term, we anticipate further progress in 2025 and a return to our typical second half weighting. We have ensured that Keller is set up to be resilient over the medium and longer term and well positioned to capture growth opportunities both organically and through selective M&A. We are strongly encouraged by the sustained improvement in the Group's performance that provides the platform to continue to enhance shareholder value.

Michael Speakman
Chief Executive Officer

CASE STUDY

Helping New York move to a cleaner, greener future

As New York aims to reach net-zero emissions by 2050, Keller has used its toolbox of geotechnical solutions to support the development of a high-profile clean energy substation.

The Brooklyn Clean Energy Hub is a groundbreaking, $810m infrastructure project that will transform the old Hudson Avenue Generating Station into an offshore wind power substation, providing electricity for 750,000 homes.

The Hub is being developed by energy giant Con Edison and will help New York become less reliant on fossil fuels as it moves towards a more sustainable future.

Before that can happen, there's the hard work of demolishing the current structure and preparing the ground for the new one to be built.

The client initially contacted Keller to pursue the foundation piles on the project. But from there, the project quickly and unexpectedly grew, as Jerien Thampi, Senior Project Manager at Keller's NY/NJ branch, explains:

"When we first reviewed the project, our main focus was to offer alternative pile solutions to the original concept that offered the client time and schedule savings. As those conversations continued, it led to subsequent and broader conversations regarding other pending construction challenges for the project. Keller worked swiftly, coordinating with the client and their team, to propose and implement other geotechnical construction solutions, including support of excavation and water cut-off."

As the project progressed, more technical elements were added, including a jet grouted bottom plug to create a water-tight basement and mass soil mixing to support the site's heavy machinery. The scope also included large sheet piles and micropiles to protect a 170-year-old sewer.

"What began as a fairly straightforward job blossomed into the kind of full package of geotechnical solutions that Keller is well suited for," says Jeff Di Stasi, Keller Branch Manager. "Although the scope changed, the schedule was fixed, but we were able to leverage the wider Keller company to support the client."

> Few companies would have been able to resource and deliver an unexpectedly large job of this size, but that's what Keller's all about.

Jeff Di Stasi
Branch Manager

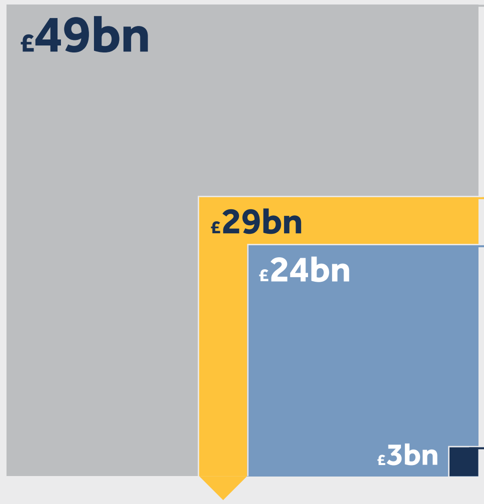
Our market

Our purpose is to build the foundations for a sustainable future.

We are the world's largest geotechnical specialist contractor, but we still have potential to grow our market share in our chosen regions. Our business units understand their local markets and are able to leverage the Group's scale and expertise. This combination delivers the engineered solutions and operational excellence that drive market leadership.

Market size

A strong position but plenty of room to grow



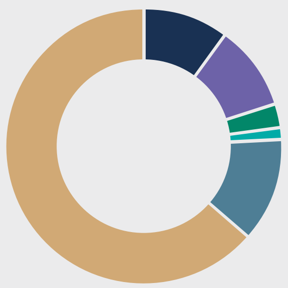
1. Global geotechnical contracting market
2. Addressable markets
3. Core markets where we choose to operate
4. Keller today

Non-addressable markets are mainly China, North and South Korea, Japan and Russia.

1 USD = 0.80 GBP
Global construction market £12,000bn in 2024.

Market share

Share of addressable markets £29bn[1]



- Keller
- Soletanche/Bachy/Menard
- Bauer (contracting)
- Trevi (contracting)
- General contractor owned
- Country/regional specific, small players

1 Sources: Keller accounts, IHS Global Insight, GlobalData and other local sources.

Favourable market trends

The long-term trends in the global construction market remain positive. Our Group strategy is designed to capitalise on these trends.

Infrastructure renewal

As populations grow and infrastructure ages, there's an imperative to invest in new and greater capacity. Geotechnical solutions are often complex and sophisticated and large-scale and cramped metropolitan environments can present additional technical challenges. We have the resources and skills to deliver to this scale and complexity, a reputation for delivery and the proven ability to team up successfully with our customers and partners.

Technical complexity

The construction market is becoming more digital and sites are increasing in sophistication and complexity. We have a strong history of innovation.

We leverage our in-house equipment manufacturing capacities and develop market-leading data acquisition systems to control and record our processes, and share information with our customers and the rest of the supply chain. We can integrate instrumentation and monitoring solutions and are Building Information Modelling (BIM) capable.

Demand for complete solutions

There is a desire to convert more brownfield and marginal land. Geotechnical solutions are at the fore in releasing the development potential of otherwise sterile or derelict areas. Our world-leading geotechnical engineering team, broad portfolio and near shore marine capability, mean we can cope with the most complex challenges when working on brownfield or marginal sites.

Demand for complete solutions

Geotechnical solutions increasingly require multiple products. Our broad product portfolio ensures we can design an effective and efficient solution while our project management capabilities mean we can integrate other subcontractors and deliver 'turnkey' contracts. This reduces the number of interfaces for our customers to manage and reduces risk.

Urbanisation

As cities expand they require more sophisticated solutions. Larger, taller structures need more technically demanding foundations to withstand the building loads and provide resilience against climate change and acts of nature such as rising water levels or earthquakes. We have a comprehensive network of regional offices located in major metropolitan areas. This local presence keeps us close to our customers and the opportunities.

Market potential

Share of our 2024 revenue

Our sectors

Infrastructure/public buildings	33%
Power/industrial	27%
Office/commercial	19%
Residential	21%

Variety of projects and sectors

Our projects are spread across all construction sectors and vary in scale, location, end use and geotechnical technique. Project value is typically between £25k and £10m, usually short duration and with an average value of £540,000.

Projects per year

5,500

Niche subsector

Geotechnical specialist contracting is an important but niche subsector that commands higher margins than general construction. Typically geotechnical contracting is around 0.5% of the construction market.

Keller's underlying operating margin (2023: 6.1%)

7.1%

Diverse global market

Operating globally in differing countries and across the construction sectors, from residential to infrastructure, gives us the resilience to trade through national cyclicality. The geotechnical market is estimated to be around £49bn worldwide, which includes China, Japan, Korea and other regions of the world where we are not present. In the countries where we choose to operate our core markets are around £24bn. We choose to operate in sustainable markets that appreciate the value of the products and services Keller provides, have a consistent material demand for those services, and an acceptable level of risk. With an annual turnover close to £3bn, we have a 12.5% share of those core markets today, and plenty of opportunity to secure greater market share.

Fragmented competition

We have three types of competitor. Type one is the global geotechnical contractor, of which there are three, but not all are present in all markets. Type two is general contracting-owned. Type three is local competition with low overheads operating in a small region.

Addressable markets

£29bn

Diverse customer base

We have a large client spread which means we're not overly reliant on a few customers. We have many repeat customers and our largest customer in 2024 represented c.4% of the Group's revenue. We mostly serve as a subcontractor working for a general contractor; however, sometimes we also contract directly with ultimate client organisations.

Revenue from largest customer

4%

Market share in core markets

12.5%

Our strategy and KPIs

Delivering our strategy

Keller's strategy is to be the preferred international geotechnical specialist contractor focused on sustainable markets and attractive projects.

Our local businesses will leverage the Group's scale and expertise to deliver engineered solutions and operational excellence, driving market share leadership in our selected segments.

In 2024, we continued to make progress in generating sustainable long-term value for our stakeholders.

Sustainable markets are those markets that appreciate the value of the products and services Keller provides, have a consistent, material demand for those services, and an acceptable level of geopolitical risk.

A balanced portfolio 1

We select sustainable markets (geography, sector and products) in which to set up base businesses and attractive projects.

What we achieved in 2024

- Further refinement of our organisation structure to respond most effectively to changes in our markets.
- Restructured two of our divisions: 'Europe' became 'Europe and Middle East' and 'AMEA' became 'Asia-Pacific'.
- Appointed new Divisional President in North America.
- Combined our Northeast and West business units in North America to simplify governance and improve sharing of knowledge and resources.
- Integrated our Specialty Services business unit into our regional foundations businesses in North America.
- Completed the exit from our South Africa business.
- Actively screened multiple acquisition opportunities to accelerate growth in market share.

Outlook

We will

- Remain customer focused through our branch structure and drive for a leading share in our chosen markets.
- Continue to pursue both organic and M&A growth opportunities to expand our service offering and build critical mass in key markets.
- Aim to be profitable through trading cycles as we sustain our revenue streams.
- Continue to introduce new products where we are already established and continue to focus on industry sectors with greatest growth.

Performance

Market share in core markets

Share of our core markets.

+0bps

2024	12.5%
2023[1]	12.5%

Engineered solutions 2

We offer the best solutions to our customers by providing alternatives and value engineering, and invest in innovation and digitisation.

- Executed an impressive 5,500 projects around the world.
- Won and delivered high-value and complex projects in multiple markets, including the US, Germany and Norway.
- Following the successful in-house design and manufacture of our first electric rig, we are developing the design for electric versions of larger models of jet grouting rigs.
- Further developed and deployed our field app InSite to give us greater visibility over safety and productivity at our sites.
- Developed software tools that will enable us to better leverage the production data from our sites to improve product quality and optimise solution design.
- Continued optimisation of techniques to deliver a range of products and shared this knowledge across the Group. These have provided a range of benefits, including efficiency and quality improvements, reduced carbon impact, reduced spoils and reduced water waste on our sites.

We will

- Continue to offer our customers alternative designs and engineered solutions that meet their specifications whilst reducing costs and, where required, carbon.
- Retain our technical advantage by investing in our people and continuing to influence across our sector.
- Continue to secure complex, high-value projects.

Operating margin[2]

Underlying operating profit expressed as a percentage of revenue.

+100bps

2024	7.1%
2023	6.1%

Operational excellence 3

We are the operational leader providing safe, efficient, on-time and high-quality delivery, and relentlessly strive to improve our operational capability.

What we achieved in 2024

- Continued Group-wide emphasis on improving project execution and delivery.
- Focused on the quality of the order book as well as the quantum, emphasising profitability.
- Development under way on a digital tool to support our Project Performance Management standard and embed it into our ways of working.
- Improved performance in 5S in our yards. Achieved overall score of 78% in North America, 82% in Asia-Pacific and 85% in Europe and Middle East (target: 60%). Continued rollout of 5S on site in all divisions.
- Further developed Lean expertise throughout the Group. We now have 35 certified Lean Leaders across the Group; over 2,400 people have been trained to date in Lean.
- Achieved overall Lean Maturity scores of 72% in North America, 76% in Europe and Middle East and 64% in Asia-Pacific.
- Continued development of our new enterprise resource planning (ERP) system.

Outlook

We will

- Make continuous, incremental improvements to remain competitive in our chosen markets.
- Deploy and train our people on our new Project Performance Management standard.
- Complete development and deliver the pilot of our new ERP system.

Performance

Return on capital employed[2]

Underlying operating profit as a net return on capital employed.

+540bps

2024	28.2%
2023	22.8%

Expertise and scale 4

We develop our people, processes and assets and leverage the global strength of our technical, operational, commercial and financial resources.

- Appointed the Group's first Chief Sustainability Officer to drive our sustainability agenda and ensure it continues to gain traction across the Group.
- Continued to build on the introduction of our Inclusive Site Culture Standard with the rollout of our global employee programme 'Engineering respect for a safer tomorrow', promoting positive behaviours to enhance team performance and addressing harmful behaviours that create unsafe working environments.
- Continued engagement with our global product teams to improve sharing of best practice knowledge and product delivery techniques, which has resulted in Group businesses being able to expand their product offering.
- Refinanced the Group's multi-currency syndicated revolving credit facility (expiring June 2029), increasing the facility from £375m to £400m, with no change in the related covenants.
- Established shared service centres for operational finance processes in each of Malaysia and Poland.

We will

- Continue to pay relentless attention to safety and the wellbeing of our people as an enabler of performance.
- Continue to share best practice in operations, technical knowledge, governance and compliance.

Accident Frequency Rate

Frequency per 100,000 hours; lost time injuries are calculated as any incident over one day.

-50%

2024	0.05
2023	0.10

1 2023 market share metric rebased in 2024.

2 Underlying measures allow management and investors to compare performance without the potentially distorting effects of one-off items or non-trading items. Definitions of underlying measures can be found under adjusted performance measures on page 212.

ESG and sustainability

Delivering positive change

Our corporate purpose, 'Building the foundations for a sustainable future', is at the heart of everything we do.

As the world's largest geotechnical specialist contractor, we have the responsibility and opportunity to make a difference to our customers and society and to help drive a low-carbon future. We are committed to reducing the carbon intensity of our work and have set out clear targets and action plans for our journey to net zero. We will be net zero across all three emission scopes by 2050: net zero on Scope 2 by 2030, net zero on Scope 1 by 2040 and net zero by 2050 on Operational Scope 3 (covering business travel, material transport and waste disposal). The short, medium and long-term actions required to achieve these goals are in progress and we met this year's Scope 2 carbon reduction target.

Our people's safety, health and wellbeing is at the heart of everything we do. We have continued to make good progress in improving the scores in our leading indicators, targeting continuous improvement in our Accident Frequency Rate (AFR) and Total Recordable Incident Rate (TRIR). In 2024, our AFR improved to 0.05 with a total of 13 lost time events, 13 fewer than 2023, and our TRIR improved to 0.55 with 72 recordable injury events, two fewer than 2023. Despite achieving industry-leading figures in this area, we recognise the need to continually improve and we will not be satisfied until we eradicate harm in the workplace.

We remain focused on the wellbeing and safety of every employee across the organisation. We continue to build on the introduction of our Inclusive Site Culture Standard with the rollout of our global employee programme, 'Engineering respect for a safer tomorrow', promoting positive behaviours to enhance team performance and addressing harmful behaviours that create unsafe working environments.

As part of our continued focus on mutually beneficial partnerships, we contributed £250,000 in 2024 towards UNICEF's Core Resources for Results. Keller's unrestricted funding enables UNICEF to support children wherever and whenever the need is greatest. Keller is delighted to have contributed £750,000 to UNICEF UK over the duration of our three-year partnership.

During the year we appointed Kerry Porritt, Keller's Company Secretary, as our first Chief Sustainability Officer to drive Keller's sustainability agenda and ensure it continues to gain traction across the Group. The Board continued to receive quarterly reports on all ESG initiatives and deliverables from Kerry, assuring a clear reporting line on all ESG matters to me and to my fellow Board members.

I have announced my intention to retire from the Board in March of 2025. From 1 January 2025, I am pleased to announce that Juan G. Hernández Abrams was appointed Keller's Director responsible for ESG and sustainability on the Board. Juan leads the Sustainability Committee and is well positioned to continue our commitment to the best achievable standards.

I would like to thank everyone at Keller for their continued commitment to our sustainability agenda.

Peter Hill CBE
Group Chairman

Approved by the Board of Directors
and authorised for issue on 3 March 2025

Our purpose

Building the foundations for a sustainable future

How we deliver

Planet

We are helping to build a sustainable future by using less resources, reducing carbon emissions and reducing waste across our operations. We have a positive role in supporting our local communities, improving the environment and wider society.

Global initiatives

Carbon reduction

CDP score
B
2023: B

Absolute tonnes of CO_2e per £m revenue
65
2023: 59

Read more on page 25

Local initiatives

- Resource use and waste reduction See page 30
- Tackling pollution See page 31
- Clean water and sanitation See page 31

People

We operate in a way that respects people and their health, safety and environment, always striving for zero harm. Our motivating and inclusive culture makes us a good employer that people are proud to work for.

Global initiatives

Safety

Accident Frequency Rate, per 100,000 hours worked
0.05
2023: 0.10

Total Recordable Incident Rate, per 200,000 hours worked
0.55
2023: 0.60

Read more on page 33

Gender equality

Women in senior leadership positions
27%
2023: 20%

Women in project management and engineering roles
18%
2023: 17%

Read more on page 40

Local initiatives

- Quality education See page 43
- Good health and wellbeing See page 33
- Wider DEI See page 36

Principles

An effective framework of systems and controls ensures we manage risk and run our company well, and we seek out partners who understand our principles and the standards we operate by.

Global initiatives

Good governance

Read more on page 46

Local initiatives

- Partnerships See page 47

Profitable projects

We innovate to support more environmentally sustainable construction, actively transforming our product portfolio to help our customers use fewer resources, reduce their carbon emissions and improve their environmental impact. Making sustainability core to our business helps differentiate us from our competitors and helps us achieve long-term profitability and growth.

ESG and sustainability continued
Planet

Planet

We are helping to build a sustainable future by reducing carbon emissions across our operations, using less resources, avoiding waste and reducing our water use. We offer the project solutions that help improve the environment for all our stakeholders.

Our initiatives

Global priorities

13 CLIMATE ACTION

Carbon reduction

Keller has net zero targets which cover our direct emissions (Scope 1), our indirect emissions from electricity use (Scope 2) and emissions from business travel, waste disposal and material transport (Scope 3 Operational). These targets represent Keller's commitment to the planet as we build the foundations for a sustainable future.

These absolute targets will help us mitigate future climate-related risks and recognise climate-related opportunities. We divide our emissions targets using the scopes set out in the GHG Protocol. These targets and our current performance are set out in the following section. The timeframe and lagging targets we set for each net zero commitment reflect the size and the level of control we have over each emission scope (see below). To achieve these targets, we have set multiple internal leading targets, built around our carbon hierarchy (see overleaf).

This explains that, after we work through the hierarchy to eliminate, reduce and substitute emissions, we may offset our remaining emissions as a last resort.

Scope	Net zero target	More information
1	Net zero by 2040	Page 28
2	Net zero by 2030	Page 29
3[1]	Net zero by 2050	Page 29

1 Operational.

CASE STUDY

Keller at the cutting edge of research into cement alternatives

We are leading the way in investigating the use of alternative cements and admixtures that not only cut carbon but also result in more cost-effective and efficient solutions.

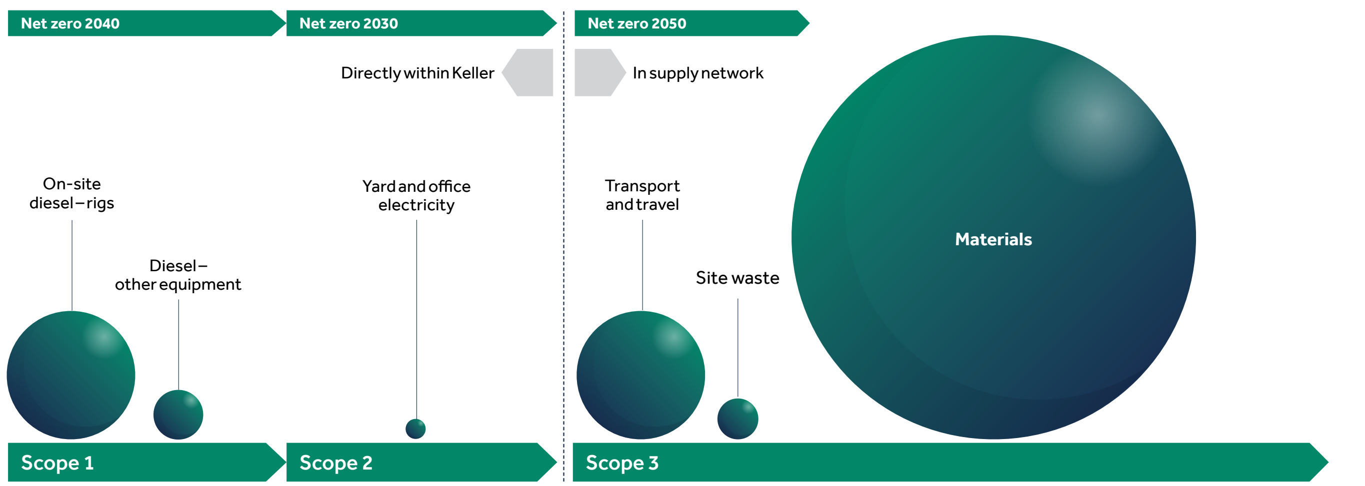
Deep soil mixing is a technique that involves the in situ blending of a cement-based grout into soft problematic soils, strengthening the ground for future construction. This mixing process can require a lot of cement; a single large project may consume upwards of 100,000 tonnes (note that cement production is estimated to contribute to about 8% of the world's total carbon emissions).

To reduce our cement usage and ultimately reduce our embodied carbon, Keller North America has been investigating the use of different alternative cements and admixtures (such as plasticisers and calcium-silica-hydrate nanoparticles) to reduce cement requirements while still meeting (and sometimes exceeding) project requirements.

Relying on the internal research centre in Houston, the research team has been testing out various innovative mix designs to evaluate their effectiveness and help plan how to implement these materials in the field. Recently, the team has been collaborating with chemical company Master Builders Solutions to trial various admixtures that may beneficially impact the soil mixing process. Both laboratory and field test results indicate that not only can using admixtures cut carbon, but these innovative grout designs reduce costs, improve quality and provide safer project sites due to less handling and the need for fewer trucks.

"After success in the lab, we've been able to try some of these alternative grout mixes on several live projects across the US," explains Brian Freilich, a senior engineer involved in the research. "We're taking a pragmatic approach because we have to be careful – different soils and different materials react in different ways… every site is a new chemistry experiment to solve."

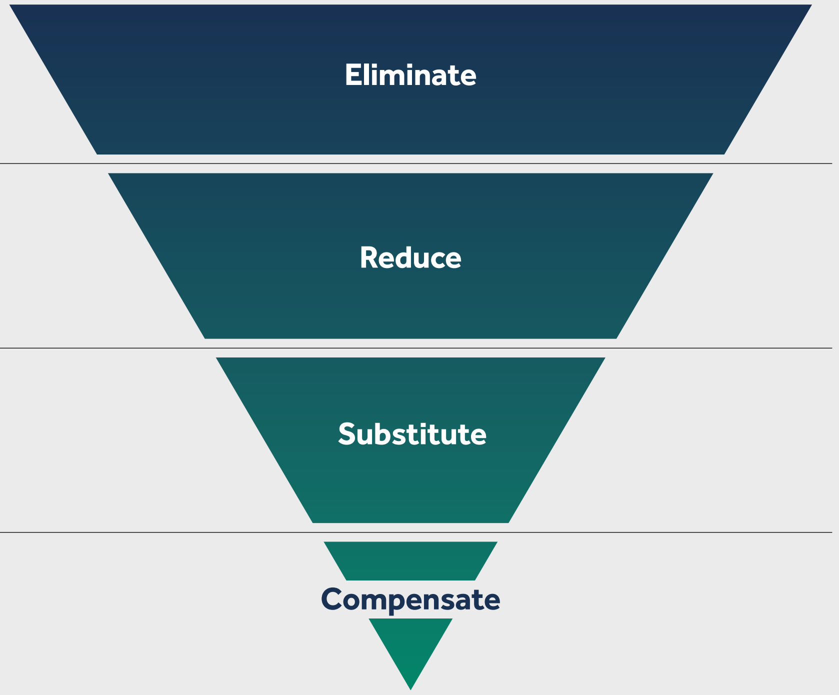
Relative size of our emissions (approximate)



ESG and sustainability continued
Planet

The carbon hierarchy

The carbon hierarchy helps us prioritise carbon-saving initiatives. We begin by focusing on eliminating emission sources entirely, such as using ground improvement to remove the need for any cement or steel. After eliminating, we then look to reduce our emissions, focusing on design optimisation and efficiency to reduce material volumes. From there, we look to substitute emission sources, trialling lower-carbon materials and equipment. Only once we have worked through this entire hierarchy will we look at compensating for our emissions as a future last resort.



Eliminate emissions completely

eg eliminate concrete, cement and steel, Teams instead of travel

Reduce emissions

eg reduce number of piles and pile diameter, improve the efficiency of our processes

Substitute emission sources

eg low-carbon cements, recycled steel/aggregate, offices powered by renewable power

Compensate

eg carbon-negative solutions, carbon offsetting ('carbon credits')

Overall performance

This year, Keller's overall Scope 1 and 2 emissions increased. This mostly reflects increased work, with more carbon-intensive projects, like bucket mixing environmental remediation. The carbon intensity of our operations also increased, again due to our product mix and a small improvement in reporting. For more information on these emissions, as well as our decarbonisation plans, see pages 28 and 29.

Third-party assurance statement

At the request of the Chief Sustainability Officer, Keller seeks annual third-party verification of our emissions. This verification process is compliant with the same consolidation rules as are applied to our financial accounting. This is consistent with the approach used in the ISO 14040 series and reflects the impact we have on overall emissions in our entities. All emissions provided are in tonnes of CO_2 equivalent, combining greenhouse gas emissions using the methodology from the Intergovernmental Panel on Climate Change (IPCC) assessment report 4 (AR4).

Independent verification, in accordance with best practices required by ISO 14064-3 Standard, on the Scope 1 and Scope 2 GHG accounts has been provided by UL Solutions. Their summary opinion is provided here (full opinion and recommendations are available on request).

Based on the data and information provided by Keller and the processes and procedures conducted, UL Solutions concludes with limited assurance that there is no evidence that the GHG statement:

- is not materially correct and is not a fair representation of GHG data and information; and
- has not been prepared in accordance with related International Standards on GHG quantification, monitoring and reporting, or to relevant national standards or practices.

It is our opinion that Keller has established appropriate systems for the collection, aggregation and analysis of quantitative data for determination of these GHG emissions for the stated period and boundaries.

CDP

As in previous years, Keller disclosed our climate change performance to CDP. CDP assesses the carbon intensity of Keller's operations, as well as our ability to identify and mitigate climate-related risks and opportunities. In 2024, we achieved a score of B. This is the same as in 2023, with Keller remaining above the global average CDP score of a C. Since this CDP score reflects our progress in 2023, the score does not include our progress on quantitative climate scenario analysis and wider TCFD improvements. These should be reflected in next year's CDP score. For more on our climate risks and opportunities and TCFD, see pages 48 to 65.

Overall performance and verification

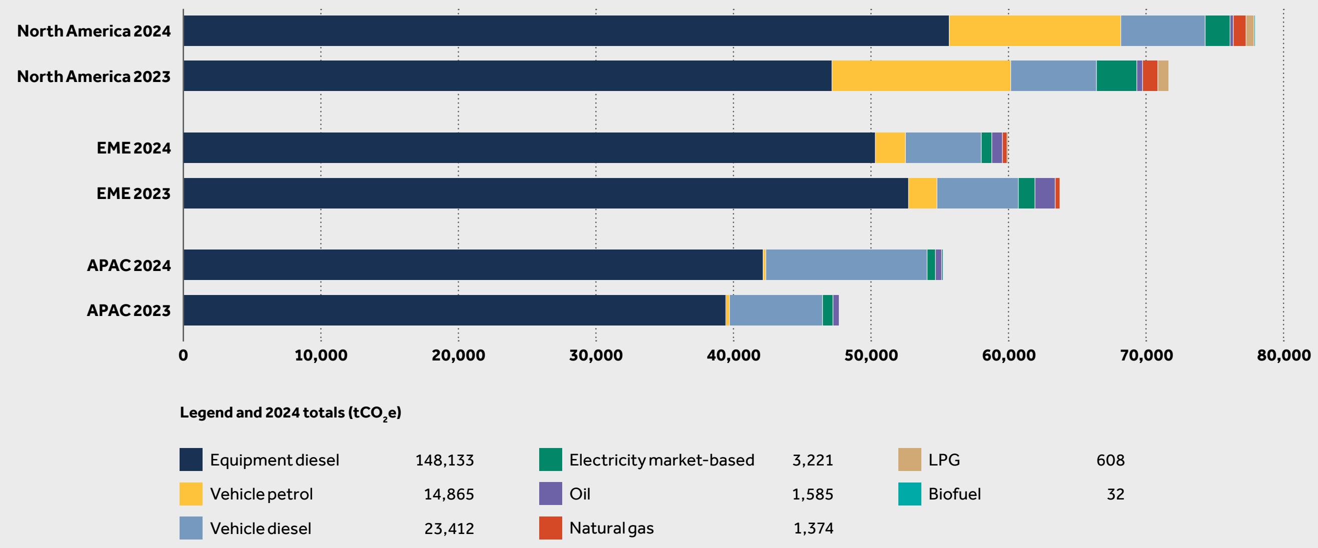
Group	2024	2023	2022	2021	2020	2019
Energy use MWh	**772,310**	777,270	897,717	741,579	691,074	811,881
Scope 1 tonnes CO_2e	**189,978**	182,506	210,186	183,112	169,216	198,289
Scope 2 (market-based) tonnes CO_2e	**3,221**	4,764	6,593	6,574	7,091	
Scope 2 (location-based) tonnes CO_2e	**5,487**	6,492	6,913	6,723	7,094	9,159
Total Scope 1 and 2 (market-based) tonnes CO_2e	**193,199**	187,270	216,779	189,686	176,307	
Total Scope 1 and 2 (location-based) tonnes CO_2e	**195,465**	188,998	217,099	189,835	176,310	207,448
Absolute tonnes of CO_2e per £m revenue	**65**	63	74	85	85	90

Keller UK	2024	2023	2022	2021	2020	2019
Energy use MWh	**11,938**	18,022	20,673	19,699	12,949	16,724
Scope 1 tonnes CO_2e	**2,938**	4,202	4,790	4,961	3,033	3,915
Scope 2 (market-based) tonnes CO_2e	**0**	0	0	0	218	
Scope 2 (location-based) tonnes CO_2e	**51**	105	117	69	219	265
Total Scope 1 and 2 (market-based) tonnes CO_2e	**2,938**	4,202	4,790	4,961	3,251	
Total Scope 1 and 2 (location-based) tonnes CO_2e	**2,988**	4,307	4,907	5,030	3,252	4,180
Absolute tonnes of CO_2e per £m revenue	**30**	34	38	50	53	64
Scope 3 business travel tonnes CO_2e	**1,176**	974	721	97	26	

2023 Group energy use, Scope 1 emissions and totals emissions restated to reflect improvements in fuel data collection.

Note that some of the fuel we use in our equipment is purchased by the main contractor or client and we are currently unable to report on these emissions due to difficulties with collecting accurate data.

Keller Group 2024 and 2023 greenhouse gas emissions (tCO_2e)



ESG and sustainability continued
Planet

Net zero by 2040

Scope 1: Direct emissions

Scope 1 covers our direct emissions. These mostly arise from our use of fuel in our drill rigs, site equipment and Keller vehicles. Scope 1 emissions are highly dependent on the number and type of projects completed annually. Both our total Scope 1 emissions and our Scope 1 per £m revenue increased in 2024. This meant Keller's leadership did not meet their remuneration target for achieving a 5% reduction in Scope 1 per £m revenue compared to 2023.

This increase has come from three main drivers. Firstly, we saw an increase in project operations, particularly in North America and India, resulting in more fuel use. Secondly, our project mix was slightly more fuel intensive, with more bucket mixing remediation work and civil projects. Thirdly, an additional 15,000 tCO_2e came from improvements in reporting diesel used on our sites, recording our emissions even where clients provide our fuel for free.

Despite this increase, we implemented a number of initiatives to reduce our Scope 1 carbon intensity. These were focused around the three stepping stones set out in our equipment decarbonisation strategy: efficiency improvements, alternative fuels and alternative equipment. All these initiatives are needed to decouple our growing work from absolute Scope 1 emissions and ultimately reach net zero by 2040.

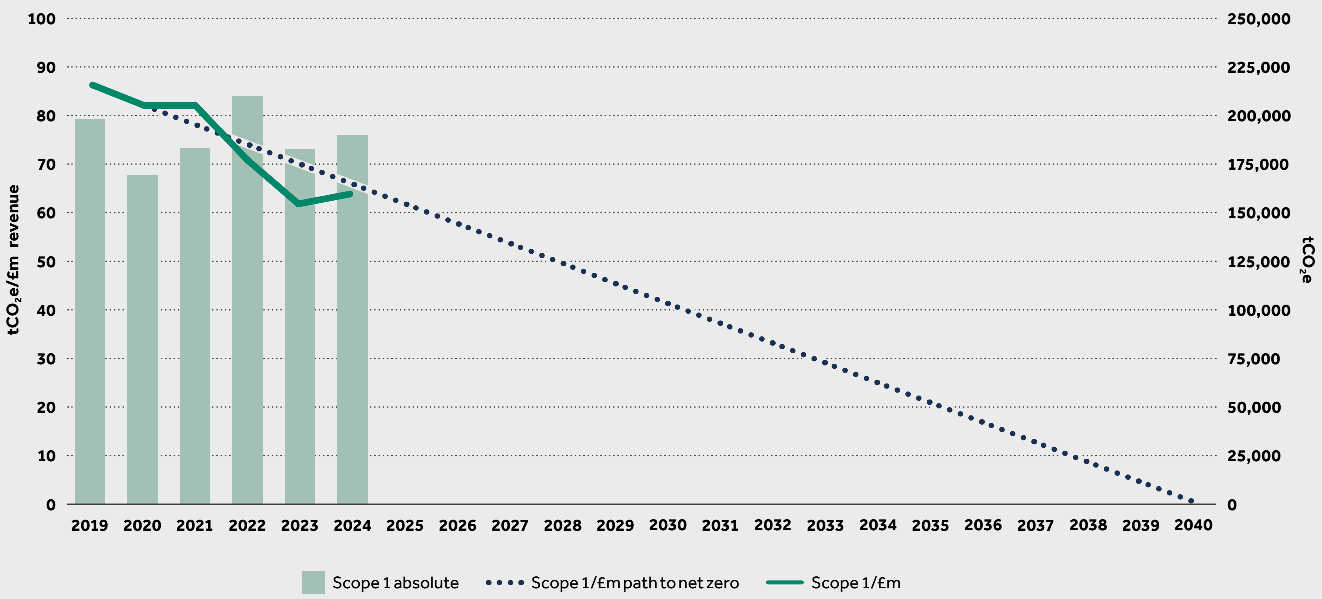
In terms of efficiency, 2024 saw us carry out a range of efficiency site trials. For example, ASEAN conducted an initiative to compare the fuel use of different rigs operating in the same ground conditions. This led to them changing out the most fuel-intensive rigs for those that were more efficient, saving fuel, carbon and money. These case studies were shared across the Group in webinars and toolbox talks, such as during Sustainability Week.

In terms of alternative fuels, in 2024 we continued to use a £100,000 internal budget to trial biofuels in more entities across EME and North America. These trials enable us to offer certified biofuels in more markets, to clients who are willing to pay a premium for a lower-carbon project. These also represent a stepping stone to decarbonise our existing equipment, before we are able to switch to alternative equipment.

In terms of alternative equipment, last year we announced the production of our first electric rig, the KB0-E. This has successfully been deployed in the Nordics, along with two other electric rigs. As well as decreased emissions, these electric rigs have the additional benefit of being run off mains power, including reduced noise, fewer moving parts for maintenance and, with no tailpipe emissions, an ability to use it in confined spaces. Further electrification development is ongoing at KGS, our in-house specialist rig manufacturer. All the rigs we produced in 2024 were electrohydraulic or fitted with the latest tier 5 engines.

Although most of our emissions come from our rigs and site equipment, our vehicle fleet is also a large source of Scope 1 emissions. Therefore, in North America, where vehicle emissions are largest, we rolled out a company car reward scheme for those choosing electric and hybrid vehicles. In many of our European business units, we continued to set minimum car scheme requirements to improve air quality and reduce emissions.

Scope 1 per £m revenue and absolute emissions



Net zero by 2030

Scope 2: Indirect emissions from electricity

Scope 2 covers indirect emissions from the electricity we use. These emissions are mostly from office and maintenance yard operations, although 2024 saw a small increase in construction sites running entirely from grid electricity.

Since most of these emissions do not significantly vary with the number of projects carried out, we focus on absolute Scope 2 emissions. Location-based emissions are dependent on the average carbon intensity of energy generation in the countries in which we operate. Market-based emissions use the specific energy tariff for each of our offices and maintenance yards and therefore captures green energy tariffs.

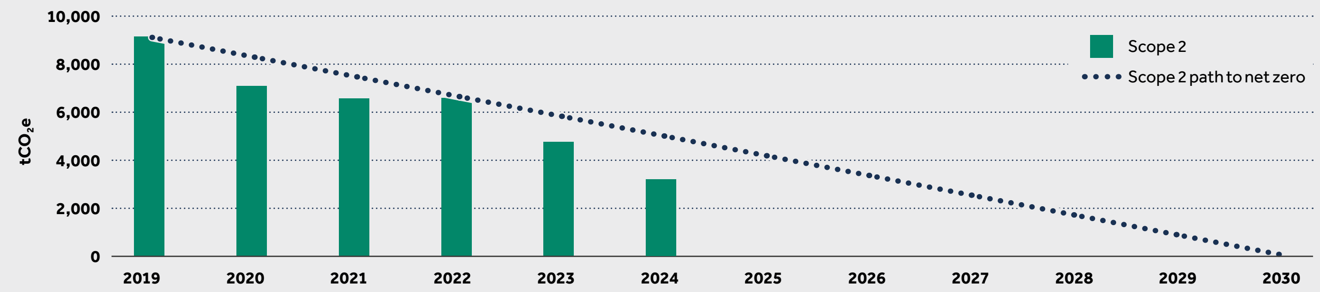
This year, Keller linked leadership remuneration to reaching below 45% of our 2019 market-based Scope 2 emission baseline. This target reflected a linear path to Scope 2 net zero by 2030. This was successfully achieved, with Keller reaching 35% of our 2019 baseline.

This continued decrease demonstrates the success of our Scope 2 decarbonisation strategy. It also reflects the work of Team Planet volunteers across Keller, taking steps to improve their own offices, maintenance yards and sites.

Most of these savings came from the work of Suncoast, our specialist post-tension steel specialist, which now represents approximately a quarter of all the Group's Scope 2 emissions. Through efficiency improvements and sourcing local renewable energy certificates, they reduced their emissions by a further 850tCO_2e in 2024. The growing difference between location-based and market-based Scope 2 emissions reflects how some of our business units, particularly in North America and EME, are now procuring certified renewable power electricity for the first time.

Where green tariffs are unavailable, such as in much of APAC, business units focused on efficiency improvements and generating their own electricity. Austria, Austral, India, Poland and the UK all generated their own renewable energy using solar panels in 2024.

Scope 2 market-based absolute emissions



Net zero for Operational Scope 3 by 2050

Scope 3: All other indirect emissions

Scope 3 represents all other indirect emissions, mostly from Keller's supply network. This means Scope 3 is the largest proportion of Keller's emissions.

To reflect where we believe we can have the most impact, we have set a net zero target for Operational Scope 3. This covers business travel, transportation of materials, and waste disposal. UK Scope 3 business travel has continued to increase since 2023, particularly as processes have been centralised and the Group head office grows to incorporate the information technology team.

We continue to develop our Operational Scope 3 decarbonisation strategy based on our carbon hierarchy. For example, our North America Division has introduced financial incentives for employees who choose electric or hybrid vehicles on the company car scheme. On our sites, we also have initiatives such as containerisation and right-sizing to reduce the number of trucks needed to mobilise and demobilise our equipment.

We do not currently report our wider Materials Scope 3 emissions. Since we work with local material suppliers on each project, we have thousands of suppliers in our value chain. Using many small suppliers for individual projects means we lack leverage when it comes to decarbonising our supply network.

However, in 2024 we took big steps towards estimating our company-wide Scope 3 emissions in preparation for future CSRD reporting. This included calculating our Scope 3 emissions for a business unit for the first time. The overall Group Scope 3 calculation will eventually be integrated into our new systems.

In terms of decarbonising our Materials Scope 3, we have begun to set out our transition pathway. This focuses on three main areas: alternative techniques, alternative designs and alternative materials.

Our estimating and design teams are already capable of offering alternative techniques and designs. For these two steps, our focus has been more on demonstrating potential carbon savings to our clients. For this, we have trained our teams on the sector-standard EFFC–DFI embodied carbon calculator.

Conversely, alternative materials has required far more supply chain engagement. For example, in 2024 we became a founding partner of the Supply Chain Sustainability School in the US. We will use this school to help educate and engage our supply chain on how to make their products more sustainable. Similarly, we work with our trade associations across Europe and North America to create some collective leverage to drive decarbonisation. We have also focused on university partnerships for low-carbon materials innovation, researching how low-carbon cements and admixtures behave in different ground conditions.

ESG and sustainability continued
Planet

Local priorities

Resource use and waste reduction

This initiative reflects the contribution Keller can make towards the circular economy. In particular, we look to reduce raw material use, increase our use of secondary materials, reduce waste to landfill and allow for pile reuse.

We recognise the large volumes of materials used and produced on our sites, so we have a number of projects to improve these impacts.

In 2024, we led the production of cross-sector research and development of an updated circular economy guide for geotechnical companies. Critically, this shares good practices that all geotechnical companies can adopt to improve their impact on the circular economy. This will help the whole sector understand their current circular economy impacts and meet upcoming legislation in this space.

Internally, Keller routinely promotes ground improvement solutions as a way to reduce raw material use on site. Ground improvement uses natural or recycled materials to improve ground load carrying capacity. This reduces or completely removes the need for heavy foundations. In turn, this reduces the volume of cement and steel used on site, saving primary resource use, and potentially offering a financial saving to our clients. The reduced need for heavy foundations also reduces the carbon intensity of the overall project. More details on what we ask of our supply chain in terms of waste reduction can be found in our Supply Chain Code of Business Conduct.

As well as addressing our use of raw materials, we are also keen to reduce waste. Of all the geotechnical solutions we offer, our jet grouting solutions have traditionally used the most water and created the most waste spoil.

Therefore, our research and development teams have been trialling ways to monitor and reduce these impacts. Using a combination of filter chamber presses, centrifuges and shale shakers, we are now able to reduce the volumes of waste water and spoil produced on jet grouting sites. As well as reducing the cost of waste disposal, this has the added benefit of reducing the number of trucks required to transport materials off site. This reduces congestion around our sites, improving air quality and reducing our impact on the local community. We also have a number of ongoing research projects looking to use alternative materials for jet grouting and allow the reuse of grout-filled spoil.

We will disclose more about our raw material use and impacts on the circular economy in our CSRD disclosure next year.

CASE STUDY

Keller's first Global Sustainability Week

To coincide with United Nations Earth Day in April, Keller launched its inaugural Global Sustainability Week, promoting positive and practical ways to build a sustainable future.

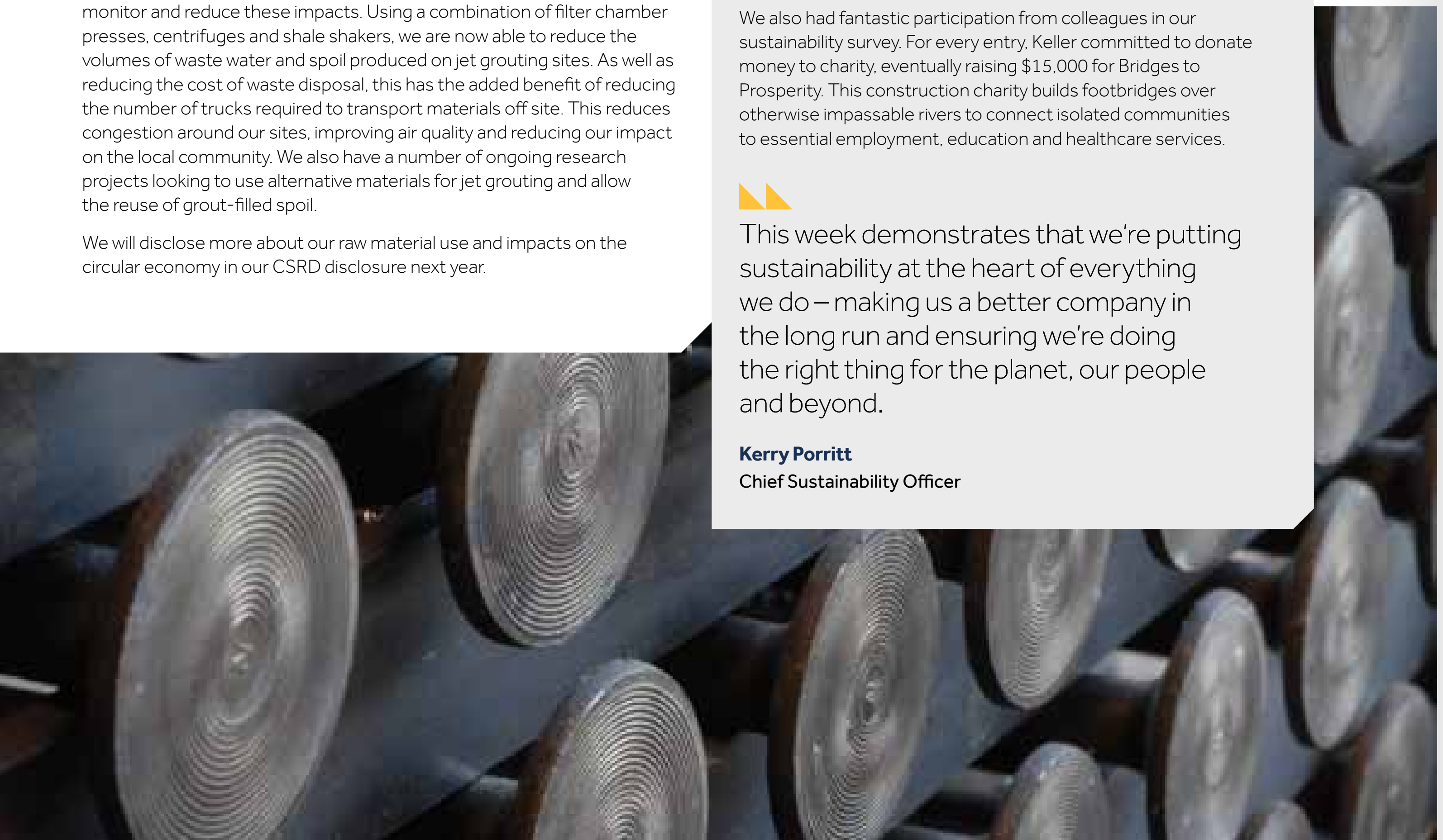
Off the back of a successful Sustainability Week in North America in 2023, this year our divisional Team Planets – made up of volunteer sustainability champions from across the organisation – decided to go global, promoting Keller's progress through a range of events and activities. These included webinars on topics such as sustainable solutions and mental health, as well as on-site 'toolbox talks' to encourage best practice.

For example, employees in EME and APAC got to hear from our charity partner UNICEF on their vital work, while North America held a fun sustainability-themed children's art competition.

We also had fantastic participation from colleagues in our sustainability survey. For every entry, Keller committed to donate money to charity, eventually raising $15,000 for Bridges to Prosperity. This construction charity builds footbridges over otherwise impassable rivers to connect isolated communities to essential employment, education and healthcare services.

This week demonstrates that we're putting sustainability at the heart of everything we do – making us a better company in the long run and ensuring we're doing the right thing for the planet, our people and beyond.

Kerry Porritt
Chief Sustainability Officer



Tackling pollution

Keller is committed to delivering its solutions in a socially and environmentally conscious manner. Over recent years reporting processes have improved and performance is generally encouraging.

The overall number of environmental incidents remained in line with those reported the previous year, with most incidents being minor hydraulic leaks. We have therefore been rolling out our improved equipment inspection process, using our site software prior to each shift commencing, in an effort to reduce the number of minor spills.

We continue to work on our preventative maintenance programmes to ensure that we address any issues before the event occurs.

In addition, we ensure that secondary containment is in place for stored equipment and materials. We continually seek to improve our processes on site, specifically around job planning, to ensure that we identify, mitigate and control our risks and minimise our environmental impact. More details can be found in our Biodiversity Policy.

Whilst as subcontractors we have limited control on biodiversity on site, some geotechnical solutions we offer, like Neutrogel®, can help remediate contaminated ground. Equally, for our own operations on specific projects, we make use of dust suppression and baffling to minimise the impact of dust and noise on the local environment. We also typically use local material suppliers to support local businesses, reduce transport distances and reduce congestion around our sites. We are engaging with our trade associations to highlight upcoming legislation and best practices for the geotechnical sector. We also engage with local organisations and wildlife trusts to promote local biodiversity around our yards and offices.

We will disclose more about pollution and biodiversity in our CSRD disclosure next year.

CASE STUDY

Cutting carbon for Tata Steel

Keller India has won a Sustainability Excellence Award from manufacturing giant Tata Steel after drastically cutting carbon emissions on a project in Ludhiana. By optimising the design, the team made the construction not just greener but more cost-effective too.

Tata Steel, part of India's largest company, is building the country's first low-carbon steel production facility in the Punjabi city of Ludhiana. Using only scrap steel and an electric furnace, the plant is pioneering greener manufacturing.

One of the challenges the company faced during construction was that Ludhiana sits in an earthquake zone, impacting the load-carrying capacity of pile foundations.

The client came up with a suitable design of almost 7,000 bored piles, as well as raked piles. However, with sustainability high on the agenda, Tata turned to Keller to see whether we could come up with a solution using less steel and cement – reducing the estimated carbon footprint of 70,000tCO_2e.

After analysing ground conditions, our experts proposed a ground improvement technique called vibro compaction. This technique improves loose granular soils, enhancing shear strength by densifying sandy strata. This effectively mitigates liquefaction, resulting in increased pile capacity and reducing the number of piles required.

As a result, carbon emissions were reduced by more than half to 35,000tCO_2e. Also, by using a Lean approach, our on-site crew achieved remarkable levels of productivity, cutting the cost to the client and finishing this complex project on schedule.

Water use

This local initiative reflects our work on water-related projects, as well as our own initiatives to reduce water use and avoid water pollution.

In terms of our solutions, we work on a number of water-related projects around the world. From installing the foundations of flood defences to grouting around dams, Keller is involved in many projects to help mitigate the effects of drought and sea level rise.

This work will only increase with the physical risks and opportunities arising from climate change. We also offer solutions to help remediate contaminated ground water. This includes solutions such as slurry cut off walls, as well as innovations like our Halocrete® grouting solution.

When it comes to our own operations, we focus on water reduction on key projects and countries where water is less available. We have a Keller employee in Keller Bahrain carrying out a PhD focused on operationalising water reduction initiatives in our design and site operations. Similarly, we are also contributing to cross-sector trade association work on water reduction, highlighting upcoming legislation and best practices in our sector.

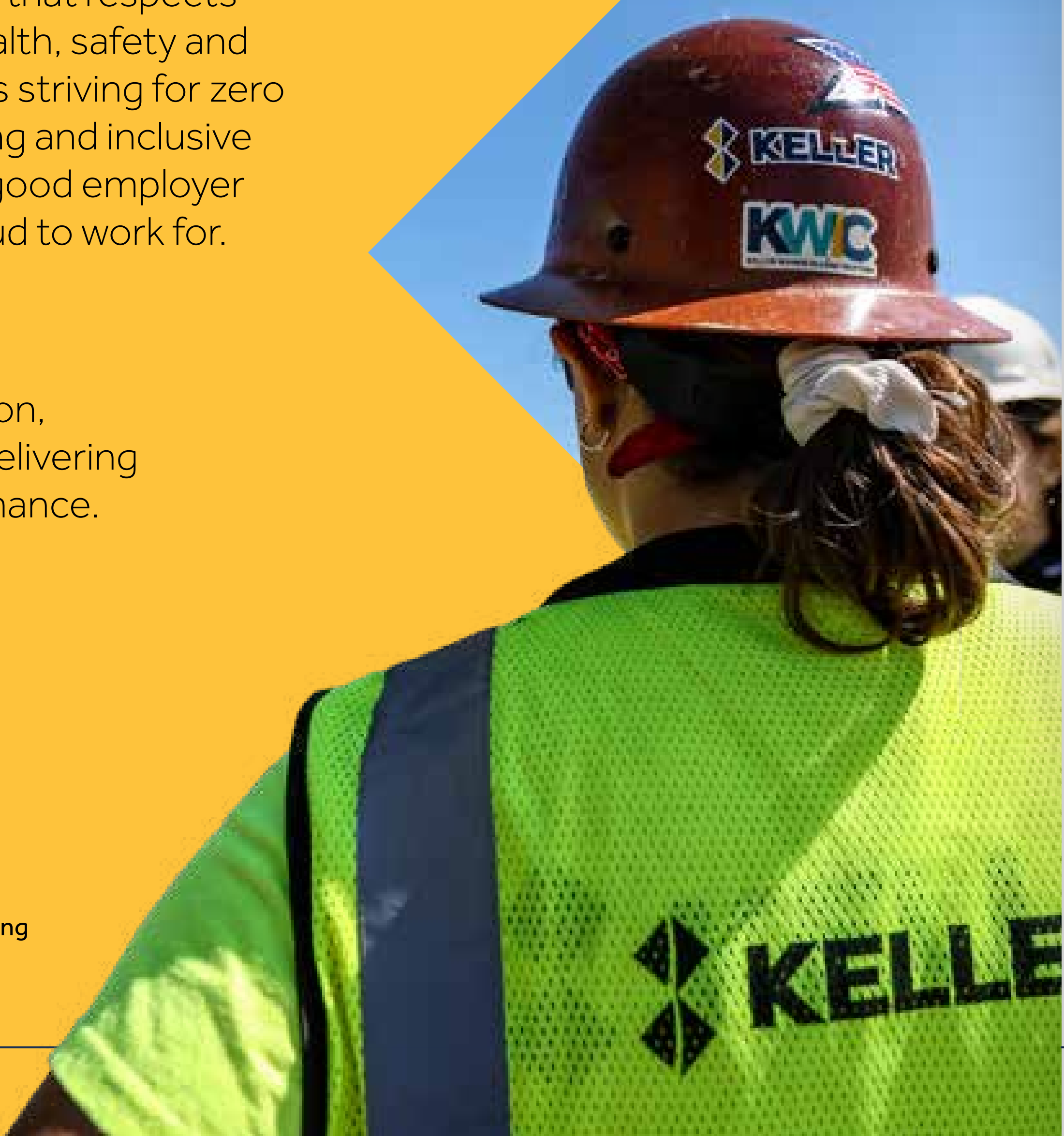
We will disclose more about water use in our CSRD disclosure next year.

Our people

Keller is proud to be the world's largest geotechnical specialist contractor and we understand that our success is down to our diverse and talented team, where each individual contributes to our collective achievements.

We operate in a way that respects people and their health, safety and environment, always striving for zero harm. Our motivating and inclusive culture makes us a good employer that people are proud to work for.

The right organisation, with great people, delivering exceptional performance.



Our initiatives

3 GOOD HEALTH AND WELL-BEING

Safety

At Keller safety is a value, something we do not compromise. Our programmes encourage engagement and involvement throughout the organisation. Leading indicators focus on ensuring that we plan, deliver and learn from the work that we conduct.

Focus in 2024

- Reporting of hazardous conditions and behaviours.
- Ensuring that all incidents are reported, regardless of severity.
- Leadership team that 'walks the talk' conducting meaningful site safety interactions.
- A robust assurance programme to validate that key controls are in place and effective.

In 2024, our Accident Frequency Rate (AFR) improved; we closed out the year at 0.05, with 13 lost time injuries recorded, a reduction of 13 injuries year-on-year. Total Recordable Incident Rate (TRIR) saw a slight improvement, closing out 2024 at 0.55, with two fewer injuries year-on-year. Our ethos on learning from incidents is a key contributor to the improvement of our systems of work, ensuring that they develop and remain relevant over time.

In 2024, we implemented a telematics programme in our North America Division, so all Keller-owned vehicles are now equipped with systems to track 'at risk' behaviours, including speeding, seatbelt use, harsh braking and cornering. A process of coaching and progressive discipline is in place for identified 'high risk' drivers. Following the successful implementation in North America we are beginning to explore how this system may be used in the EME and APAC divisions.

Implementation of our field-focused application 'InSite' has progressed significantly in 2024, with all foundations businesses across the Group now using the safety processes to ensure our work is planned and delivered in a controlled manner. This includes transparency for the field leadership of the training and qualifications of the crew.

Global Safety Week was held in the first week of October, the theme was 'Distance yourself from injury'. This year we focused on how we reduce exposure of our people to known hazards. The week involved various toolbox talks, videos and leadership site safety visits. Those efforts were focused on job set-up, controlled access and exclusion zones and seeking alternative methods for conducting work to remove hands from tools and equipment. Engagement was excellent and all locations across the Group participated.

Priorities for 2025

- Further enhance our safety processes in our own workshops and yards.
- More in-depth analysis by technique to better understand necessary controls and how to further reduce hand exposure.
- Continued implementation of our InSite application to some of our non-foundations business units.
- Explore the use of telematics outside of North America.

CASE STUDY

Shining a spotlight on safety

Safety messages are continuously reinforced at our job sites across the world, but each year we also run a Global Safety Week to take a deeper dive into a specific area.

This year's theme was 'Distance yourself from injury', which focused on how everyone can be more mindful about being in hazardous situations.

Each day focused on a particular topic, including planning a safer project, setting up controlled access zones and exclusion zones, and best practice for avoiding different hand injuries.

Throughout the campaign, our people learned about past incidents and how they could have been avoided, shared tips and celebrated safety champions.

Afterwards, John Raine, Chief HSEQ Officer, sent a message to colleagues across the Keller world: "From your commitment to running toolbox talks and organising leadership site visits, to your involvement in daily safety discussions and the powerful stories you shared – each of you played an important role.

"These initiatives are crucial to our ongoing safety. Thank you for your enthusiasm and support. I look forward to next year's event and continuing our journey towards a safer Keller."

Reflecting on past experiences helps us learn and evolve, ensuring we can make significant changes to prevent future incidents.

John Raine
Chief HSEQ Officer

ESG and sustainability continued
People

3 GOOD HEALTH AND WELL-BEING

Good health and wellbeing

Everything we achieve as a business is through our people. Their safety, health and wellbeing is at the heart of everything we do. And with strong foundations of wellbeing, we can keep our business resilient and achieve sustainable success. Building on our strong foundation of keeping our people physically safe, we have increased our focus on all aspects of people's health and wellbeing.

Our Foundations of Wellbeing

Mind
"Being emotionally healthy and resilient – positive attitudes to life and its challenges"

Our goal
To create an environment to support everyone's mental health and resilience to life's events

Body
"Being at your best physically by keeping fit, eating and sleeping well"

Our goal
To encourage balanced and healthy lifestyles and the ability to thrive in life

Growth
"Being empowered and supported in your career – positive work experiences that produce pride, fulfilment, meaning and happiness"

Our goal
To encourage career conversations and growth opportunities that help everyone reach their full potential

Community
"Being connected – building positive relationships with each other and our communities"

Our goal
To build a sense of belonging in the workplace and create opportunities for shared positive experiences

Financial security
"Being financially fit – managing your money well for greater security"

Our goal
To provide educational tools and resources to help everyone manage their day-to-day finances and prepare for the future

Our focus in 2024

At Keller, our commitment to fostering a healthy and supportive work environment aligns with our commitment to the UN Sustainable Development Goal 3: Good Health and Wellbeing. Recognising the unique challenges of our industry, we undertook a series of focus groups, engaging a cross-section of our workforce. This initiative allowed us to better understand the evolving needs of our organisation.

Insights gathered from these discussions have been integral in shaping improvements that are being embedded in the broader Keller People Strategy for 2025 and beyond. This strategic alignment ensures that our wellbeing initiatives continue to drive meaningful, sustainable impact for our employees globally.

Notable initiatives

We delivered on a number of initiatives during the year, including:

- Enhanced employee assistance programmes – expanded accessibility and tailored resources to support mental health and personal challenges.
- Upgraded site amenities and work schedules – focused on improving working conditions to support physical and mental health.
- Training on wellbeing topics – delivered targeted programmes to equip key personnel with the tools to champion workplace wellbeing.
- Suicide prevention and mental health campaigns – to address the high rates of mental health challenges within the industry through focused education and support efforts.
- Support for Movember – promoted awareness and action for men's mental health, suicide prevention, and cancers like prostate and testicular cancer.

These initiatives reflect our proactive approach to employee welfare, fostering resilience, inclusivity and sustainable growth across our global operations.

CASE STUDY

Keller wins hat-trick of health and safety awards

Keller UK was the most decorated company at this year's European Federation of Foundation Contractors (EFFC) meeting in Rome – winning gold, silver and bronze awards.

This year was the second time the health and safety awards had been run by the industry body, the EFFC. Last year, Keller UK won gold for its Step Forward for Safety campaign, and this year the team did even better.

A Keller-Bauer joint venture won gold in the Safety Innovations category for creating a protection system that prevents workers from falling into open excavations during slurry wall construction.

Also in the Safety Innovations category, Keller in conjunction with manufacturer Premier Pipeline Ltd picked up bronze for a newly designed 'blowing out cannon'. This prevents the potentially explosive build-up of air pressure in concrete hoses.

Finally, in the Health and Wellbeing category, Keller won silver for its successful employee health and wellbeing programme. Led by Sam Farrelly, Health and Safety Advisor – Major Projects, the programme includes training, the introduction of mental health first aiders, monthly wellbeing communications, site resources and much more.

"I'd also like to incorporate more technology into what we do," says Sam. "By gathering data on trends and sentiments, we can proactively address specific challenges, continuously enhancing our wellbeing support across the workforce. This integrated approach will help us build a more resilient, responsive culture of care."

> Next year we plan to do even more to foster open conversations around wellbeing.

Sam Farrelly
Health and Safety Advisor

ESG and sustainability continued
People

Diversity, equity and inclusion (DEI)

Building a stronger future at Keller Group plc

Fostering diversity, equity and inclusion (DEI) is fundamental to who we are and how we operate as a global leader in our industry. Our Inclusion Commitments bring together what we are doing across the Keller world to build a workplace where all employees feel valued, respected and empowered to thrive. We believe this is not only integral to delivering our business strategy but also vital to serving our customers around the world effectively.

Recent progress

Notable progress during 2024 is summarised as follows under each of our Inclusion Commitments:

Conscious Leadership

Improve accountability through inclusive and conscious leadership.

By empowering and equipping our leaders to excel in this space.

- Launched 'Engineering respect for a safer tomorrow', a global programme focused on creating a psychologically safe, respectful and inclusive workplace for everyone.
- Introduced a global 'Respect in the workplace' standard, setting out a zero-tolerance stance on harmful behaviours, including bullying, harassment and discrimination.
- Continued to monitor progress against our Inclusive Site Culture Standard, which predominantly focuses on providing inclusive PPE, considering religious and cultural needs, and enhancing welfare facilities.
- Launched a Male Allyship Award programme in India to recognise senior leadership members who have role-modelled support for gender equality and equity in the workplace.
- The DEI Committee led a session at the Project Managers conference, which focused on 'Psychological safety and creating a more inclusive work environment'.

Listen

Listen and engage with our workforce.

Through employee-led networks and workforce engagement opportunities.

As part of our commitment to continue to understand what is important to our underrepresented workforce, we actively support the creation of employee-led networks. Keller Women in Construction (KWIC) brings together women and allies from across the organisation to promote inclusiveness, foster a supportive working environment and boost career development.

- KWIC-EME hosted several webinars, contributed to improving the accessibility of women's PPE, and held their first in-person event. They have focused on outreach programmes and raising the visibility of women across the EME region through the Connections newsletter and social media.
- KWIC-APAC launched a mentoring programme and continued to offer support, guidance and regular check-ins to participants. The mentoring programme has since rolled out further across the division.
- KWIC-NA expanded its internal network and supported women by hosting virtual and in-person events, benefitting wellbeing and professional development. Engagement activities and surveys undertaken by the committee provided valuable feedback on improvement areas at Keller. The committee remains closely aligned with management and HR teams to enhance recruitment and retention efforts, strongly focused on community outreach, including volunteering at STEM festivals and local schools.

Empower

Empower and invest in our workforce.

By creating an environment of continuous learning and development to support our people in reaching their full potential.

- Keller UK maintained its status as a Disability Confident Employer, a government initiative encouraging employers to recruit and retain disabled people and those with health conditions.
- As part of Global Day of Parents, we raised awareness to support parents of children with additional needs, sharing personal stories and incorporating parent suggestions into guidance to support parents, managers and HR teams.
- Keller India launched a geotechnical scholarship empowering 15 students on their journey through postgraduate studies; a scholarship to support 36 students from underprivileged families with their school and college education; and week-long internships at their yard based in Madhavaram.
- EME engaged with employees through surveys and exit and stay interviews to understand the workforce's priorities. The results were shared with management teams, followed by targeted action plans.
- North-East Europe launched a mental health awareness programme, while Central Europe expanded wellbeing benefits, which were well received.
- To mark International Women's Day, we hosted a global webcast with KWIC Chairs. The event focused on advancing gender equality and equity, showcasing division-level progress and strategies for the year while celebrating women's contributions to the industry.
- Launched the 'Recognise a role model' campaign as part of International Men's Day to celebrate colleagues who inspire others, make a positive impact, and contribute to enhancing our workplace culture.

ESG and sustainability continued
People

Our Inclusion Commitments continued

Partner

Partner with 'like-minded' organisations through inclusivity.

To drive necessary change in the industry.

- Partnered with Neurodiversity in Business (NiB), an industry forum to help ensure greater workplace inclusion of the neurodivergent community.
- Partnered with BuildOUT California, an organisation that advocates, connects and empowers members of the LGBTQIA+ community in the design and construction industry.
- Keller India transformed the Ponka Gaon girls' school in Assam by upgrading facilities and sanitation and adding solar panels and a playground, earning positive feedback from customers. They also renovated classrooms at a girls' school in Chennai, benefitting over 1,000 students, and launched the 'Wheeling for Education' initiative in Noida, providing bicycles and improved wash facilities for 967 girls.

Evolve

Continue to evolve as the employer of choice in our industry.

To attract, inspire and retain a more diverse group of talent.

- Female representation in North America has increased in all areas, thanks to KWIC's efforts and improved recruitment strategies using new technology, with the NA DEI Committee enhancing DEI awareness at recruitment fairs.
- Keller Australia enhanced superannuation payments to cover up to 12 months of unpaid leave for the primary carer, ensuring women aren't disadvantaged in pension contributions during maternity leave.
- The Global Talent Task Force revamped Keller's website careers section to enhance the employer brand and improve candidate experience, aiming to attract and engage diverse candidates.
- EME strengthened its employer brand to attract diverse talent to address an ageing workforce and the industry's skills shortage. They also continue to maintain a strong presence in schools and universities and engage with the emerging workforce.
- A pilot programme to reduce recruitment bias has been launched in France, with plans for broader implementation.

Celebrate

Celebrate our differences and all that unite us.

Through earmarking key global events that represent the breadth of our workforce.

- Keller India received the Corporate Social Responsibility Excellence Award from the World Safety Organisation for impactful initiatives, including its people sustainability efforts with NGO Bhumi.
- Keller Malaysia was awarded first runner-up for the 'MyFutureJobs Award' by SOCSO in the Sustainability category, recognising its efforts in eco-friendly practices and a human-centric growth model across various areas, including environmental, social and governance criteria.
- EME promoted inclusion through events like the Keller Cup, multicultural lunches, and community projects such as tree planting.
- Throughout 2024, we recognised and celebrated international days that are meaningful to our workforce, including International Women's Day, Lunar New Year, Ramadan, Pride Month, Global Day of Parents, International Women in Engineering Day, World Suicide Prevention Day, International Men's Day and International Day of People with Disabilities.

CASE STUDY

Safer together: The journey beyond physical safety

The launch of our 'Engineering respect for a safer tomorrow' programme aims to strengthen Keller's culture by promoting psychological safety, inclusion and respect.

Operating in the construction industry, we put a lot of emphasis on safety. But safety isn't just physical – it is psychological too and both are important for maintaining good health, wellbeing and productivity. Psychological safety is about creating an environment where individuals feel safe, respected and valued for their contribution without fear of negative consequences.

With this in mind, Keller has launched 'Engineering respect for a safer tomorrow', a global programme promoting positive behaviours that enhance team performance while also strengthening our approach to addressing harmful behaviours such as bullying, harassment and discrimination.

"We want to promote a culture where our people can deliver their best work," says Sandy-lee Connolly, Group Head of Talent and Diversity. "This is important because a healthy culture directly supports safety and productivity, fostering collaboration and innovation. It also encourages colleagues to speak up against unsafe practices or harmful behaviours, and it empowers our people to feel able to ask for mental health support when they need it."

As part of the programme, Keller has introduced a new 'Respect in the workplace' standard that sets out a zero-tolerance stance on harmful behaviour. Comprehensive guidance and a global training module have been implemented to clearly define harmful behaviour, empower colleagues to take personal responsibility and ensure everyone can positively contribute to a culture we can be proud of. This initiative has also been integrated into field leadership programmes, site orientations and onboarding processes to ensure it becomes a fundamental aspect of our culture.

> This is only the beginning, and we are excited to see the cultural shift we are creating, one in which all our employees can feel respected, included and psychologically safe.
>
> **Sandy-lee Connolly**
> Group Head of Talent and Diversity

ESG and sustainability continued
People

Gender diversity data

While gender equality remains a key focus, we embrace the broadest definition of diversity, reflecting the rich range of backgrounds, cultures, experiences and insights that our people bring to Keller. Representation matters and our ambition is to build more balanced teams. We continue to measure and monitor gender diversity throughout our organisation to identify where additional focus is needed to attract and retain a more diverse group of talent.

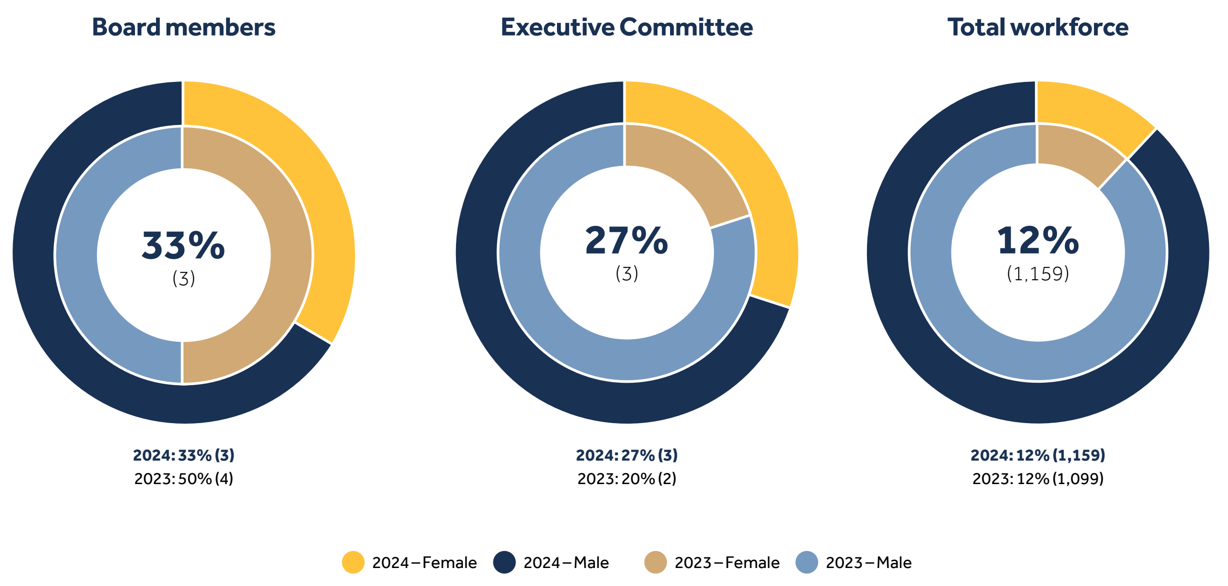
In 2024, we submitted our data to the FTSE Women Leaders Review, an independent, business-driven framework providing recommendations to enhance the representation on the Boards and Leadership teams of the FTSE350 and 50 of the UK's largest companies.

The review recommends a voluntary target of 40% female representation on boards and leadership teams by the end of 2025, with an additional expectation of at least one key leadership role – such as Chair, Senior Independent Director, CEO, or Finance Director – to be held by a woman.

In 2024, female representation on the Board temporarily decreased from 50% to 33% during a transitional period when both Peter Hill and Carl-Peter Forster were serving as members. We will go back to 37.5% from 5 March 2025, which is close to the 40% FCA Listing Rule target without increasing the size of the Board. The company continues to refine its long-term planning to align Board composition, skills, and experience with the Group's strategy. Baroness Kate Rock continues to serve as Senior Independent Director, fulfilling the target of having at least one woman in a key leadership role.

Keller's Executive Committee composition is making progress towards the voluntary target of 40% with female representation increasing by 7% during the year.

Female representation



Notes
All data as at 31 December 2024

ESG and sustainability continued
People

Gender pay gap

Keller is committed to providing open and detailed information about its gender pay gap. The results alongside pertain to Keller Limited, a UK subsidiary of Keller Group plc.

The industry suffers from a lack of female representation with fewer women entering at graduate level and even less so working on sites. There are a number of actions Keller Limited are taking to attract and retain more women in the industry, including:

- Working with several universities, particularly those offering an MSc in Geotechnical Engineering and Degree Apprenticeships in Civil Engineering to attract young professionals to the sector.
- A full review of its family-friendly policies including maternity and paternity and introducing enhanced parental pay for its employees.
- Launching its menopause policy and menopause guidance with certified menopause trainers delivering a webinar on menopause in the workplace.
- Working towards Leaders in Diversity status with part of the process involving employee feedback via surveys and focus groups, a review of recruitment, induction, procurement and tendering processes to assess whether diversity, equity and inclusion is incorporated, and awareness training through DEI toolbox talks and unconscious bias training.
- Collaborating with KWIC-EME whose purpose is to support our businesses with attracting, inspiring, supporting and developing women.
- Partnering with Women in Construction to attract younger generations to consider a career in geotechnics.
- Undertaking annual assessments to ensure gender pay parity.

Mean UK gender pay gap

24.57%

(2022/23: 30.64%)

Median UK gender pay gap

21.13%

(2022/23: 30.60%)

Mean bonus gender pay gap

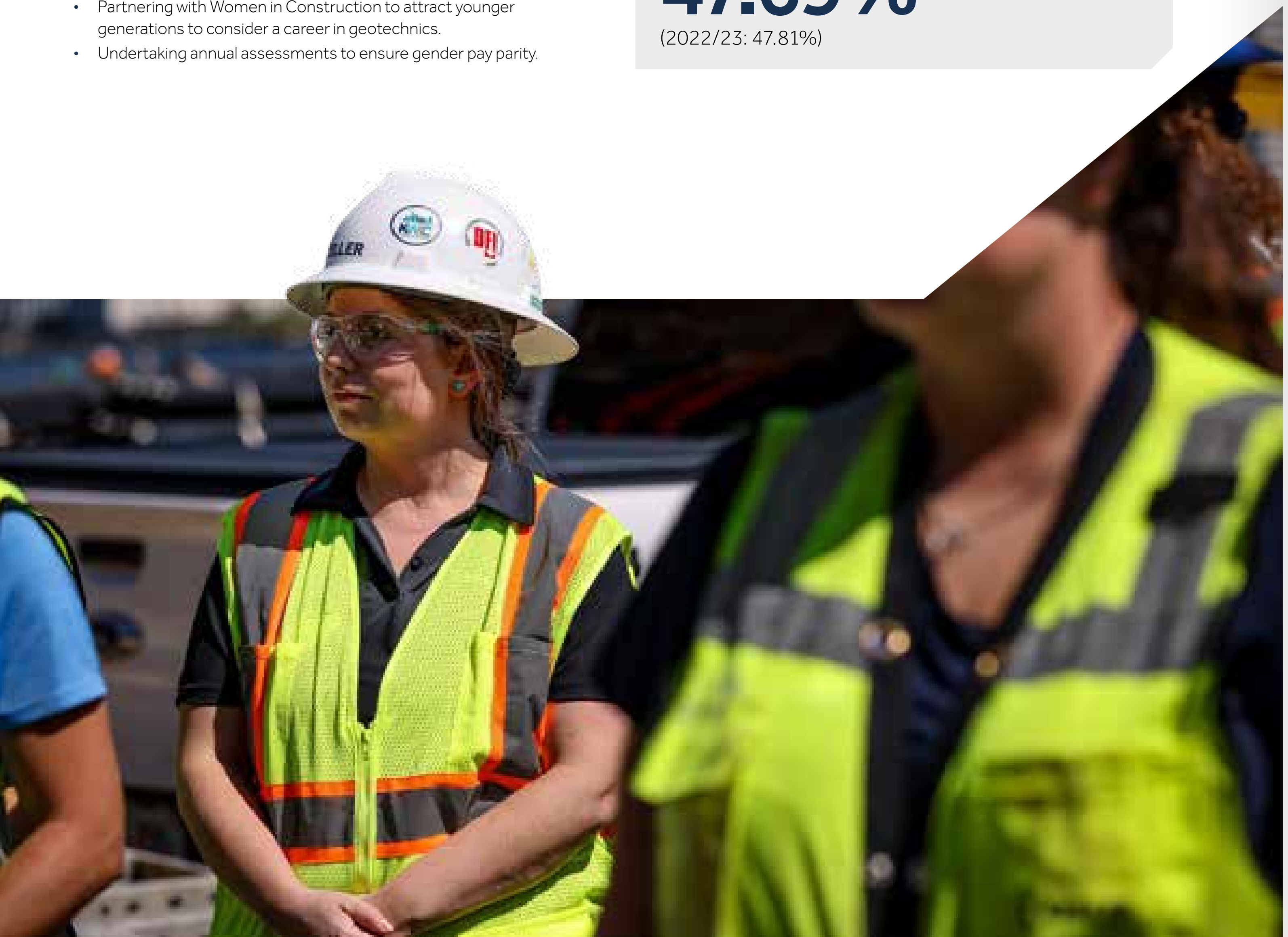
56.64%

(2022/23: 60.80%)

Median bonus gender pay gap

47.69%

(2022/23: 47.81%)



Quality education

At Keller, we are committed to fostering lifelong learning and skill development, aligning with the United Nations Sustainable Development Goal 4: Quality Education. We believe that everyone has a vital role to play in our success, which is why we invest in our people through continuous learning opportunities, empowerment initiatives, and an inclusive culture that helps individuals reach their full potential.

Beyond our workforce, we take pride in leading by example within our industry and the communities we serve, promoting personal and economic growth through education and training programmes that inspire and uplift future generations.

Learning and development programmes

Keller's ability to achieve its business strategy relies on the expertise, skills and experience of its employees. Our Group-wide learning and development programmes are designed to cultivate these capabilities, fostering a culture that empowers our people to innovate and excel. By equipping employees with the tools they need to succeed, these initiatives support Keller's core objectives of securing and delivering exceptional work for our clients. This commitment to continuous learning not only strengthens our operational performance but also ensures we remain at the forefront of the global construction industry.

In 2024, we implemented a new global performance development process to support the progress and performance of our people, allowing for more connected conversations and enabling colleagues to perform at their best.

APAC continued to demonstrate a strong commitment to quality education for its employees and communities. In India, scholarships were awarded to employees' children who were excelling academically, and annual tuition support was extended to students from low-income families. Online course reimbursements supported continuous learning for employees and specialised training programmes enhanced skills in project management and sales. Keller Australia set up a Learning and Development committee to focus on training through experience, exposure and education. Training programmes were provided for leadership, performance management, resilience and contract management, and employees were supported through education assistance for external learning programmes such as MBAs. Austral focused on driving the Business Fundamentals programme and Leadership Capabilities training across project teams and delivered several workshops, including the two-day Project Execution Model, HR Awareness, HSEQ Awareness, and an external two-day Managing People and Performance training. They also established partnerships with the Australian Institute of Management for individually targeted learning. ASEAN enhanced employee effectiveness through courses in communication, Excel and emotional management, while training managers in interviewing and discipline handling.

EME delivered a range of Keller Academy training programmes including a two-week training session for senior leaders, and two sessions of an entry-level leadership training programme. Keller's Counsellor Sales Process, which seeks to increase Keller's capability in winning higher quality work from clients, was executed. In addition, a Finance for Engineers programme was launched, giving engineers context on how their decisions impact the company's financial results. A Geotechnical Construction Project Management Training programme was successfully piloted with an international audience in September 2024. Work to enhance Commercial Training is being developed with a planned pilot mid-2025. Further training courses are provided by the business units in local languages. Evaluations show that all the offerings have been well received by participants and have helped improve their skills.

North America delivered two Foundations of Leadership programmes and one session of the Keller Counsellor Sales Process. The division also developed and piloted a new Field Leader Fundamentals programme and began an effort to design a new Project Manager Fundamentals programme. Both replace existing programmes that were no longer aligned with the needs of the division. The Learning and Development team in North America also supported the delivery of three sessions of driller training. A new virtual curriculum was also launched for all people managers in the division. The division also provided training support to a number of key business initiatives including telematics, sexual harassment and bystander intervention.

Emerging talent

We are committed to developing our future talent pipeline of leaders and geotechnical specialists and continue to invest and equip our people with the skills and knowledge to drive the organisation forward with an ever-changing complex market.

APAC implemented several strategic initiatives to nurture a robust talent pipeline and reflect Keller's commitment to developing future talent, advancing educational opportunities, and strengthening the geotechnical workforce.

- In Keller Australia, apprentices receive hands-on training in plant and equipment yards while pursuing studies, supported through partnerships with Registered Training Organisations offering tailored learning pathways. A structured two-year graduate programme provides rotational opportunities across departments, fostering comprehensive skill development and preparing graduates for diverse roles.
- Keller India offers a one-year graduate programme designed to equip young engineers with both practical and technical expertise through rotations between site and engineering roles. Additionally, scholarships are awarded to encourage advanced studies in Geotechnical Engineering, cultivating the next generation of industry experts.
- In ASEAN, the 'Learning Journeys' programme introduced secondary school students to the geotechnical field, offering insights into potential career opportunities and inspiring interest in the industry.

ESG and sustainability continued
People

In 2024, Keller North America's focus remained steadfast by creating opportunities that empower individuals from all backgrounds to contribute their talents, ensuring our workforce reflects the communities we serve and secures the skills needed for long-term success. Through enhanced programmes, recruitment efforts and development opportunities, Keller is actively creating pathways for diverse candidates to thrive. Partnerships with key organisations like Revolution Workshop and the cultivation of relationships with universities through advanced technology platforms allow us to connect with candidates earlier in their career journeys. We continue to invest in our employee resource groups like DEI and KWIC to help champion our efforts and explore new ways to attract talent.

The EME Division offered young, interested talent a wide range of opportunities to quickly take on responsibility and develop personally and professionally. In addition to the already mentioned training in the areas of leadership, project management or finance, they can gain practical experience in demanding and complex projects. One example is the Tangenvika project in Norway, which gave young site managers and interns – mainly from Austria – an insight into and cooperation in a challenging pile project in a large inland lake. Or the Rauhebergtunnel project in Germany, in which young construction engineers had the opportunity to work in a 24/7 shift operation over several months to repair a section of the German high-speed train tunnel. For young talent who are interested in such activities, the EME business units regularly offer contact opportunities via student fairs (eg France, Austria, Germany) or events at Keller, such as 'the Open Day of the Door' or events and lectures at renowned universities.

Global product teams

Keller's global product teams focus on sharing and implementing improvements, developing and fostering innovative solutions and sharing product-specific knowledge around the world through the delivery of a monthly educational webcast. In 2024, all global product teams convened in-person collectively and reached out to divisional teams and line managers to strengthen and deepen the network. Regular exchange from expert to expert across Keller enables us to address specific topics and challenges in depth and develop new technologies and upgrade existing ones, making sure our technological level is at the forefront of the geotechnical industry. This enables us to offer safe, economical, sustainable and market-leading solutions to our customers.

In 2024, we deepened the collaboration between the global product teams and divisional product teams across all divisions. This allowed us to transfer and implement solutions and new technologies quicker than in the past. The teams covered all aspects of our technologies in their work, from the development of new digital tools, bringing machine learning to the site for improved quality, to new rigs and tooling for safer and more efficient operations. Keller followed its path to sustainability and carbon neutrality by using more electric rigs and equipment on site as well as systematically searching for and testing alternative materials to drive our Scope 1 and Scope 3 emissions down.

Geotechnical engineering community

Keller is committed to fostering education and professional development in the geotechnical engineering field. We empower individuals and communities through initiatives such as scholarships, research collaborations, internships and outreach programmes.

We provide scholarships and grants, such as the Colin Pitcairn Scholarship, awarded to our employees pursuing further education. To strengthen geotechnical education in India, we awarded 15 scholarships in collaboration with Bhumi Bring Smiles. Additionally, we collaborate with universities like Lulea University of Technology in Sweden, where we host tours for civil engineering students, and the University of Texas, where we support the Ground Improvement and Grouting Geotechnics Consortium. To ensure practical training, we offer internships and apprenticeships, bringing over students annually as summer interns to gain hands-on experience in our North America Division.

Our research contributions are significant, with substantial investments in projects addressing sustainability challenges. We fund geotechnical research projects through the Ground Improvement and Grouting Geotechnics Consortium at the University of Texas. We collaborate with academic journals, fund conferences and participate in facilitating platforms for knowledge sharing. We have taught multiple short courses at the American Society of Engineers' Geo Structures Conference and proudly sponsored the 5th International Conference on Transportation Geotechnics in Sydney, Australia. Through these efforts, we aim to advance the geotechnical field and address pressing environmental issues.

Professional development is at the core of our mission, as evidenced by our extensive training workshops and certifications, such as Keller Asia's Young Professionals Development programme, designed to nurture young talent. We participate in and sponsor industry seminars and conferences organised by prominent bodies like the American Society of Civil Engineering, Deep Foundation Institute and the International Conference on Transportation Geotechnics, promoting continuous education for geotechnical professionals. Additionally, we engage in STEM (Science, Technology, Engineering and Mathematics) outreach programmes to inspire school-aged children, such as hosting learning journeys at Keller Singapore for Fairfield Methodist (Secondary) School. We are also committed to increasing diversity in geotechnical education and careers by supporting women and minorities through initiatives like KWIC teams across our divisions and funding Revolution Workshop in North America, where we also teach classes and participate in fundraisers.

We are dedicated to fostering learning, nurturing talent and contributing to a sustainable future.

CASE STUDY

Geotechnical engineering scholarships support Indian students

Keller India is helping students from low-income backgrounds break the cycle of poverty, thanks to a financial scholarship that provides the tools and opportunities to secure sustainable careers.

Since 2021, Keller India has partnered with the Bhumi charity on many Corporate Social Responsibility initiatives. Over the last two years, Keller India offered geotechnical engineering scholarships to hard-working students across the country. This programme aims to strengthen geotechnical education in India and help to create a brighter future for the next generation.

This year Keller awarded 15 scholarships to second-year postgraduates, relieving some of the financial burden of studying, while nurturing the next generation of skilled geotechnical engineers.

Selected students also get the chance to spend a week with Keller, enhancing their industry experience.

Principles

We have an effective framework of systems and controls which ensures we manage risk and run our company well, and we seek out partners who understand our principles and the standards we operate by.

Our initiatives

ESG and sustainability continued

Principles

Good governance

Good governance is about balancing the needs of stakeholders and helping to run the company well through efficient processes and decision-making. It involves being satisfied that an effective and rigorous internal framework of systems and controls is in place which clearly defines authority and accountability and promotes success whilst appropriately managing risk.

Keller's ways of working

Our Code of Business Conduct sets out clear and common standards of behaviour for everyone who works in and with Keller, as well as a framework to guide decision-making when situations aren't clear-cut. It also ensures a positive culture that keeps us successful, operating in a way that we can all be proud of. It is a public statement of our commitment to high standards that tells others they can rely on our integrity.

The Code of Business Conduct is supported by our Group policies, our Modern Slavery and Human Trafficking Statement, our tax strategy and our Supply Chain Code of Business Conduct, all of which are available on our website.

Our ethics and compliance programme is now in its ninth year of supporting our employees doing the right thing. The programme comprises training of our employees across the business on maintaining ethical and honest behaviour, respecting employees' rights and diversity, staying free from bribery and corruption, and compliance with laws and regulations.

Keller's Code of Business Conduct and Group policies can be found at: **keller.com** under 'How we work'.

Human rights

Keller expects all employees and suppliers to adhere to international standards on human rights, including with respect to child and forced labour, land rights and freedom of association, among other elements. We take a zero-tolerance approach to slavery and human trafficking and are strongly committed to ensuring that all employees, as well as the people who work on our behalf, are protected. Our full expectations are included in our Supply Chain Code of Business Conduct, Modern Slavery and Human Trafficking Statement and our Human Rights Policy, which are available on our website. We conduct due diligence on our partners, and all of our suppliers are obliged to confirm their adherence to the principles set out in the Supply Chain Code of Business Conduct and policies. We are members of the UK and Australia Supply Chain School of Sustainability, and a partner of the US Supply Chain School of Sustainability, providing our employees and our supply chain with access to resources and training to improve and enhance our ways of working.

Anti-bribery and corruption

Keller's Anti-Bribery and Anti-Fraud Policy and whistleblowing procedures are designed to ensure that employees and other parties, including contractors and third parties, are able to report anonymously any instances of poor practice safely through an independent provider.

All reports received via this or any other reporting mechanism are thoroughly investigated and reported to the Audit and Risk Committee, which reviews each case and its outcomes. None of our investigations during 2024 identified any systemic issues or breaches of our obligations under the Bribery Act 2010. Our Anti-Bribery and Anti-Fraud Policy, which was reviewed and updated during the year, is supported by periodic audits and reminders.

Governance and oversight

We recognise that assurance over our business activities and those of our partners and suppliers is essential. In 2024 our employees completed mandatory ethics and compliance training, including our Code of Business Conduct. You can read more about our risk management framework and principal risks from page 82 onwards.

Tax strategy

We publish our tax strategy on our website and are committed to managing our tax affairs responsibly and in compliance with relevant legislation. Our tax strategy is aligned to our Code of Business Conduct and Keller's values and culture, and is owned and approved by the Audit and Risk Committee and the Board annually.

Partnerships

At Keller, we recognise the importance of collaborating with organisations that understand our values and commitments, and the ways of working and the standards by which we operate. Partnering with these 'like-minded' organisations helps us drive change in our organisation and the wider geotechnical industry.

Industry partnerships

Many of our senior managers play key roles in the geotechnical professional associations and activities around the world.

In Europe, a number of employees are part of the European Federation of Foundation Contractors (EFFC). The Health and Safety Group of the EFFC is chaired by EME's HSEQ Director.

In North America, our employees are active participants in geotechnical engineering and construction trade groups, including the Deep Foundations Institute (DFI), ASCE/Geo-Institute and ADSC International Association of Foundation Drilling and our engineers hold leadership positions on multiple national technical committees (including committees on sustainability) and local and university chapters; many have served as members of the board of directors for these organisations.

Finally, in APAC, Keller plays an important role in the local professional societies, with our employees holding leading positions in multiple trade associations.

We also support trade conferences across our divisions, including the combined American and European trade conference. A number of our employees are active participants in DEI industry initiatives, such as BuildOUT in California and Revolution Workshop in Chicago. Sustainability is an increasing focus in the industry. We work with a number of universities on sustainability initiatives, focusing on whole-company innovation, specific geotechnical products such as grouting and vibro stone columns, and key geotechnical projects.

We led the production of the carbon reduction and circular economy guides for the EFFC and are helping to produce the water guide with the American DFI Sustainability Guides Group.

We are also helping to compile sustainability best practice guides with European and American trade associations.

Charitable partnerships

Our business units support a broad range of groups and charities, depending on what is most important to them locally. This may involve fundraising or donating money, time or skills.

Keller encourages its employees to support a range of charities, and has long committed to pledging to a charity the same value (up to £2,000 per annum) of any funds raised by an employee.

Following the start of our three-year partnership with UNCIEF UK in 2022, we made our final funding contribution of £250,000 in August 2024. UNICEF works in more than 190 countries and territories, including some of the world's toughest places to reach. To ensure our funding has the greatest possible impact, we made it without restrictions so that UNICEF could use it flexibly for children and their families wherever and whenever the need is greatest.

One notable event – Construction Rocks – is an annual charitable 'battle of the bands' competition in London, represented by individuals currently working in the construction industry. UK-based Keller employees Harsha Lakshminarayanan and Barry Perrin are members of 'Zero Charm', one of the bands who participated in 2024, and used the opportunity to fundraise for UNICEF on behalf of Keller. They not only successfully raised an additional £2,500 in support of UNICEF UK but also won the best performance award.

Keller's charitable arm in EME – the KELLER Foundation (Fundacja KELLER) – continued its support to Keller employees and their families affected by the war in Ukraine. Our European business units have contributed a total of €41,800 throughout the 2024 financial year, helping to pay for housing, food, clothes, heating and education.

Barry Perrin (middle back) and Harsha Lakshminarayanan (back right) in 'Zero Charm'.

Task Force on Climate-related Financial Disclosures

Keller has considered the risks and opportunities posed to the business by climate change, and the impacts it may face over several time horizons. The following statement discloses Keller's climate-related financial information and actions the business is taking to respond to climate change. It is consistent with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in compliance with Listing Rule 9.8.6R, with areas where disclosures are only partially consistent included at the end of the statement on page 65.

Governance

Board oversight of climate-related risks and opportunities

The Board is ultimately responsible for the oversight of climate-related risks and responsibilities, and for ensuring that the Group's approach to sustainability is implemented across the business. The Group's governance framework is structured to provide regular and relevant updates to the Board in order to support informed decisions on climate-related matters. The governance framework is outlined in full on pages 102 and 103, and the organisational and reporting structure for climate governance and sustainability is depicted on page 50.

ESG and sustainability, including the management of climate-related issues, was a listed topic on the agenda at four Board meetings in the last year, corresponding to the ESG and sustainability Board report which is delivered to the Board on a quarterly basis. When first introduced, the report was coordinated by the Group Company Secretary and Legal Advisor's team. It is now coordinated by the Chief Sustainability Officer and Company Secretary's team and ensures a clear reporting line on all ESG matters, including climate risk, to the Board and the Group Chairman, who was the designated Director for ESG and sustainability matters until the end of 2024. He was succeeded in this role by Juan G. Hernández Abrams with effect from 1 January 2025. Juan is the Chair of the Sustainability Committee. Additional discussions on sustainability-related matters also take place as required.

The Sustainability Committee, a Main Board Committee, has oversight of the Board's responsibilities in relation to environmental matters, including climate-related matters. In line with its terms of reference, this committee convenes a minimum of three times a year and during 2024 comprised the CEO, the Group Chairman and the independent Non-executive Directors (NEDs). From 1 January 2025, the Group Chairman and the CEO no longer serve as members of the committee. The committee's report for 2024 can be found on page 142. The Sustainability Committee has been in place since May 2023 and is chaired by Juan G. Hernández Abrams, an independent NED on the Board. Juan is now the designated Director for ESG and sustainability matters.

The Sustainability Steering Committee, the Main Management Committee responsible for climate-related and environmental matters alongside other ESG and sustainability topics, is composed of representatives from each division – NA, EME and APAC – and the Group's relevant functions, as listed on the organisational and reporting structure for climate governance and sustainability on page 50. The committee convenes quarterly and reports to the Sustainability Committee and to the Executive Committee, which is also a Main Management Committee. As part of the risk management process for climate risks, the Sustainability Steering Committee is responsible for identifying climate-related risks and reporting these to the Audit and Risk Committee, a Main Board Committee, which in turn reports to the Board. The Sustainability Steering Committee is now chaired by the Chief Sustainability Officer and Company Secretary. This Executive Committee role was introduced in 2024 to drive Keller's sustainability agenda and ensure it continues to gain traction across the Group. More detail on the risk management process for climate-related risks is given in the Risk Management section of this statement and in the Principal risks and uncertainties section of this Annual Report and Accounts (page 82).

ESG and sustainability matters, including climate-related issues, are taken into account in core strategic decisions by the Board and management via a formal Project Review process. This process incorporates assessment of the viability of projects on the grounds of safety and legal compliance. The Group is continuing to develop a stage of this process which would also incorporate assessment of project viability on the grounds of climate-related impact. Currently, we incorporate an assessment of projects based on the financial impact that would be had as a consequence of an adverse reputational event.

As a result of this process incorporating climate-related issues into core strategic decisions, during 2024 we created a working group to define our approach to compliance with the Corporate Sustainability Reporting Directive (CSRD) and to help mitigate the risks of other upcoming climate-related legislation in Europe. This group, made up of function leads from across the Group, carried out various processes to minimise these risks, with a particular focus on materiality, the collection of data and assurance. This included stakeholder interviews to understand their sustainability priorities, and a gap analysis process to determine where future reporting activities should be focused. Further information on the CSRD working group is available on page 66.

The Board monitors and oversees progress against goals and targets for assessing and addressing climate-related risks and opportunities, and to ensure continual progress. This is done principally through the Sustainability Committee, and also through the Remuneration Committee where there is an impact on executive remuneration. More detail on ESG-linked remuneration can be found on page 126. The Board uses a skills matrix when hiring for new roles to ensure the correct skills and competencies are present. This includes skills and competencies to oversee our strategy to respond to climate-related risks and opportunities (CRROs), including qualifications relating to ESG matters. This matrix is reviewed and updated each time a new position is appointed.

Management's role in assessing and managing climate-related risks and opportunities

The Sustainability Steering Committee, chaired by the Chief Sustainability Officer and Company Secretary, allows divisions and functions to raise sustainability challenges, including on climate-related topics, to the Executive Committee and to the Board and its committees. It also acts as a forum for different areas of the business to convene and discuss sustainability strategy, and for sharing sustainability best practice between divisions. The committee is responsible for integrating sustainability targets and measures into the Group business plan, in order to successfully drive changes important to the company. In 2024, Kerry Porritt was appointed as Keller's first Chief Sustainability Officer, in addition to her responsibilities as Company Secretary. In her new role, and as Chair of the Sustainability Steering Committee, Kerry will drive Keller's sustainability agenda and ensure it continues to gain traction across the Group.

Each division of the business has a 'Team Planet', a group responsible for climate-related issues. These teams are composed of multiple representatives from diverse roles across each division, from design and procurement through to operations, and each includes at least one representative from each business unit.

Each Team Planet works alongside the Group's HSEQ teams and those responsible for local climate risk registers to help bring CRROs and associated issues to the attention of management so that they can be acted on. For example, Team Planet are critical in grounding our climate scenario modelling in the actual contractual and practical landscape of our projects. We used multiple Team Planet members to help create financial impact assumptions for extreme weather events in our quantitative scenario analysis.

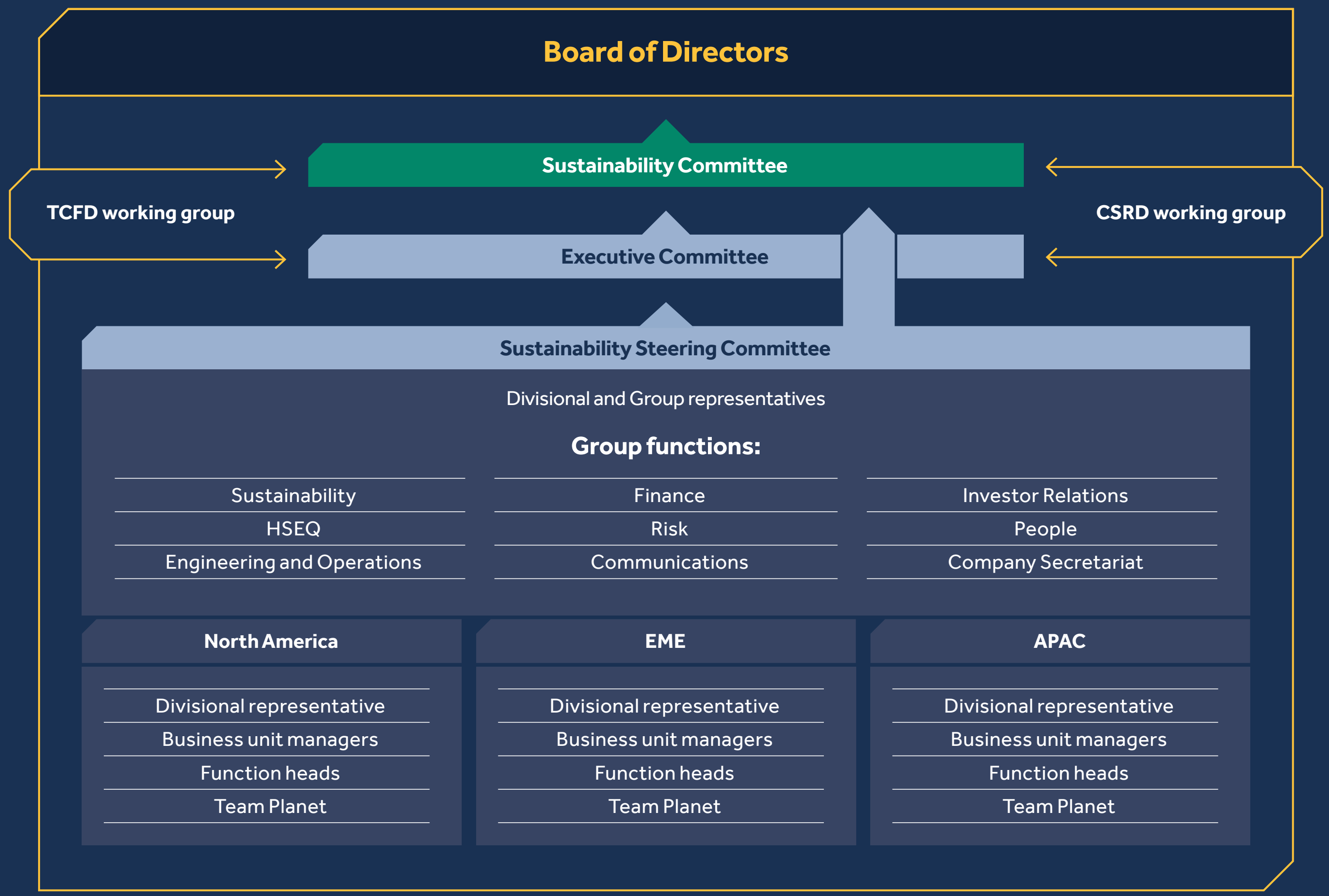
TCFD statement continued

Governance continued

Organisational and reporting structure for climate governance and sustainability

The Sustainability Committee provides oversight of TCFD activities on behalf of the Board. The committee is supported by the TCFD working group on TCFD matters.

The Sustainability Steering Committee has a wider remit than the TCFD working group and feeds through sustainability matters to the Executive Committee, the Sustainability Committee and the Board.



Following the appointment of Kerry Porritt as Keller's first Chief Sustainability Officer, our organisational and reporting structure for climate governance is being reviewed, in particular in what relates to the remit of the Sustainability Steering Committee, and we will report on any changes in the next annual report.

Strategy

Introduction

The long-term success of the Group's business depends on actively assessing, analysing and managing the potential impacts of climate-related risks, and adapting our operations to take advantage of opportunities, in order to create a strong position in the transition to a low-carbon economy.

As a business which provides a wide variety of services across multiple geographies, Keller is exposed to a variety of impacts from climate change across the short, medium and long term. Across different potential climate scenarios, areas of the business will face increased physical impacts as a consequence of global temperature rise and more frequent extreme weather events, increased transition risks owing primarily to regulation and changing markets, and transition opportunities afforded by the growth of different sectors and the demand for low-carbon geotechnical solutions.

During the period, we undertook a reassessment of our CRROs, considering the potential financial materiality of risks and opportunities to the Group in different regions and over different time horizons, informed by qualitative assessment of different climate scenarios. This has resulted in an expanded and updated list. Details on each of our CRROs and Keller's management of them is provided in detail in the table on pages 53 to 57.

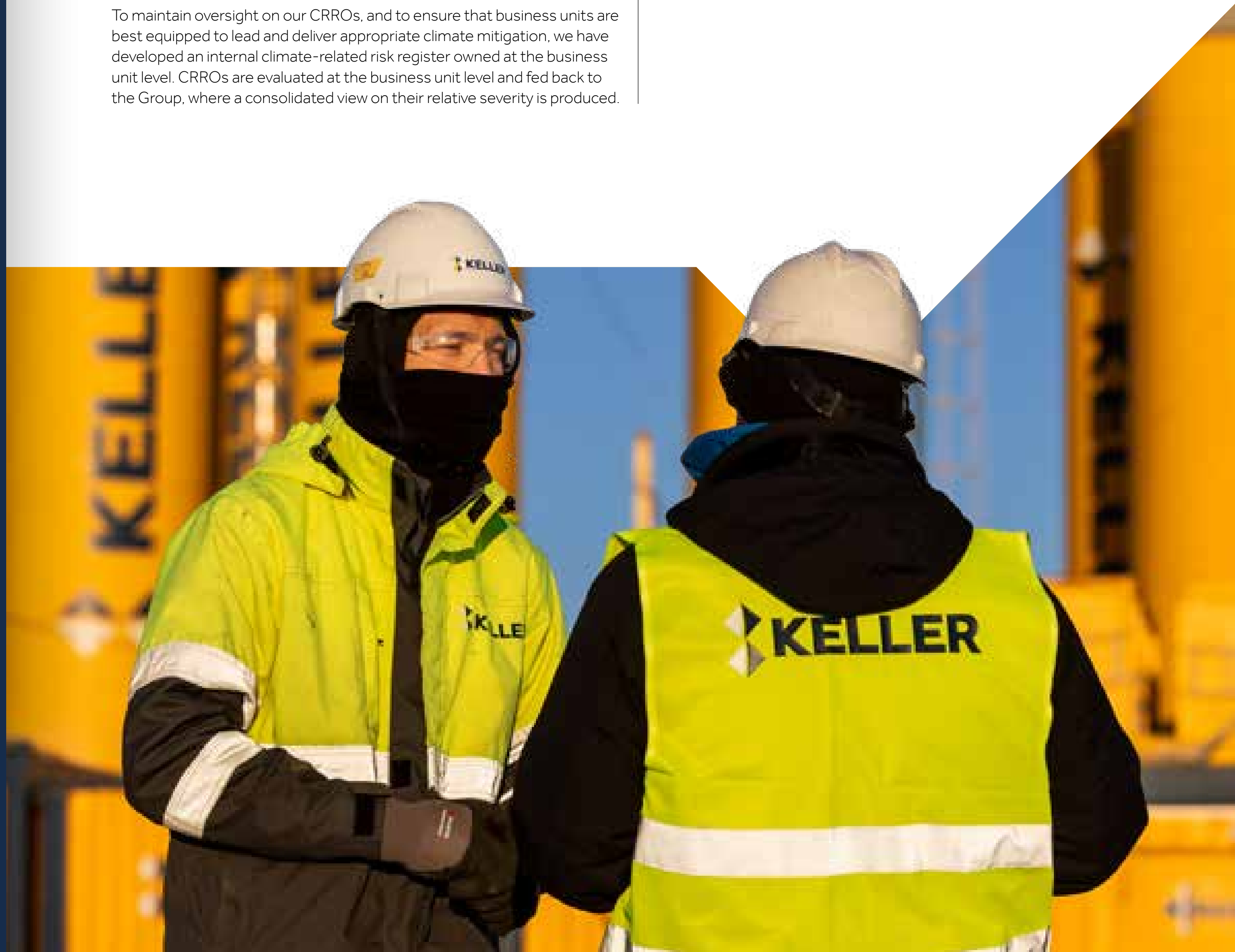
To maintain oversight on our CRROs, and to ensure that business units are best equipped to lead and deliver appropriate climate mitigation, we have developed an internal climate-related risk register owned at the business unit level. CRROs are evaluated at the business unit level and fed back to the Group, where a consolidated view on their relative severity is produced.

Time horizons

Time horizons for the impacts of CRROs are defined as follows:

- Short term 1 year
- Medium term 2–5 years
- Long term 6–30 years

These divisions take into consideration both business cycles and the long-term time horizons relevant to physical climate risk. The short-term risk is defined as one year in recognition of the short-term nature of the majority of our projects, which are typically bid for, won and executed within one year. The medium term aligns with the business planning horizons used for the viability statement. The long term aligns to publicly available climate projections, which extend to 2050, and which provided the time range for our scenario analysis. These timeframes are also recognised by CDP as consistent with current best practices for TCFD disclosures.



Strategy continued

Scenario analysis

In 2024, we advanced our quantitative scenario analysis in order to better evaluate the Group's CRROs, and to increase the coverage of CRROs subject to quantitative modelling. We have built on previous scenario analysis by including new risks and opportunities, a wider geographical scope, and more sophisticated modelling approaches. As the sophistication of climate science, availability of data and clarity around regulation all increase, we expect to continue to enhance the completeness and precision of our scenario analysis.

In previous years, quantitative analysis addressed the increased cost of raw materials and the opportunity for low-carbon solutions (in a pilot location of Austria) and the risk of stranded rig assets as a consequence of incoming regulation (focused on Europe). Physical risk modelling has this year been expanded to cover Keller's operations globally. The table below shows the scope of the scenarios used in the analysis.

Details on each part of the quantitative scenario analysis and how our CRROs are addressed are given from page 53. Note that financial quantification in this quantitative scenario analysis refers to inherent risk, while impacts given for CRROs in this section (H/M/L) account for mitigations as well i.e. they refer to residual risk.

	Physical risk		Transition risk and opportunity	
Geographies	**Global**		**Global** • Opportunity from increased projects in transition-linked sectors. • Risk of decreased revenue from projects in fossil fuel-linked sectors. **Europe** • Stranded rig assets as a result of regulations. **Austria** • Cost of raw materials. • Low-carbon products and services.	
Time period	**2022–2050**		**Transition risk and opportunity**	
Climate scenarios	IPCC scenarios were used for physical modelling:		IEA scenarios were used for transition modelling:	
	SSP2-4.5	Average 2.7°C rise by 2100	**Net Zero Emissions (NZE)**	Average 1.5°C by 2100
	SSP5-8.5	Average 4.4°C rise by 2100	**Announced Pledges Scenario (APS)**	Average 1.7°C by 2100
			Stated Policies Scenario (STEPS)	Average 2.4°C by 2100

CRROs and strategic responses

The table overleaf describes the potential impact of the CRROs judged to be most material for the Group, and our strategic response to these CRROs. This prioritisation has been based on our exposure to the risk or opportunity, which is given by business division, and the time horizon we anticipate impacts to take effect over. It also provides Keller's strategic response to either mitigate risk or capture opportunity. The strategic responses detailed in the table overleaf intend to build operational and regulatory resilience to climate change, to support the continued resilience of our strategy.

As part of our risk management and governance processes for ensuring Board oversight of CRROs as detailed elsewhere in this statement, any CRROs which are determined financially material to the business, and any current spending on mitigating / capturing actions, are already considered within financial planning as part of the ordinary operations of the business. Our quantitative scenario analysis and CRRO reassessment have indicated that we do not have any CRROs which are financially material within the short or medium time horizons, or which needed to be reflected in financial statements.

The risk categories (Low / Medium / High) given in this statement for CRROs refer to residual risk rather than inherent risk, and factor in mitigations, as described in the table overleaf. In order to determine impact levels, we undertook a reassessment of our CRROs to review impacts over time horizons, and to ascertain the effects of actions to mitigate / capture on those impacts, involving teams from all of Keller's regions. As a result of this reassessment, new CRROs are included, and impacts for CRROs have changed in several instances.

	Risks	Opportunities
L	Projected impacts expected to not be material for the business – minor / localised impact, resulting in low / negligible costs.	Projected impacts expected to not be material for the business – minor effects, with low or negligible financial gain.
M	Impacts judged not to be material once mitigating actions are considered – moderate impacts, which are financially material to the business but which would not prohibit our ability to operate.	Impacts judged to be material when actions to capture the opportunity are taken – positive contribution to financial performance, but not transformative to business performance.
H	Impacts judged to be material even with mitigating actions considered – financially material, with potentially substantial impact on our ability to operate.	Impacts judged to be highly material when actions to capture the opportunity are taken – financially material, with potential to create new revenue sources and materially enhance business performance and resilience.

Transition

1 Access to transition-linked industries

CRRO type	TCFD category
Transition opportunity	Market

Primary financial impact

Increased revenue resulting from increased project opportunities from transition-linked industries.

Impact	NA	APAC	EME
Short	L	L	M
Medium	M	M	M
Long	H	H	H

Description

The Group has exposure to sectors which are undergoing growth as part of the transition to a sustainable low-carbon economy, creating a market growth opportunity.

This could result in more opportunities from projects linked to renewable energy infrastructure assets, electrical grids and transmission, New Energy Vehicle (NEV) factories, battery factories, and the mining of energy transition minerals.

Strategic responses

- The Group already has the ability to address the project types linked to these sectors, and is well connected to the contractors supplying these projects, meaning we are already well positioned to capture this opportunity.
- Marketing can be deployed to attract clients within these transition-linked industries.

2 Providing climate adaptation solutions

CRRO type	TCFD category
Transition opportunity	Market

Primary financial impact

Increased revenue from project opportunities for providing climate adaptation solutions.

Impact	NA	APAC	EME
Short	L	L	M
Medium	M	M	M
Long	H	M	H

Description

The Group could see a market growth opportunity from projects delivering climate resilient infrastructure, including resilience and retrofit projects for existing infrastructure, and from projects for infrastructure specifically designed to reduce climate-related impacts, such as dams and flood defences.

Strategic responses

- The Group's broad expertise means we are already well positioned for existing resilience and retrofit projects.
- The Group already has the ability to treat desertification and work on extreme weather and impact reduction projects, such as dams and flood defences.
- Project lengths are often short, meaning we have the freedom to pivot to new markets where adaptation projects are in demand.

TCFD statement continued

Strategy continued

3 Low-carbon products and services

CRRO type	TCFD category
Transition opportunity	Technology

Primary financial impact

Increased revenue from increased sales of low-carbon solutions.

Impact	NA	APAC	EME
Short	L	L	L
Medium	M	M	M
Long	H	H	H

Description

As carbon intensity of products grows in importance as a market differentiator, the Group's ability to offer low-carbon intensity projects, and to charge a premium for certain low-carbon projects, could be a source of increased revenue and larger market share. As regulations enforcing carbon reductions become stronger, this will become more pronounced as an opportunity.

These can be both low-carbon solutions (eg using low-carbon steel and cement), and existing solutions lowering carbon emissions (eg reducing the use of steel for exiting techniques). Keller's ability to offer these solutions will correlate positively with a strong reputation for sustainability.

Strategic responses

- Training employees on the sector-standard carbon calculator, to better understand the current emissions from our solutions.
- Offering carbon comparisons when tendering projects, to upsell low-carbon solutions.
- Leading and funding research into the use of low-carbon cements for geotechnical solutions.
- Creating external communications and case studies to share with customers, highlighting low-carbon solutions.

4 Dependency on exposed sectors

CRRO type	TCFD category
Transition risk	Market

Primary financial impact

Decreased revenue from decreased projects from sectors which are declining, such as fossil fuels.

Impact	NA	APAC	EME
Short	L	L	L
Medium	L	M	L
Long	M	M	L

Description

As certain industries decline in the future, including fossil fuels such as oil, gas and coal, the number of projects the Group works on in these sectors will decline.

Continuing to work with clients in exposed sectors could cause long-term reputational impacts. The Group's ability to access financing and capital could also be affected if the Group is seen to be too closely linked to these industries.

Strategic responses

- Keller has a diverse client base, and is not overly dependent on projects from any one sector, including fossil fuels.
- This risk is balanced by the opportunity from delivering projects linked to the energy transition (see transition opportunity 'Access to transition-linked industries').
- More marketing efforts can be deployed to attract more transition-linked clients in order to offset this risk.

5 Regulation of existing products and services

CRRO type	TCFD category
Transition risk	Policy and legal

Primary financial impact

Increased opex from taxation on unabated emissions.

Impact	NA	APAC	EME
Short	L	L	M
Medium	M	M	M
Long	M	M	M

Description

Introduction of stricter regulations on emissions and on high-emitting equipment can affect the Group in a number of ways:

- Carbon pricing costs directly for Keller.
- Carbon pricing costs for clients, which could rise to a level that is prohibitive for projects and reduce project demand.
- Capex investment required to replace rigs, if regulation makes higher-emitting rigs unusable in certain markets.

Strategic responses

- Our rig decarbonisation strategy describes our response to this risk. This provides three main steps to decarbonisation: efficiency, alternative fuels and alternative equipment.
- On alternative equipment, in 2023 the Group trialled electric rigs for the first time, with the aim of expanding use of electric equipment in the future. All rigs produced by the Group since 2022 have been electric, electrohydraulic, or fitted with anti-idling software and low-emission 'tier 5' engines.
- On alternative fuels, after successful trials of HVO biofuel, we can now offer biofuels to clients to decarbonise site equipment in multiple business units.
- On efficiency improvements, we share strategies for on-site carbon reductions throughout the Group.
- Modelling of capex impacts has found that the risk of assets becoming stranded by regulation, if our current rig replacement strategy remains the same, is very low except for in the most extreme low warming scenario. We continue to closely monitor the progress of regulation in this area.
- We continue to collaborate with trade associations to understand upcoming legislation, and to support engagement with legislators.

6 Risk of climate litigation

CRRO type	TCFD category
Transition risk	Policy and legal, and Reputation

Primary financial impact

Fines and legal costs incurred through litigation.

Impact	NA	APAC	EME
Short	L	L	L
Medium	L	L	M
Long	M	M	M

Description

A breach in regulations could incur fines, including retrospective fines for completed projects. As well as incurring costs, climate-related legal action could incur reputational damage, and significantly increase insurance prices.

Access to capital and financing could also come under pressure if the Group is perceived to be at-risk legally.

Reputational damage from high-profile litigation may in turn have an adverse impact on recruitment.

Strategic responses

- The Group closely monitors the development of current and upcoming legislation around climate regulation and pollution.
- The Group's main financing agreements are in place for several years, reducing the risk of adversity in accessing finance.

TCFD statement continued

Strategy continued

7 Increased cost of materials

CRRO type	TCFD category
Transition risk	Market, and Policy and legal

Primary financial impact

Decreased revenue from fewer projects due to increased costs for customers.

Impact	NA	APAC	EME
Short	L	L	M
Medium	L	L	M
Long	M	M	M

Description

Carbon taxation on carbon-intensive materials, such as cement or steel, could increase material prices. Low-carbon alternatives to these materials could be higher in price, as supply of low-carbon alternatives adjusts to market demand. Supply could also be unreliable, potentially resulting in project delays.

Materials pricing remains embedded within the contract process, meaning costs are passed on to customers; however, higher costs could result in reduced overall project demand. In instances where Keller does procure materials directly, there may be higher cost, impacting margin.

Strategic responses

- Develop solutions which use fewer materials – an area in which Keller is currently a leader.
- Upsell existing solutions which use fewer materials, particularly cement and steel-free ground improvement solutions.
- Continue to pass on material costs to customers.
- Engage in collective action to consolidate and support smaller suppliers to create stronger low-carbon material supply chains.
- Incoming regulations such as the Carbon Border Adjustment Mechanism (CBAM) in the EU and UK are being monitored closely by the Group.

8 Enhanced reporting obligations

CRRO type	TCFD category
Transition risk	Policy and legal

Primary financial impact

Decreased revenue from lost market share due to inability to meet customer information demands.

Impact	NA	APAC	EME
Short	L	L	M
Medium	L	M	M
Long	M	M	M

Description

As regulation on disclosure of sustainability and carbon emissions information increases, customers may increasingly demand transparency on the Group's impacts, including Scope 3 emissions and emissions reduction targets. Inability to meet these requirements or to set a target across our Scope 3 emissions may result in losing projects. Inability to report information may also impact access to financing and capital.

Spend will be required to implement ongoing reporting and measurement systems to meet requirements. Risk is higher for public sector contractors in the short term, but may extend to private sector contractors. Additionally, there is a risk of losing suppliers if information requirements become too burdensome.

Strategic responses

- Scope 3 emissions calculations are being embedded into the Group's upcoming ERP system.
- Trials are under way at business unit level to calculate material Scope 3 emissions.
- Collaborate with industry trade associations to encourage the provision of emissions data from suppliers and to encourage the setting of minimum carbon reporting standards.
- The Group currently reports on the CDP platform, creating greater consolidation and transparency around reporting.
- A Chief Sustainability Officer, Kerry Porritt, has been appointed; a new role for the Group which will be instrumental in driving Keller's sustainability agenda including further measurement and reporting.

9 Recruitment and retention

CRRO type	TCFD category
Transition risk	Reputation

Primary financial impact

Decreased revenue from negative impacts on workforce management and planning.

Impact	NA	APAC	EME
Short	L	L	L
Medium	L	M	M
Long	L	M	M

Description

The Group may struggle to attract and retain talent if there is a negative perception of the industry's environmental impact. If the Group fails to cultivate a good reputation for sustainability, we may not be attractive to sustainability talent or those with green skills.

Strategic responses

- Continue to build a reputation for strength in sustainability and as a provider of low-carbon solutions, in order to be attractive to sustainability talent.

Physical

10 Storms, flooding, wildfire, extreme heat and extreme precipitation delaying operational projects

CRRO type	TCFD category
Physical risk	Acute (one-off)

Primary financial impact

Decreased revenue from additional costs.

Impact	NA	APAC	EME
Short	L	L	L
Medium	L	L	L
Long	M	M	M

Description

Delays to projects and accompanying impact to revenue from delay costs, opportunity costs and repair costs for projects.

Strategic responses

- Integrate financial contingencies into project planning in areas with a higher risk of being impacted by extreme weather events.
- Continuously improve best practice guidance regarding preparation, shut down and recovery from storm-related events.

11 Hot weather and heavy precipitation delaying operational projects, and rising sea levels increasing risk of coastal flooding

CRRO type	TCFD category
Physical risk	Chronic (persistent)

Primary financial impact

Decreased revenue from additional costs.

Impact	NA	APAC	EME
Short	L	L	L
Medium	L	L	L
Long	M	M	L

Description

Delays to projects and accompanying impact to revenue from delay costs, opportunity costs and repair costs for projects. For heat, this includes costs for cooling solutions.

Strategic responses

- Consider shifting work patterns to avoid high heat during the day, or during certain periods of the year (eg to avoid monsoon rains or wildfire seasons).
- Integrate financial contingencies into project planning.

TCFD statement continued

Strategy continued

Scenario analysis in depth: Physical risk

Impact to Keller's operations from extreme weather

CRROs addressed

Risk: Storms, flooding, wildfire, extreme heat and extreme precipitation delaying operational projects

Risk: Hot weather and heavy precipitation delaying operational projects, and rising sea levels increasing risk of coastal flooding

Financial impact

Impact of physical risk on operations (% impact to total global annual revenue)	2030		2050	
	SSP2-4.5	SSP5-8.5	SSP2-4.5	SSP5-8.5
NA	0.49%	0.80%	0.79%	1.61%
APAC	0.18%	0.25%	0.73%	1.11%
EME	0.14%	0.22%	0.45%	0.65%
Total	**0.81%**	**1.28%**	**1.97%**	**3.37%**

Selection

The Group already experiences impacts to projects as a result of extreme weather. This year, modelling was expanded to cover all of the Group's regions globally. Weather risks included in modelling were extreme heat, wildfires, extreme precipitation and hurricanes. As the Group's offices and yards also experience impacts from weather, these were also included in modelling, with the output being the number of days' weather peril experienced by offices in different countries.

Approach

We are impacted by weather through disruptions to our projects, which cause delays that can incur opportunity costs and delay costs, as well as repair costs. We made assumptions around the days of disruption and associated costs to a project, per event type, and used these figures to model revenue impact. For hurricanes, we used existing hurricane models applied to an earth climate model, and then assumed a radius of impact from forecasted hurricanes. For extreme heat, we modelled disrupted days at 35–40°C and 40°C+. For precipitation, 20–50mm days and >50mm days. For wildfire, we modelled high fire weather index (FWI) days as representative of an average likelihood of wildfires. CMIP6 models were used for global weather modelling, and the climate scenarios employed – SSP2-4.5 and SSP5-8.5 – are from the IPCC.

Assumptions

- Modelling used current project locations as indicative of the locations of future projects. This assumes that in general terms, the locations of our operations will not change greatly.
- The financial impact from lost workdays at a project was modelled using an average day's delay from each weather event, combined with average repair costs following events. These figures were informed by the Group's existing experience with weather events.

Results

The Group faces limited exposure to climate-related physical risk. The total potential financial impact of weather risks is set to be c.2.7% of projected global revenue in 2050, on average between the modelled scenarios. This is an unabated figure, which assumes no action is taken by the Group to address these risks. Extreme heat emerges as the largest risk, accounting for c.40% of predicted revenue impact up to 2050, in both scenarios. Particular heat and wildfire risk is seen in the APAC region, specifically India, and in the southern US states in which Keller operates.

Offices and yards primarily experience impacts from heat and wildfire, with most days of disruption seen in hot countries in the Middle East and South Asia. Impacts in NA and Europe are less pronounced.

Response

In order to better quantify and control impacts from extreme weather, we will continue to improve our systems for understanding and collecting costs from delays. In response to potential heat impacts, we have re-issued our HSEQ guidance on prevention of heat-related illness which helps individuals recognise the signs of illness and take preventative action. Additionally, we will reassess our contracting terms in order to implement greater consistency around the liability which the Group takes for weather impacts.

Scenario analysis in depth: Transition risk and opportunity

Opportunity from increased projects in transition-linked sectors

CRROs addressed

Opportunity: Access to transition-linked industries

Financial impact

	2030			2050		
	NZE	APS	STEPS	NZE	APS	STEPS
Revenue impact from growth in energy transition projects (% positive impact to total global annual revenue)	3.02%	2.51%	1.75%	8.31%	6.54%	4.04%

Selection

The Group works on projects in sectors which are forecast to grow as part of the transition to a sustainable low-carbon economy. The most material of these sectors to Keller's current range of projects is the energy sector, with the Group already working in energy transition-linked projects including renewable energy assets and distribution and transition projects. Additionally, the Group is exposed to mining (primarily in Australia), with projects linked to the increase in demand for critical minerals such as lithium. Modelling therefore focused on the energy transition in the Group's regions globally, with additional analysis focused on mining projects in Australia.

Approach

Growth of energy transition-linked areas – including wind power, distribution and transmission, bioenergy and more – was taken from the IEA data. These growth areas were divided by regions, and mapped to Keller's current revenue from associated projects in those regions. Growth in forecast supply was taken to indicate more construction in these areas, and therefore greater project opportunities and increased revenue for Keller. For mining, increase in global demand for critical minerals and reduction in coal, provided by the IEA, were applied to Australian government data to create a forecast of the future potential market size for mining.

Assumptions

- The current share of revenue contributed by each transition area was taken as indicative of future share, with no additional assumptions applied to modify this share over time.
- Keller is not assumed to take any actions to capture this opportunity. The financial impacts therefore show revenue increase resulting from growth in energy transition areas and mining projects in each scenario, if no actions are taken to capture this opportunity.

Results

Overall, Keller's share of projects exposed to the energy transition, either with positive impacts as in the case of this opportunity, or negative impacts as in the case of 'Risk from decreased projects from fossil fuel-linked sectors' (see below), is around 12.5%, meaning that changes in the energy sector are likely to be significant for the Group. By 2030, in the NZE scenario, energy transition projects could create positive impacts totalling 3% of annual revenue. The majority of this increase is contributed to by wind, with the majority of positive impacts coming from the EME region, where Keller currently undertakes the most wind energy projects.

Analysis of mining in Australia showed that the decrease in coal is forecast to be offset by a growth in transition-critical minerals mining in all three scenarios, resulting in a total growth in revenue from mining projects of around 35%. Overall, this remains an immaterial share of the Group's revenue, but indicates the possibility for increased mining projects in future as global demand for transition-linked minerals increases.

Response

As the Group already has the ability to address the project types linked to these sectors, and is well connected to the contractors through which these projects are procured, we are already well positioned to capture this opportunity. We will explore options to capture more projects in growing industries, including through strengthening our partnerships with relevant parties, and through marketing activities to address these sectors. An example of this is our project to update our sustainable solutions brochure, highlighting how we provide geotechnical solutions for a range of sustainability-linked sectors.

TCFD statement continued

Strategy continued

Scenario analysis in depth: Transition risk and opportunity

Risk of decreased revenue from projects in fossil fuel-linked sectors

CRROs addressed

Risk: Dependency on exposed sectors

Financial impact

	2030			2050		
	NZE	APS	STEPS	NZE	APS	STEPS
Revenue impact from decline in fossil fuel projects (% impact to total global annual revenue)	(3.19%)	(2.71%)	(1.29%)	(8.80%)	(8.01%)	(3.83%)

Selection

The Group works on projects in sectors which are forecast to decline as part of the transition to a sustainable low-carbon economy. The most material of these sectors is the fossil fuel industry, with most climate scenario forecasts predicting this sector to shrink in the future, as the focus of the energy sector switches to renewable energy assets. Modelling focused on fossil fuel projects in the Group's regions globally.

Approach

Changes in fossil fuel-linked areas – including oil and gas, coal and petrochemicals – was taken from IEA data. Areas were divided by regions, and mapped to Keller's current revenue from associated projects in those regions. Decline in forecast supply was taken to indicate less construction in these areas, and therefore fewer project opportunities and less revenue for Keller.

Assumptions

The current share of revenue contributed by each fossil fuel-linked area was taken as indicative of future share, with no additional assumptions applied to modify this share over time.

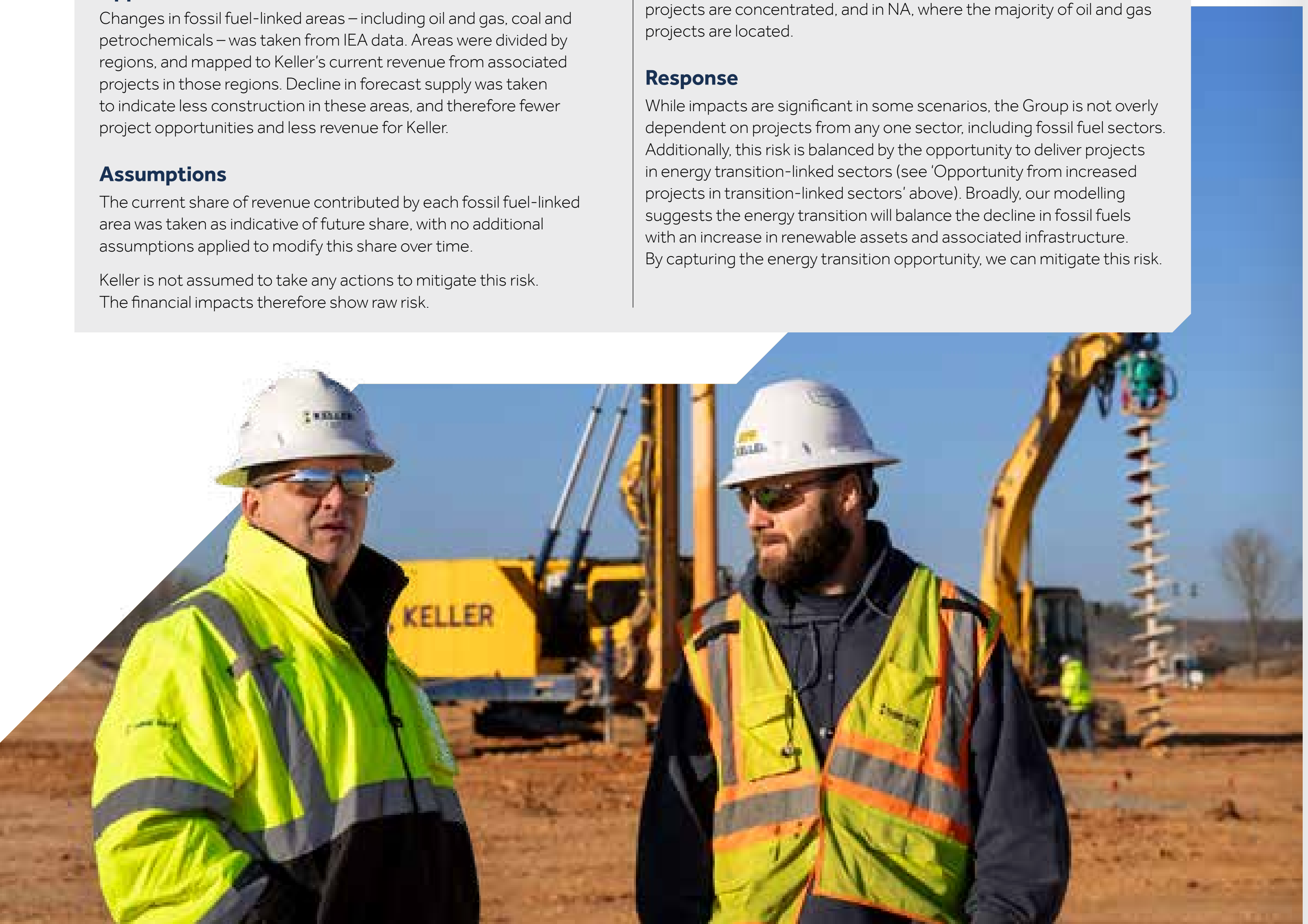
Keller is not assumed to take any actions to mitigate this risk. The financial impacts therefore show raw risk.

Results

Overall, IEA scenarios forecast that revenue from fossil fuel-related sectors decreases in all scenarios, however at a slower rate in the STEPS scenario. Impacts are similarly pronounced in the NZE and APS scenarios, with potential impacts to annual revenue totalling over 8% for both these scenarios in 2050. The majority of Keller's projects related to these impacted sectors come from oil and gas and petrochemical facilities, with a much smaller proportion coming from coal. Negative impacts are most pronounced in APAC, where petrochemical-related projects are concentrated, and in NA, where the majority of oil and gas projects are located.

Response

While impacts are significant in some scenarios, the Group is not overly dependent on projects from any one sector, including fossil fuel sectors. Additionally, this risk is balanced by the opportunity to deliver projects in energy transition-linked sectors (see 'Opportunity from increased projects in transition-linked sectors' above). Broadly, our modelling suggests the energy transition will balance the decline in fossil fuels with an increase in renewable assets and associated infrastructure. By capturing the energy transition opportunity, we can mitigate this risk.



Scenario analysis in depth: Transition risk and opportunity

Stranded rig assets as a result of regulations

CRROs addressed

Risk: Regulation of existing products and services

Financial impact

	2030				2040			
	London Electrification	NZE	APS	STEPS	London Electrification	NZE	APS	STEPS
Total value of rigs which become stranded assets in the year (% of total net book value of the rig fleet in Europe)	10.3%	0%	0%	0%	2.8%	0%	0%	0%

Selection

As our rigs, which are defined as non-road mobile machinery (NRMM), emit greenhouse gases and particulates, they may in future be subject to regulation which prevents their usage unless they are below a certain requirement for emissions, or are zero emissions (ie electric). The Group already faces some limitations on higher-emissions rigs being used in certain projects in cities in Europe. Modelling focused on Europe, as this is where this risk is currently most likely to create impacts.

Approach

IEA scenarios were taken to represent a different speed of phase-out of rigs, with the IEA's 'Heavy duty vehicles' pathway taken as an approximation for NRMMs. EU regulation on defining emission limits for NRMM engines being sold also informed the approach. Assumptions were applied to each scenario about the rate at which Keller would transition its fleet to lower-emission rigs. A fourth scenario was created, titled 'London Electrification', based on London's more stringent rules for NRMMs. In this scenario, only zero-emission machinery (ie electric rigs) will be allowed by 2040.

Assumptions

An average lifespan was assumed for rigs, after which they would be replaced with a newly purchased rig. Depending on the scenario, the new rigs purchased were categorised as electric and/or the most efficient engine type.

Results

The Group is unlikely to face stranded rig assets in Europe in any of the IEA scenarios. In these scenarios, the rate at which older rigs in the fleet are replaced with lower and zero-emissions rigs means that by the time regulations come into force, Keller's fleet is already compliant. In the London Electrification scenario, Keller will have to impair rigs in its fleet equivalent to 10.3% of the net book value of the fleet in 2030. This is the strictest scenario, and we believe it is unlikely that regulations equivalent to the strictness of London's NRMM regulations will be applied across Europe.

Response

We will incorporate emissions and regulation considerations into our capex plan for future rig purchases, informed by potential timelines for regulation. This plan will aim to support the replacement of older rigs with lower and zero-emissions rigs, so that these have been replaced by when regulations come into effect.

Our rig decarbonisation strategy, which involves us trialling and implementing alternative equipment in our projects, helps us to address potential future requirements. In 2024, we used electric rigs from multiple providers in projects across Europe, with the aim to expand our use of this zero-emission equipment in the future. All the rigs we produced in 2024 were electric, electrohydraulic, or had 'stage 5' engines, the lowest emissions tier.

TCFD statement continued

Strategy continued

Scenario analysis in depth: Transition risk and opportunity

Cost of raw materials

CRROs addressed

Risk: Increased cost of materials

Opportunity: Low-carbon products and services

For full details on this part of the scenario analysis, please refer to Keller's 2022 Annual Report and Accounts

Results

This scenario analysis was undertaken in Keller Austria, given good data availability and exposure to EU regulation on materials including the Carbon Border Adjustment Mechanism (CBAM).

The risk associated with the cost of raw materials, and the accompanying opportunity of the potential for low-carbon solutions, are likely to impact the Group most significantly in the NZE scenario. This is mainly driven by greater stringency of climate regulation, including carbon pricing. Outputs showed that risk from elevated carbon pricing is not entirely offset by the decarbonisation rate of materials in any scenario. However, the direct financial impact arising from this is likely to be minimal, given that the cost of materials is embedded into the contracting process.

In addition to risk, opportunities were also highlighted, including Keller's ability to offer lower-carbon solutions to clients for equivalent services. The findings around indirect financial impacts and opportunities will apply to all other European locations, as the regulatory frameworks are the same.

Response

We will continue to test where low-carbon product lines are feasible within our service offerings, and continue to test the use of low-carbon materials within existing product lines. We are training all engineers in the use of the sector-standard carbon calculator to enable them to determine and offer low-carbon solutions. This carbon calculator has been embedded into our estimating spreadsheets in key markets, enabling us to demonstrate the carbon savings of different solutions to clients.

In 2024, we appointed a new Senior Sustainability Advisor role, specifically focused on Scope 3 emissions reductions. They have been responsible for bringing together the first Scope 3 estimations from around the Group, finding a consistent way to estimate these emissions for future CSRD compliance. This position therefore directly targets the transition risks that arise from our supply chain decarbonisation and future low-carbon solution demand. We have also partnered with three universities, located across Keller's three regional divisions. These research partnerships focus on trialling low-carbon cements for geotechnical solutions, so we can reduce our reliance on higher-carbon materials.

Resilience of strategy

The 'Results' and 'Response' parts of the above scenario analysis section provide assessments of the likely impact on our business, and our responses to improve resilience. Overall, we consider the business' strategy to be resilient to the impacts of the CRROs which were subject to scenario analysis, taking into account the availability of activities we can take and are currently taking to respond to risks and capture opportunities. Ongoing assessment of climate-related risks and opportunities through our climate-related risk register, along with successive scenario analysis exercises, will be used to continually evaluate the resilience of our strategy.

Risk Management

Our processes for identifying and assessing climate-related risks

CRROs are assessed as part of the Group's risk governance framework, which has been built to identify, evaluate, analyse and mitigate material risks to the achievement of our strategy. The strategy for risk embeds processes that seek to identify risks from both a top-down strategic perspective at Group level and a bottom-up local operational and business unit level, in order to ensure a consolidated view of risk. This is all managed within our Governance, Risk and Compliance (GRC) tool. Climate change is established as a principal strategic risk, and the Sustainability Steering Committee is responsible for integrating sustainability targets and measures into the Group business plan.

We have improved our internal guidelines on risk probability definitions, and have defined a specific risk appetite for each risk category. Climate change is seen as both a risk and an opportunity, with a higher risk appetite to encourage innovation. We are also reviewing the financial impact thresholds to accurately reflect the size of an impact on the business as we are growing.

Our process for managing climate-related risks

The significance, size and scope of identified climate-related risks is determined through the same processes that are applied to other risks identified by the Group. Risks are initially identified and assessed at business unit or functional level, and reported to the Group Head of Risk and Internal Audit and the Executive Committee, and in turn to the Board and the Audit and Risk Committee. Business unit leads are then assigned CRROs relevant to their own geography and services which they are made responsible for. CRROs are evaluated for their velocity, probability, potential financial and reputational impact, and assigned an overall quantitative score of severity of risk, that is then consolidated at Group level to produce a qualitative view of the relative severity of CRRO risk by geography. The CRROs are assessed in consideration of their associated mitigating activities, and the impacts are then determined on a residual risk basis.

This is reflected in the CRRO table. The outputs of the scenario analysis are also used to inform our risk assessment of how CRROs impact our business. As we regularly reassess CRROs subject to scenario analysis, this exercise is more closely informing our overall assessment of the impacts of climate risk.

Regular risk reviews are conducted within our business units and functions facilitated by our Group Head of Risk and Internal Audit. The methodology used to identify the materiality of CRROs can be found in the Strategy section of this statement, including a full list of CRROs. Climate change-related risks are assessed as part of the risk governance framework in the same way as other risks, including decisions on how to mitigate, accept and manage risks. The full risk governance framework, including an overview of our risk management processes, can be found on page 82 in the Principal risks and uncertainties section.

Potential impacts from existing and emerging regulatory requirements relating to climate change in our divisions were addressed through our scenario analysis work, which can be found in the Strategy section of this statement.

Metrics and Targets

Our metrics for assessing CRROs

Our ERP system assists us with collecting and reporting the metrics we use to assess our CRROs at a Group level. We are aiming to continue to expand the metrics we collect and report on, so that all of our CRROs are tied to cross-industry metrics.

CDP score: B (2023: B)

CDP is a third-party disclosure system which assesses the quality of our TCFD disclosure. This provides overarching metrics to help us consider our progress against the risk of not being able to meet the reporting standards of clients. This score can be compared with the construction sector, and with all other companies reporting through CDP.

Percentage of revenue from water storage and flood control projects, and from non-fossil fuel-based power generation: 6% (2023: 3%)

This metric can be used to track the project opportunities arising from climate change and the transition to a low-carbon economy. In terms of opportunities arising from the physical impacts of climate change, this includes flood defence projects and projects that help to secure water supplies. In terms of opportunities arising from a transitioning energy system, this includes renewable energy generation projects.

Investment into sustainability-focused research and development: £0.4m (2023: £0.3m)

This total includes our spend on HVO fuel trials, KGS KB0-E spend, and other university projects in Europe and Middle East, North America and Asia-Pacific.

Percentage of executive management remuneration linked to climate-related considerations: 10% of annual bonus plan

The Remuneration Committee agreed Scope 1 per £m revenue and absolute Scope 2 reduction targets as part of management's corporate objectives linked to remuneration in 2024. More detail on this objective and remuneration outcome is available in the Directors' remuneration report on page 126.

For quantitative disclosures concerning our energy usage, please see our Streamlined Energy and Carbon Reporting (SECR) statement on page 27.

These metrics address some of our most material CRROs. We are working to develop other metrics to address our remaining CRROs. Through the CSRD working group, we are developing quantitative metrics to address water and waste management. Qualitative disclosures on water and waste, as well as on other environmental topics, can be found on pages 30 and 31 of this report.

We do not currently use an internal carbon price.

GHG emissions reporting

The Group discloses Scope 1 and Scope 2 carbon emissions to ISO 14064-3 Standard, and these are calculated using the GHG Protocol Standard. Independent verification is provided by UL Solutions. Our Scope 1 and 2 emissions are provided on page 27 as part of our SECR. These emissions are recorded both in absolute terms as well as relative to revenue to show the carbon intensity of our operations.

For Scope 3 emissions, to reflect where we believe we can have the most near-term impact, we currently only have a net zero target set for our Operational Scope 3 emissions. This target covers business travel, transportation of materials and waste disposal. We have begun calculating these emissions on key projects using the sector-standard carbon calculator, as well as estimating these emissions in a trial business unit.

Calculating emissions for other Scope 3 categories, including for our materials, poses challenges due to the complexity of our supply network and our high number of small suppliers. This year, we have created a dedicated resource looking into how to calculate and reduce Scope 3 material emissions. They are working in collaboration with universities and across the three divisions of the business – Europe and Middle East, North America and Asia-Pacific – on low-carbon cements and developing key supplier partnerships. Further details on our decarbonisation work and Scope 3 can be found on page 29.

Details on our approach, including how we train engineers in calculating and reducing carbon in our projects, can be found on page 29.

The Group has targets for all three scopes, which are calculated according to the GHG Protocol and are in compliance with SECR requirements.

These absolute targets assist the Group in mitigating future climate-related risks and in recognising climate-related opportunities. All targets use a 2019 baseline where available.

Scope 1 – Net zero by 2040

Scope 1 carbon intensity target of a 35% reduction in tCO_2e/£m revenue for 2024 (against 2019 baseline), representing a 5% reduction in our carbon intensity from 2023. We did not achieve this interim target, due primarily to a change in product mix which resulted in more fuel-intensive projects being undertaken during 2024. Additionally, emissions were contributed to by improved reporting on fuel usage in our Austral Business Unit. More details on our Scope 1 emissions are available on page 28. Achieving this target is now our main Planet focus for 2025 (see page 28), with an interim target to reduce our Scope 1 emissions per million revenue by 5% from a baseline of 2024.

Scope 2 – Net zero by 2030

Interim target of 50% reduction in absolute market-based emissions for 2024 (against 2019 baseline). This 2024 target would result in a 10% reduction from 2023. We achieved this interim target. This was supported primarily by the procurement of renewable energy in our Suncoast Business Unit, and operational efficiency improvements and solar panel deployment in our India Business Unit. We remain on track to achieve net zero for Scope 2 by 2030.

Operational Scope 3 – Net zero by 2050

Operational Scope 3 includes business travel, material transport and waste disposal.

In order to achieve these targets, we have set multiple internal leading targets built around our carbon hierarchy, which is detailed on page 26. Once we have worked through this hierarchy to eliminate, reduce and substitute emissions, we may offset our remaining emissions as a last resort.

We also specify multiple leading targets under each absolute target, to help achieve each net zero target. These range from conducting energy efficiency audits in our offices and yards, through to conducting specific carbon reduction site trials and training our engineers on the sector-standard carbon calculator.

For more information on the Group's emissions and associated targets, please see pages 24 to 29.

Compliance table

We consider disclosures in the above statement to be consistent with TCFD recommendations, except in the following areas:

Disclosure not provided	Detail	Expected timeframe for compliance
Metrics and Targets a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	While we have published cross-industry metrics as described in Table A2.1 of the TCFD implementation guidance, we do not have a complete list for all material CRROs. Furthermore, we have qualitative information available on water and waste, but not quantitative metrics. We also recognise that the TCFD recommendations encourage the disclosure of Scope 3 emissions and we have published our Operational Scope 3 emissions and target.	We are aiming to continue to expand the metrics we collect and report on in subsequent years. We are actively working on improving the breadth and quality of the Scope 3 categories we calculate and disclose, with the aim of publishing our full Scope 3 emissions in future. Scope 3 calculation and reporting will be included as part of our upcoming ERP programme. For water and waste management, we have determined key metrics to track based off our CSRD double materiality assessment. The CSRD working group is developing a data collation and conversion system to start estimating these impacts. Once we have reliable baseline data, we can look to set targets on these metrics.

Corporate Sustainability Reporting Directive

We are committed to evolving and enhancing our corporate sustainability reporting. A key part of this commitment is compliance with the Corporate Sustainability Reporting Directive (CSRD). This requires companies with operations in the EU to report their environmental, social and governance topics, including impacts, risks and opportunities, and internal processes and controls to monitor and assess them.

Our roadmap to compliance

The CSRD reporting regime will bring structure and consistency to what a company must disclose in relation to its most important (material) ESG issues. To meet these requirements, a set of European Sustainability Reporting Standards (ESRS) have been adopted by the EU. At Keller, we see this as an opportunity which will help us focus our sustainability efforts and win work based on sustainability.

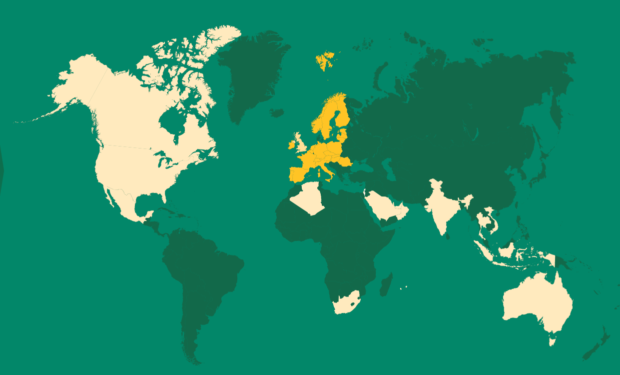
1 Scoping and approach

During 2024 we conducted a legal entity scoping exercise which concluded that we have five entities within scope in 2025, before all our EME business units must report in 2026. The whole Group will have to report under CSRD by 2028.

Given this timeline, we have opted to work towards voluntarily reporting at the Group level from next year. This means we currently intend to report globally, in accordance with the requirements of the CSRD, in our consolidated Annual Report and Accounts for 2025.

We believe this Group-wide approach avoids duplicating the assessment process, future-proofing our assessment as more business units fall within scope. It also helps us meet the demands of EU-based clients around the world, providing stakeholders with transparent information in the spirit of CSRD.

Keller will be reporting at the Group level



2 Double materiality assessment

The double materiality assessment (DMA) required under the CSRD helped us consider the relationship between Keller and the broader environment and society. To do this, in 2024 we started to assess 'impact materiality' ie the Group's actual or potential impacts on people or the environment, as well as 'financial materiality' ie where a sustainability topic may trigger financial effects on the Group. We will complete our DMA in 2025, for our disclosures to be ready for the next annual report. We used an EFRAG (European Financial Reporting Advisory Group) aligned methodology for the purposes of conducting our DMA.

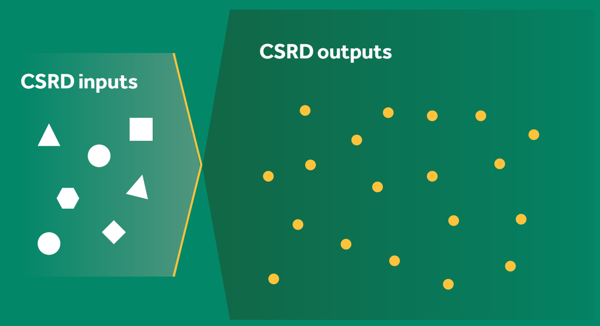
This meant identifying our upstream, downstream and internal stakeholders in our value chain to ensure they were represented in the assessment process. We used a range of data, including internal proxy interviews and written feedback, to inform our DMA. The DMA framework provided a process to systematically identify and assess our impacts, risks and opportunities, resulting in a focused view of what is most important to Keller.

3 Next steps

In addition to completing the DMA, in the early part of 2025 we also undertook our ESRS gap analysis, to understand what data we already collect and where we need to focus our efforts in the remainder of 2025.

We will be working to form the systems and structures needed to collect CSRD data from across the Group. As the data becomes available, we will look at the audit and verification steps required for CSRD.

We will continue to evolve and adapt our sustainability reporting processes to ensure we can report against the ESRS requirements in due course. We will focus on balancing resources to ensure that efforts to provide more transparent information are complemented by a continued focus on embedding ESG focus areas into Keller's strategy and business operations.



GRI Index

To facilitate access to information for our stakeholders, the following table lists the information relevant to the GRI Standards' General Disclosures, with which the Group aims to align its activities. Further disclosures, including the Group policies and standards referenced below, can be found on our website at keller.com.

GRI 2: General Disclosures

Disclosure		Page/Policy[1]	Comments
2-1	Organisational details	70–75, Note 1 on page 164	
2-2	Entities included in sustainability reporting	26, Note 8 on page 209	
2-3	Reporting periods, frequency and contact point	67	
2-4	Restatement of information	67	
2-5	External assurance	26	
2-6	Activities, products, services and markets served	4–5, 20–21, 70–75	Entities up and downstream not disclosed
2-9	Governance structure and composition	98–113	
2-10	Nomination and selection of highest governance body	111, 114–117, Nomination and Governance Committee terms of reference, Board Diversity Policy	
2-11	Chair of highest governance body	98	
2-12	Role of highest governance body in overseeing management of impacts	49, 102–103, 106–107	Management of impacts not disclosed
2-13	Delegation of responsibility for managing impacts	49–50, Sustainability Committee terms of reference	
2-14	Role of the highest governance body in sustainability reporting	49–50, 82–85, 102–103	
2-15	Conflicts of interest	98–99, 104	
2-17	Collective knowledge of the highest governance body	113	
2-19	Remuneration policies	130–131, 132, 28 and 133 (for Scope 1 and 2 reduction objectives)	
2-20	Process to determine remuneration	128–129	
2-21	Annual total compensation ratio	136–137	
2-22	Statement of sustainable development strategy	22–23	
2-23	Policy commitments	46, 68–69, supporting policies on Keller website	
2-26	Mechanisms for seeking advice and raising concerns	46, 68–69	Wider channels to report concerns not disclosed
2-27	Compliance with laws and regulations	113	
2-28	Membership associations	47	Select list of partnerships disclosed
2-29	Approach to stakeholder engagement	95, 108–110, 142–144	

1 Some policies, processes and standards shown are not published externally.

Sustainability reporting period

The collated information on sustainability was aligned to the financial reporting period of 1 January to 31 December 2024, in correspondence with GRI disclosure 2-3.

Restatements

Pursuant to GRI disclosure 2-4, for 2023 Group energy use, Scope 1 emissions and totals emissions have been restated to reflect improvements in fuel data collection. Further information can be found on page 27.

For queries relating to the reported information on sustainability, please contact Kerry Porritt, Chief Sustainability Officer at secretariat@keller.com.

Non-financial and sustainability information statement

The tables below summarise where further information on each of the key areas of non-financial and sustainability reporting we are required to disclose can be found. Further disclosures, including our Group policies, can be found on our website at keller.com.

Reporting requirement	Relevant section of this report	
1 **Description of our business model**	The Keller model – How we do it The Keller model – Our competitive strengths Our strategy	See pages 4 and 5 See pages 6 and 7 See pages 20 and 21
2 **The main trends and factors likely to affect the future development, performance and position of the Group's business**	Our market Divisional reviews	See pages 18 and 19 See pages 70 to 75
3 **Description of the principal risks and any adverse impacts of business activity**	Principal risks and uncertainties	See pages 82 to 92
4 **Non-financial key performance indicators**	Customer satisfaction Safety, good health and wellbeing Gender diversity Greenhouse gas emissions and energy	See page 9 See pages 33 to 35 See pages 40 to 42 See pages 26 to 29

Reporting requirement	Policies, processes and standards which govern our approach[1]	Risk management	Embedding due diligence, outcomes of our approach and additional information
5 **Environmental matters**	**ESG and sustainability** See pages 22 to 69	**Climate change** See page 89 **Ethical misconduct and non-compliance with regulations** See page 88 **Losing market share** See page 87 **Inability to maintain technological product advantage** See page 89	**Our market** See pages 18 and 19 **Divisional reviews** See pages 70 to 75 **Greenhouse gas emissions and energy data, trend analysis and assurance** See pages 26 to 29 **Sustainability Committee report** See pages 142 to 144 **Section 172 statement** See pages 108 to 110 **Corporate Sustainability Reporting Directive** See page 66
6 **Employees**	**Human Resources Policy** **Code of Business Conduct** **Whistleblowing Policy** **Wellbeing foundations** **Sustainability Policy** **Biodiversity Policy** **ESG and sustainability** See pages 22 to 69	**Causing a serious injury or fatality to employees or a member of the public** See page 91 **Ethical misconduct and non-compliance with regulations** See page 88 **Not having the right skills to deliver** See page 91 **Climate change** See page 89	**Diversity, equity and inclusion** See pages 36 to 42 **Training and development** See pages 43 and 44 **Health and wellbeing** See pages 34 and 35 **Employee engagement** See page 143 **Section 172 statement** See pages 108 to 110 **Sustainability Committee report** See pages 142 to 144
7 **Social and community matters**	**Code of Business Conduct** **Wellbeing foundations** **Sustainability Policy** **ESG and sustainability** See pages 22 to 69 **Procurement Policy** **Supply Chain Code of Business Conduct** **Human Rights Policy** **Biodiversity Policy**	**Ethical misconduct and non-compliance with regulations** See page 88 **Climate change** See page 89	**The Keller model – How we do it** See pages 4 and 5 **Divisional reviews** See pages 70 to 75 **Safety, good health and wellbeing** See pages 33 to 35 **Sustainability Committee report** See pages 142 to 144 **Section 172 statement** See pages 108 to 110
8 **Human rights**	**Code of Business Conduct** **Supply Chain Code of Business Conduct** **Modern Slavery and Human Trafficking Statement** **Wellbeing foundations** **Sustainability Policy** **Biodiversity Policy** **Privacy Policy** **Human Rights Policy**	**Ethical misconduct and non-compliance with regulations** See page 88 **Causing a serious injury or fatality to employees or a member of the public** See page 91 **Climate change** See page 89	**Safety, good health and wellbeing** See pages 33 to 35 **Sustainability Committee report** See pages 142 to 144 **Section 172 statement** See pages 108 to 110
9 **Anti-corruption and anti-bribery**	**Anti-Bribery and Anti-Fraud Policy** **Competition Law Compliance Policy** **Conflicts of Interest Policy (at local level)** **Whistleblowing Policy** **Human Rights Policy**	**Ethical misconduct and non-compliance with regulations** See page 88	**Principles** See pages 45 to 47 **Audit and Risk Committee report** See pages 118 to 125
10 **Climate-related financial disclosures**	**ESG and sustainability** See pages 22 to 69 **Sustainability Policy** **Biodiversity Policy**	**Climate change** See page 89 **Ethical misconduct and non-compliance with regulations** See page 88 **Losing market share** See page 87 **Inability to maintain technological product advantage** See page 89	**TCFD statement** See pages 48 to 65 **Our market** See pages 18 and 19 **Divisional reviews** See pages 70 to 75 **Greenhouse gas emissions and energy data, trend analysis and assurance** See pages 26 to 29 **Sustainability Committee report** See pages 142 to 144 **Section 172 statement** See pages 108 to 110 **Corporate Sustainability Reporting Directive** See page 66

1 Some policies, processes and standards shown here are not published externally.

North America

Business units

- North and Pacific
- South Central
- Canada
- Moretrench and RECON
- Suncoast

Structure above as from 1 January 2025 when the Northeast and West BUs combined to form the North and Pacific BU and we integrated our Specialty Services BU into our regional foundations businesses.

Performance indicators

Revenue (£m)

2024	£1,785.8m
2023	£1,770.0m

Underlying operating profit (£m)

2024	£190.0m
2023	£169.6m

Order book (£m)

2024	£1,130.4m
2023	£904.6m

Underlying operating margin (%)

2024	10.6%
2023	9.6%

Accident Frequency Rate

2024	0.04
2023	0.09

	2024 £m	2023 £m	Constant currency
Revenue	**1,785.8**	1,770.0	+4.2%
Underlying operating profit	**190.0**	169.6	+16.1%
Underlying operating margin	**10.6%**	9.6%	+100bps
Order book	**1,130.4**	904.6	+23.7%

In North America, revenue increased by 4.2% to £1,785.8m (on a constant currency basis), largely driven by an increase in trading in the foundations business. This was partially offset by lower volumes in our Suncoast business, down 19.3%, and lower volumes at RECON, down 29.9% (both on a constant currency basis). Underlying operating profit in North America increased by 16.1% to £190.0m, driven by the sustained improvement in operational performance in the foundations business and benefitting from the buoyant market conditions in the year. The increase in profitability saw underlying operating margin in North America increase to 10.6% (2023: 9.6%). The Accident Frequency Rate, our key safety metric, improved to 0.04 versus the prior period at 0.09, a reduction of six lost time injuries reported in 2024.

The improved performance in 2023 has been sustained and built upon and our Foundations business had another outstanding year in both the US and Canada. Management actions include the introduction of standard operating procedures, an upgraded project performance review process and a new variation order tracking system. Further efficiencies and improvements have been achieved through the combination of two business units as we continually drive operational performance. An unseasonably strong first quarter and a particularly buoyant market contributed to the strong performance.

Suncoast, the Group's post-tension business, reported a decline in revenue, reflecting a decreased level of activity as a result of the slowdown in residential housing. Whilst profitability benefitted from better than expected resilience in pricing in the first half of the year, overall profitability for the year was down versus the prior year as pricing normalised in the second half as expected.

Moretrench Industrial, our business that operates in the highly regulated environmental remediation market, continued to make good progress in the period, with growth in revenue and profit. At RECON, our geoenvironmental and industrial services company, volumes and profit were lower following the completion of the large LNG contract in the Gulf of Mexico project in the prior year and delays in the period related to the permitting of new LNG projects. In 2025 we expect to commence work on a further LNG contract in the Gulf region.

In June 2024, Paul Leonard joined as President North America. Paul is a highly experienced industry professional and a seasoned expert in energy and construction, with a proven track record in project delivery, and is building on the improved operational performance achieved in the division over the last 18 months.

North America Outlook

The order book for North America at the period end was at £1,130.4m, up 24% (on a constant currency basis) from the closing position at the end of 2023. The increase year-on-year is predominantly driven by continued strong volumes in Foundations and the LNG contract at RECON which is expected to commence in 2025. Following a particularly buoyant market in 2024, we expect the market environment to normalise in 2025. Whilst the improved operational performance in Foundations is expected to be maintained, we expect a more normalised pricing environment in Suncoast.

CASE STUDY

Positioned for continued success

North America President Paul Leonard on joining Keller and the positive road ahead.

What attracted you to Keller?

Initially I was impressed by the fact that it's a market leader in its field – focused on its capability, clear on its strategy and understanding of the market. Then, as I started to meet the people in Keller, I realised the quality of the people. It's incredible how Keller has been able to build and maintain a strong culture.

What were your impressions once you started?

Here in North America, Keller was built on multiple acquisitions of various sizes, yet despite that, so much talent has stayed within the organisation and has integrated into a team.

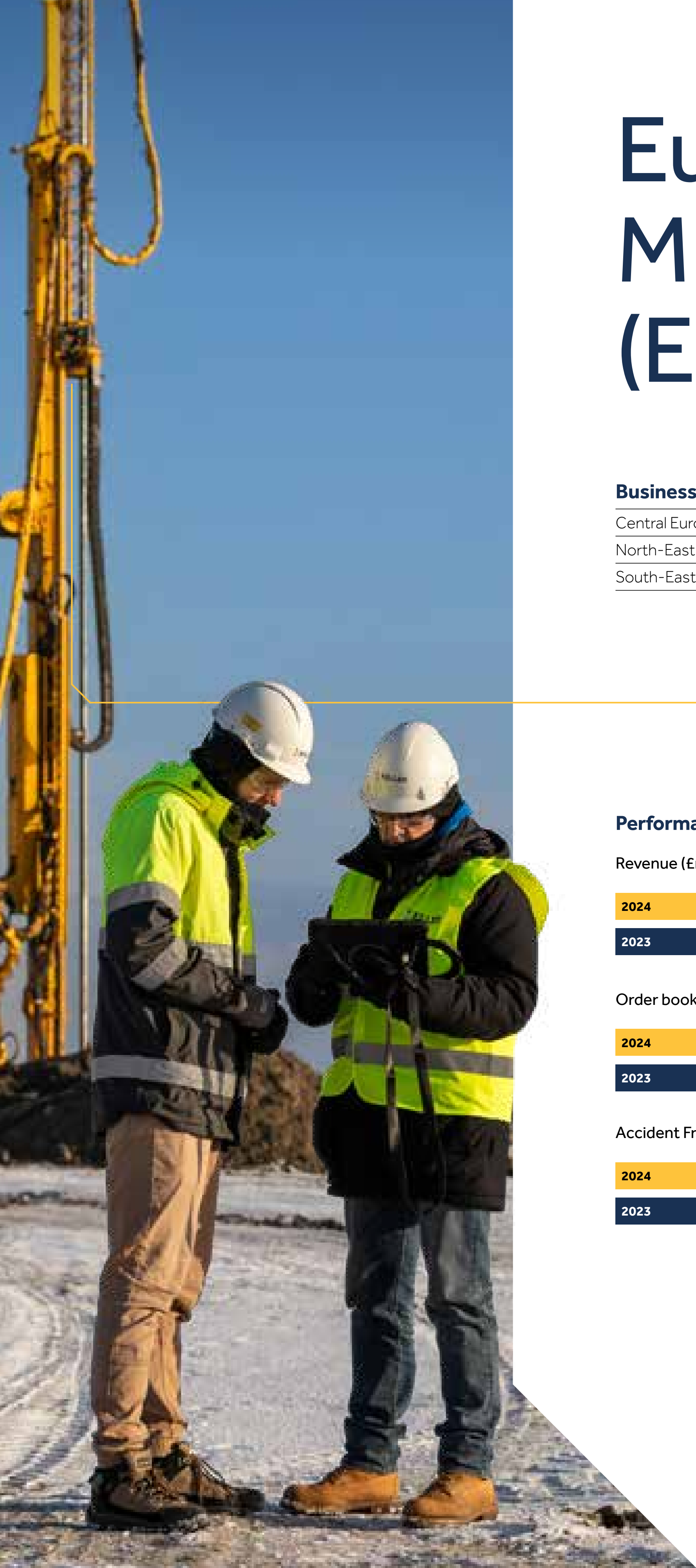
Keller in North America is very strong operationally, and that has driven recent results. A lot of work has been done over the last five years to get us to this stage. As the market in the US has grown rapidly over the past few years, we have been in a great position to capitalise and can continue over the next few years.

Where do you see Keller heading?

Our focus is on continued strong operational performance, driving bottom-line return through the strength of our team. We are a locally focused business that leverages our national and global strength – customers buy because of the relationships we have in local markets and the capabilities we offer.

We want to continue to focus on how we organically and inorganically build market share in local markets. We want to make it very simple for customers to buy Keller's global capabilities through the local branches. Continued cross-collaboration between branches will really propel the business forward.

Divisional reviews continued
EME



Europe and Middle East (EME)[1]

Business units

Central Europe	South-West Europe
North-East Europe	UK
South-East Europe and Nordics	Middle East

Performance indicators

Revenue (£m)

2024	£835.1m
2023	£808.0m

Underlying operating profit (£m)

2024	£7.9m
2023	£9.8m

Order book (£m)

2024	£302.1m
2023	£397.8m

Underlying operating margin (%)

2024	0.9%
2023	1.2%

Accident Frequency Rate

2024	0.05
2023	0.11

	2024 £m	2023 £m	Constant currency
Revenue	**835.1**	808.0	+5.5%
Underlying operating profit	**7.9**	9.8	-17.7%
Underlying operating margin	**0.9%**	1.2%	30bps
Order book	**302.1**	397.8	-21.0%

In Europe and Middle East (EME), revenue increased by 5.5% on a constant currency basis, reflecting an improved performance in Europe and the completion of a large infrastructure project in Central Europe. Underlying operating profit was down 17.7% on a constant currency basis, as a result of an ongoing challenging project in the Middle East and the successful completion of a large contract in the Middle East in the prior year. As a consequence, underlying operating margin reduced slightly to 0.9% (2023: 1.2%). The Accident Frequency Rate reduced from 0.11 to 0.05, with six fewer lost time injuries versus the prior year.

The European businesses reported revenue and underlying operating growth despite challenging market conditions in parts of Europe, which continue to be affected by ongoing weak demand in the residential and commercial sectors. Performance was driven by large projects in the infrastructure sectors, primarily in Central Europe, North-East Europe and the Nordics.

Our North-East Europe business, which comprises Poland and the Baltic countries, improved year-on-year and reported both revenue and underlying operating profit growth, largely driven by a contract relating to CPK, a large government funded project that will include the construction of a new high-speed rail and road network across Poland.

In South-East Europe and Nordics, revenue was down in the year following several large infrastructure projects in the Nordics in the prior year, while underlying operating profit increased due to the turnaround and completion of these projects and a restructured cost base.

In the UK, trading was down versus prior year reflecting the near completion of our contract on High Speed 2 and the continued soft market conditions.

In Central Europe, revenue and profit increased in the period, driven by work on a large railway tunnel project that was successfully completed in Germany.

South-West Europe delivered growth in both revenue and operating profit, driven by favourable trading conditions in Spain.

In the Middle East, both year-on-year revenue and profit were negatively impacted by the performance of two projects; with the prior year comparative benefitting from the successful completion of a large project whilst the current year was impacted by an ongoing challenging project in the region, where we are currently in discussions with the client to remedy the commercial performance. The rest of the Middle East region including UAE, Bahrain and other Saudi Arabian projects, performed strongly in the year. Underlying operating profit in the Middle East region was down £19.9m versus the prior year (on a constant currency basis).

We completed the exit of our business in South Africa at the end of the first half, which recorded a modest profit in the period prior to sale.

EME Outlook

The EME order book at the end of the period was £302.1m, down 21% versus the prior year on a constant currency basis, with the prior year comparative benefitting from the large infrastructure projects completed in 2024. Notwithstanding this, we expect a significant improvement in overall performance and margins in 2025 as a result of improved project execution and a number of self-help measures.

1 EME performance included the South Africa business up until it was sold at the end of the first half of 2024.

CASE STUDY

Helping to renew one of Germany's busiest train tunnels

Working 24/7 to a tight schedule, the Keller team is completing reconstruction works for a tunnel on one of Germany's most important rail lines.

Used by up to 160 trains a day, the 5km Rauhebergtunnel on the high-speed Hanover-Würzburg line has been a critical piece of infrastructure since opening in 1991.

But over the years, cracks and deformations have appeared, with initial stabilisation works carried out in 2011 and again 10 years later, with Keller playing a key role. Now the tunnel is undergoing a more substantial reconstruction in the affected area, with rail operator Deutsche Bahn once again turning to Keller for its expertise. The contract is Keller's largest ever in Germany.

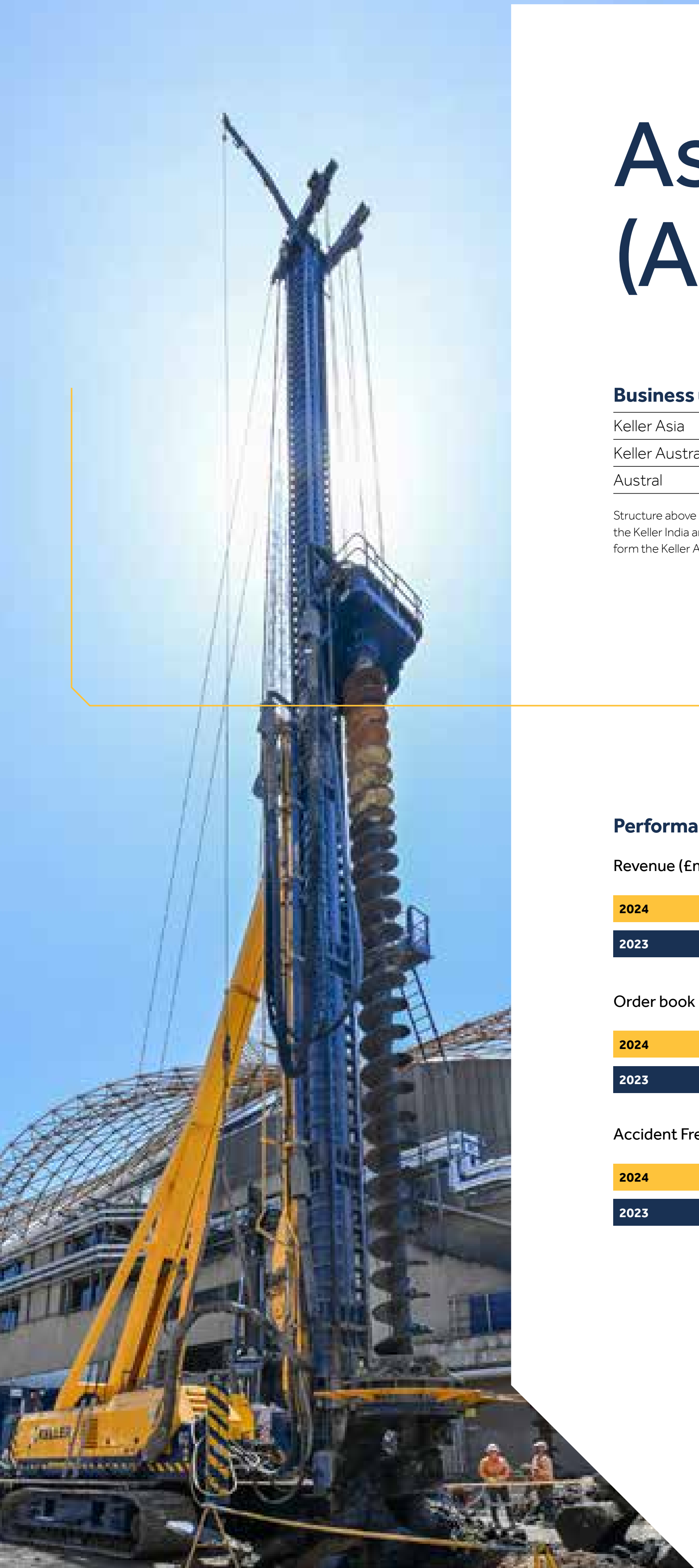
The work involves consolidating the surrounding subsoil behind the tunnel shell using jet grouting and injecting grout into the pores. Over 3,000 injection boreholes up to 6.5m deep are being created, and around 17,000 tonnes of cement are being used.

"This is an immense construction task and logistical challenge in a short period of time," says Christoph Wehr, Project Manager. "Due to the extraordinary size of the project, combined with the tight timeframe, its success is only possible thanks to the joint participation all our offices in Germany and support of other business units. We have 120 employees on site, including numerous subcontractors, because we're also responsible for track construction, core drilling, drainage and surveying."

With this project, we are proving to our client that we are a strong partner in geotechnical engineering.

Christoph Wehr
Project Manager

Divisional reviews continued
APAC



Asia-Pacific (APAC)

Business units

Keller Asia
Keller Australia
Austral

Structure above as from 1 January 2025 when the Keller India and ASEAN BUs combined to form the Keller Asia BU.

Performance indicators

Revenue (£m)

2024	£365.8m
2023	£388.0m

Underlying operating profit (£m)

2024	£28.7m
2023	£14.6m

Order book (£m)

2024	£177.5m
2023	£186.7m

Underlying operating margin (%)

2024	7.8%
2023	3.8%

Accident Frequency Rate

2024	0.05
2023	0.06

	2024 £m	2023 £m	Constant currency
Revenue	**365.8**	388.0	-2.1%
Underlying operating profit	**28.7**	14.6	+103.5%
Underlying operating margin	**7.8%**	3.8%	+400bps
Order book	**177.5**	186.7	-0.3%

In APAC, revenues decreased by 2.1% on a constant currency basis, largely due to a strong prior year comparative following record volumes in Keller Australia in 2023. Underlying operating profit increased significantly to £28.7m driven by the turnaround in performance at Austral. Underlying operating profit margin increased significantly to 7.8% (2023: 3.8%). The Accident Frequency Rate reduced from 0.06 to 0.05, a reduction of one lost time injury versus the prior year.

Keller Australia delivered a record performance in 2023 and continued to perform well in 2024 driven by continued federal and state government spending, particularly in the infrastructure sector, though this spending eased somewhat as the year progressed. Austral reported a full year of profit, following the return to profit in the second half of 2023, despite a drop in revenue, following a focus on project execution and margin growth.

In ASEAN, the market recovery has been slow, although our business showed signs of recovery with growth in revenue and operating profit over the prior year.

Keller India performed well, delivering a record profit in the year through successful execution of projects across the industrial, manufacturing, commercial and petrochemical sectors. We continue to see good prospects for the Keller India business in 2025.

APAC Outlook

The APAC order book at the end of the period was at £177.5m, unchanged (on a constant currency basis) on the prior year. Following a strong recovery in 2024, we expect the APAC Division to deliver another resilient performance and operating margin in 2025.

CASE STUDY

Austral Construction sets record at Port of Melbourne

Keller company Austral has completed a challenging project for the redevelopment of a dock at the Port of Melbourne. The work included installing the longest-ever single-length raked piles in Australia – saving the client time and money.

The Port of Melbourne is Australia's largest cargo port, handling more than a third of the nation's shipping container trade. Over the past decade, Austral has completed numerous successful projects at the port. The latest is the refurbishment of the ageing berth 1 on Swanson Dock's west side, which has seen Austral install over 200 tubular steel piles.

"Our long-standing relationship with the client, technical expertise, marine experience and understanding of the site helped us win this project," says Callum Woodley, Construction Manager. "But what gave us the advantage was our ability to install the 46m-long single-length tubular steel piles, some on an incline, without the need to split them into segments.

"This meant we could complete the scope much more quickly and cost-effectively than our competitors." Callum believes these are likely to be the longest and largest raked piles ever driven by a track-mounted, land-based piling rig in Australia.

"The work was finished to the best possible standards, within the schedule and to the highest levels of safety," he adds.

> We've overcome many technical and logistical challenges and, with the length of the piles, achieved something we've never done before.

Callum Woodley
Construction Manager

Chief Financial Officer's review

We have delivered improved performance across all key metrics – profits, earnings, margin, return on capital, cash conversion and debt reduction

The top 10 customers represent 19% of the Group's revenue. The Group worked on c.5,500 projects in the year with 48% of contracts having a value between £25,000 and £250,000, demonstrating a low customer concentration and a wide project portfolio.

David Burke
Chief Financial Officer

This report comments on the key financial aspects of the Group's 2024 results.

Revenue

Group revenue of £2,986.7m (2023: £2,966.0m) was up 1% at actual foreign currency rates and 4% up at constant currency. This was driven by an increase in trading in the North America foundations business and the impact of larger projects in Europe partially offset by a reduction in APAC. In North America, revenue increased by 4.2% on a constant currency basis as foundations volumes offset lower volumes in our Suncoast business, largely as a result of the slowdown in residential housing and lower volumes at RECON. In Europe and the Middle East (EME), revenue increased by 5.5% on a constant currency basis reflecting improved trading volume in Europe and the completion of a large project in the European infrastructure sector. In Asia-Pacific (APAC), revenue reduced by 2.1% on a constant currency basis due to the moderation of trading volume in Australia following a record trading performance in the prior year, and lower volumes at Austral following management focus on margin over volume.

We have a diversified spread of revenues across geographies, product lines, market segments and end customers. Customers are generally market specific and, consistent with the prior year, the largest customer represented less than 4% of the Group's revenue. The top 10 customers represent 19% of the Group's revenue (2023: 15%). The Group worked on c.5,500 projects in the year with 48% (2023: 51%) of contracts having a value between £25,000 and £250,000, demonstrating a low customer concentration and a wide project portfolio.

Underlying operating profit

The underlying operating profit of £212.6m was 18% up on prior year (2023: £180.9m) at actual foreign currency rates and 22% up on a constant currency basis. The underlying operating margin increased to 7.1% (2023: 6.1%). In North America, underlying operating profit increased 16% on a constant currency basis to £190.0m (2023: £169.6m), driven by the sustained improvement in operational performance in the foundations business and benefitting from the buoyant market conditions in the year. The increase in profitability saw underlying operating margin in North America increase to 10.6% (2023: 9.6%).

	2024 £m	2023 £m
Revenue	**2,986.7**	2,966.0
Underlying operating profit[1]	**212.6**	180.9
Underlying operating profit %[1]	**7.1%**	6.1%
Non-underlying items in operating profit	**(7.5)**	(27.8)
Statutory operating profit	**205.1**	153.1
Statutory operating profit %	**6.9%**	5.2%

1 Details of non-underlying items are set out in note 9 to the consolidated financial statements. Reconciliations to statutory numbers are set out in the adjusted performance measures section.

Revenue and underlying operating profit split by geography

	Revenue £m		Underlying operating profit[1] £m		Underlying operating profit margin[1] %	
Year ended	2024	2023	2024	2023	2024	2023
Division						
North America	**1,785.8**	1,770.0	**190.0**	169.6	**10.6%**	9.6%
EME[2]	**835.1**	808.0	**7.9**	9.8	**0.9%**	1.2%
APAC[2]	**365.8**	388.0	**28.7**	14.6	**7.8%**	3.8%
Central	**–**	–	**(14.0)**	(13.1)	**–**	–
Group	**2,986.7**	2,966.0	**212.6**	180.9	**7.1%**	6.1%

1 Details of non-underlying items are set out in note 9 to the consolidated financial statements. Reconciliations to statutory numbers are set out in the adjusted performance measures section.

2 From 1 January 2024, the Middle East and Africa (MEA) business was transferred to the Europe Division, creating the Europe and Middle East Division, and the remaining Asia-Pacific, Middle East and Africa Division became the Asia-Pacific Division. The 2023 comparative segmental information has been updated to reflect this change as it is consistent with the information reviewed by the Chief Operating Decision Maker.

In Europe and the Middle East, underlying operating profit reduced by 18% on a constant currency basis to £7.9m (2023: £9.8m), primarily as a result of project performance at a current challenging project in the Middle East and the completion of a profitable contract in the Middle East in the prior period. Underlying operating margin reduced to 0.9% (2023: 1.2%). In APAC, underlying operating profit increased significantly to £28.7m (2023: £14.6m) driven primarily by the sustained turnaround at Austral that commenced in the second half of 2023. The operating margin for the division increased to 7.8% (2023: 3.8%).

Share of post-tax results from joint ventures

The Group recognised an underlying post-tax profit of £0.5m in the year (2023: £0.8m) from its share of the post-tax results from joint ventures.

The prior year included the share of the post-tax amortisation charge of £0.6m arising from the acquisition of NordPile by our joint venture KFS Oy in 2021 as a non-underlying item. No dividends (2023: nil) were received from joint ventures in the year.

Statutory operating profit

Statutory operating profit, comprising underlying operating profit of £212.6m (2023: £180.9m) and non-underlying items comprising net costs of £7.5m (2023: £27.8m), increased by 34% to £205.1m (2023: £153.1m). The increase in statutory operating profit is a reflection of the increase in underlying operating profit in 2024, combined with a decrease in non-underlying operating costs. The non-underlying costs are set out in further detail below.

Net finance costs

Net underlying finance costs decreased by 23% to £21.2m (2023: £27.5m). The decrease was driven predominantly by the decrease in average debt levels through the year, with a higher average cash balance.

Following the issuance of $300m of private placement notes in August 2023, the Group's borrowings are now largely at fixed interest rates. The average month-end net debt during 2024, excluding IFRS 16 lease liabilities, during the year was £96.5m (2023: £224.8m).

Taxation

The Group's underlying effective tax rate decreased to 23% (2023: 25%), largely due to the change in the profit mix of where the Group is subject to tax. As expected, the introduction of the Pillar Two rules with effect from 1 January 2024 did not have a material impact on the Group's effective tax rate.

Cash tax paid in the year decreased from £72.7m to £65.6m. The reduction is due to the fact that the tax payments in 2023 included a catch-up payment for 2022 US tax. Further details on tax are set out in note 12 of the consolidated financial statements.

Chief Financial Officer's review continued

Non-underlying items

The items below have been excluded from the underlying results and further details of non-underlying items are included in note 9 to the financial statements. The total non-underlying items in operating profit in the year decreased to £7.5m (2023: £27.8m), due to the goodwill impairment charge in the prior year and a credit arising this year from the change in fair value of contingent consideration.

Non-underlying items

	2024 £m	2023 £m
Exceptional restructuring costs	**4.3**	2.8
ERP implementation costs	**4.0**	7.5
Claims related to closed businesses	**1.5**	–
Loss on disposal of operations	**0.8**	0.1
Goodwill impairment	**–**	12.1
Impairment of trade receivables related to restructuring	**–**	0.4
Amortisation of acquired intangible assets	**3.3**	5.1
Amortisation of joint venture acquired intangibles	**–**	0.6
Change in fair value of contingent consideration	**(6.4)**	–
Gain on sale of assets held for sale	**–**	(0.8)
Total non-underlying items in operating profit	**7.5**	27.8
Non-underlying items in finance income	**–**	–
Total non-underlying items before taxation	**7.5**	27.8
Non-underlying taxation	**(2.7)**	(3.0)
Total non-underlying items	**4.8**	24.8

Non-underlying items in operating profit

Exceptional restructuring costs of £4.3m (2023: £2.8m) in the year comprise the cost of a new Group-wide finance transformation project, which has moved certain finance activities into internal shared service centres. Finance shared service centres in Poland and Malaysia, serving the EME and APAC divisions respectively, were established and became operational. These shared service centres will ultimately improve efficiency, reduce costs, and provide high-quality support services to the operational businesses. The non-underlying costs for the year includes headcount restructuring and one-off set-up costs; it does not include the running costs of the shared service centres. In the prior year, restructuring costs of £2.8m related to the scheduled exit of the Kazakhstan business and the costs arising from the mothballing of the Egypt business.

The Group is continuing the strategic project to implement a new cloud-based computing enterprise resource planning (ERP) system across the Group. As this is a complex implementation, project costs are expected to be incurred for a further three years. Non-underlying ERP costs of £4.0m (2023: £7.5m) include only costs relating directly to the implementation, including external consultancy costs and the cost of the dedicated implementation team. Non-underlying costs do not include operational post-deployment costs such as licence costs for businesses that have transitioned.

Claims related to closed businesses of £1.5m (2023: £nil) reflect increased provisions for customer claims for businesses no longer operating.

The Group realised a £0.8m loss on the disposal of the South African business, which completed on 28 June 2024. There is an earnout arrangement on the sale, with a potential maximum of a further £1.3m sale proceeds dependent on the profitability of the business post-disposal. No receivable for the earnout has been recognised at year end.

Goodwill impairment in the prior year of £12.1m related to the UK business. The impairment of trade receivables related to restructuring in the prior year related to the exit from Kazakhstan.

The classification of costs as non-underlying is a management judgement and is reviewed on a regular basis.

Amortisation of acquired intangibles

The £3.3m (2023: £5.1m) charge for amortisation of acquired intangible assets relates to the RECON, GKM Consultants, NWF and Moretrench acquisitions.

Change in fair value of contingent consideration

Non-underlying other operating income of £6.4m arises from a change in fair value of the contingent consideration related to the non-controlling interest transaction to acquire 35% of Keller Company Limited (our main Saudi Arabian subsidiary) and the acquisitions of GKM Consultants and NWF. The majority of this relates to Keller Company Limited where the earnout is based on revenue earned in Saudi Arabia, which is now expected to be lower given the reduced level of revenue now expected from NEOM.

Non-underlying taxation

A non-underlying tax credit of £2.7m (2023: £3.0m) has been determined by assessing the tax impact of each component of the non-underlying loss, and primarily relates to the tax relief for the finance transformation and ERP projects.

Earnings per share

Underlying diluted earnings per share increased by 30% to 199.9p (2023: 153.9p) driven by higher operating profit as well as lower finance costs and a lower effective tax rate in the year. Statutory diluted earnings per share was 193.3p (2023: 120.5p) which includes the impact of the non-underlying items.

Dividend

The Board has recommended a final dividend of 33.1p per share (2023: 31.3p per share) which, following the interim dividend for 2024 of 16.6p (2023: 13.9p), brings the total dividend for the year to 49.7p (2023: 45.2p), an increase of 10%. The 2024 dividend earnings cover, before non-underlying items, was 4.0x (2023: 3.4x). If approved, the proposed 2024 final dividend of 33.1p (2023: 31.3p) will be paid on 20 June 2025 to shareholders on the register as at the close of business on 23 May 2025.

Keller Group plc has distributable reserves of £283.7m at 31 December 2024 (2023: £190.8m) that are available to support the Dividend Policy, which comfortably covers the proposed final dividend for 2024 of £23.6m. Keller Group plc is a non-trading investment company that derives its profits from dividends paid by subsidiary companies. The Dividend Policy is therefore impacted by the performance of the Group, which is subject to the Group's principal risks and uncertainties as well as the level of headroom on the Group's borrowing facilities and future cash commitments and investment plans.

Free cash flow

The Group's free cash flow was an inflow of £192.6m (2023: £103.2m); the improvement was driven by improved profitability, good working capital management and higher than usual proceeds from the disposal of property, plant and equipment. The basis of deriving free cash flow is set out below.

Free cash flow

	2024 £m	2023 £m
Underlying operating profit	**212.6**	180.9
Depreciation, amortisation and impairment	**108.8**	112.2
Underlying EBITDA	**321.4**	293.1
Non-cash items	**(13.5)**	(4.0)
Decrease in working capital	**27.7**	2.7
Increase in provisions, retirement benefit and other non-current liabilities	**30.9**	12.1
Net capital expenditure	**(60.0)**	(73.6)
Additions to right-of-use assets	**(26.4)**	(33.9)
Free cash flow before interest and tax	**280.1**	196.4
Free cash flow before interest and tax to underlying operating profit	**132%**	109%
Net interest paid	**(21.9)**	(20.5)
Cash tax paid	**(65.6)**	(72.7)
Free cash flow	**192.6**	103.2
Dividends paid to shareholders	**(34.6)**	(27.7)
Purchase of own shares	**(20.1)**	(3.4)
Acquisitions	**(0.9)**	(0.2)
Business disposals	**(2.6)**	1.3
Transactions with non-controlling interests	**–**	(6.4)
Non-underlying items	**(8.4)**	(12.4)
Cash flows from derivative instruments	**–**	2.0
Right-of-use assets/lease liability modifications	**(8.8)**	(8.7)
Foreign exchange movements	**(6.8)**	13.9
Movement in net debt	**110.4**	61.6
Opening statutory net debt	**(237.3)**	(298.9)
Closing statutory net debt	**(126.9)**	(237.3)

Chief Financial Officer's review continued

Working capital

Net working capital decreased by £27.7m (2023: decrease of £2.7m) reflecting decreases in all three divisions, and the benefit of some timing differences where cash has been received from customers ahead of revenue recognition. The net movement comprises a £10.4m decrease in inventories and a £71.7m increase in trade and other payables, offset by an increase in trade and other receivables of £54.4m.

An increase in provisions, retirement benefit and other non-current liabilities improved the working capital by £30.9m (2023: increase of £12.1m). This reflects an increase in provisions, as the amounts provided for contract and legal disputes exceeded the amounts settled in the year. This excludes the cash outflow on non-underlying restructuring provisions and other items included in non-underlying costs which are presented within non-underlying items in the free cash flow calculation.

Capital expenditure

The Group manages capital expenditure tightly whilst investing in the upgrade and replacement of equipment where appropriate. Net capital expenditure, excluding leased assets, of £60.0m (2023: £73.6m) was net of proceeds from the sale of equipment of £29.0m (2023: £20.9m). The asset replacement ratio, which is calculated by dividing gross capital expenditure, excluding sales proceeds on disposal of items of property, plant and equipment and those assets capitalised under IFRS 16, by the depreciation charge on owned property, plant and equipment, was 113% (2023: 115%).

Acquisitions, disposals and transactions with non-controlling interests

Acquisition cash outflow of £0.9m reflects payment of contingent consideration, mainly in respect of last year's purchase of the remaining 35% share in our main Saudi Arabian subsidiary. The earnout arrangement extends for a further three years.

The business disposal cash outflow of £2.6m relates to the £5.0m disposal of the cash held by the South African subsidiary on the disposal date of 28 June 2024 less the sale proceeds of £2.4m.

Financing facilities and net debt

Strong cash generation, combined with the refinancing of the Group's £400m revolving credit facility and the year-end borrowing headroom of £447.4m (2023: £425.2m) has significantly improved the resilience of the Group's balance sheet.

The Group's total net debt of £126.9m (2023: £237.3m) comprises loans and borrowings of £236.6m (2023: £297.1m), lease liabilities of £98.0m (2023: £91.6m) net of cash and cash equivalents of £207.7m (2023: £151.4m). The Group's term debt and committed facilities principally comprises US private placement notes repayable in August 2030 ($120m) and in August 2033 ($180m). The Group's multi-currency syndicated revolving credit facility was refinanced in the year, increasing the facility from £375m to £400m, with no change in the related covenants. The revolving credit facility is a five-year facility, with the option to extend for two further years, with the agreement of the lenders. It was undrawn at the year end. At the year end, the Group had undrawn committed and uncommitted borrowing facilities totalling £447.4m (2023: £425.2m).

The most significant covenants in respect of the main borrowing facilities relate to the ratio of net debt to underlying EBITDA, underlying EBITDA interest cover and the Group's net worth. The covenants are required to be tested at the half year and the year end. The Group operates comfortably within all of its covenant limits. Net debt to underlying EBITDA leverage, calculated excluding the impact of IFRS 16, was 0.1x (2023: 0.6x), well within the covenant limit of 3.0x and within the Group's leverage target of between 0.5x–1.5x. Calculated on a statutory basis, including the impact of IFRS 16, net debt to EBITDA leverage was 0.4x at 31 December 2024 (2023: 0.8x). Underlying EBITDA to net finance charges, excluding the impact of IFRS 16, was 20.2x (2023: 12.3x), well above the limit of 4.0x.

On an IFRS 16 basis, year-end gearing, defined as statutory net debt divided by net assets, was 21% (2023: 46%).

The average month-end net debt during 2024, excluding IFRS 16 lease liabilities, was £96.5m (2023: £224.8m). The Group had no material discounting or factoring in place during the year. Given the relatively low value and short-term nature of the majority of the Group's projects, the level of advance payments is typically not significant, although we have negotiated advance payments on larger projects.

At 31 December 2024, the Group had no drawings under uncommitted overdraft facilities (2023: £2.4m) and had drawn £201.8m of bank guarantee facilities (2023: £199.7m).

Retirement benefits

The Group has defined benefit pension arrangements in the UK, Germany and Austria.

The Group's UK defined benefit scheme is closed to future benefit accrual. The most recent actuarial valuation of the UK scheme was as at 5 April 2023, which recorded the market value of the scheme's assets at £45.2m and the scheme being 98% funded on an ongoing basis. Given the funding level, contributions ceased in August 2024, with a total of £1.7m paid in 2024. Contributions will be reviewed following the next triennial actuarial valuation to be prepared as at 5 April 2026. The 2024 year-end IAS 19 valuation of the UK scheme showed assets of £43.5m, liabilities of £37.2m and a pre-tax surplus of £6.3m before an IFRIC 14 adjustment to reflect the minimum funding requirement for the scheme, which adjusts the closing position to a nil balance.

In Germany and Austria, the defined benefit arrangements only apply to certain employees who joined the Group before 1997. The IAS 19 valuation of the defined benefit obligation totalled £11.5m at 31 December 2024 (2023: £12.6m). There are no segregated funds to cover these defined benefit obligations and the respective liabilities are included on the Group balance sheet.

All other pension arrangements in the Group are of a defined contribution nature.

The Group has a number of end of service schemes in the Middle East as required by local laws and regulations. The amount of benefit payable depends on the current salary of the employee and the number of years of service. These retirement obligations are included on the Group's balance sheet and obligations are met as and when required by the Group. The IAS 19 valuation of the defined benefit obligation totalled £3.7m at 31 December 2024 (2023: £3.6m).

Currencies

The Group is exposed to both translational and, to a lesser extent, transactional foreign currency gains and losses through movements in foreign exchange rates as a result of its global operations. The Group's primary currency exposures are US dollar, Canadian dollar, euro and Australian dollar.

As the Group reports in sterling and conducts the majority of its business in other currencies, movements in exchange rates can result in significant currency translation gains or losses. This has an effect on the primary statements and associated balance sheet metrics, such as net debt and working capital.

A large proportion of the Group's revenues are matched with corresponding operating costs in the same currency. The impacts of transactional foreign exchange gains or losses are consequently mitigated and are recognised in the period in which they arise.

The following exchange rates applied during the current and prior year:

	2024		2023	
	Closing	Average	Closing	Average
USD	**1.25**	**1.28**	1.27	1.24
CAD	**1.80**	**1.75**	1.69	1.68
EUR	**1.21**	**1.18**	1.15	1.15
AUD	**2.02**	**1.94**	1.87	1.87

Treasury policies and risk management

Currency risk

The Group faces currency risk principally on its net assets, most of which are in currencies other than sterling. The Group aims to reduce the impact that retranslation of these net assets might have on the consolidated balance sheet, by matching the currency of its borrowings, where possible, with the currency of its assets. The majority of the Group's borrowings are held in US dollars.

The Group manages its currency flows to minimise transaction exchange risk. Forward contracts and other derivative financial instruments are used to hedge significant individual transactions. The majority of such currency flows within the Group relate to repatriation of profits, intra-Group loan repayments and any foreign currency cash flows associated with acquisitions. The Group's treasury risk management is performed at the Group's head office.

The Group does not trade in financial instruments, nor does it engage in speculative derivative transactions.

Interest rate risk

Interest rate risk is managed by mixing fixed and floating rate borrowings depending upon the purpose and term of the financing. At 31 December 2024 all borrowings were fixed rate.

Credit risk

The Group's principal financial assets are trade and other receivables, bank and cash balances and a limited number of investments and derivatives held to hedge certain Group liabilities. These represent the Group's maximum exposure to credit risk in relation to financial assets.

The Group recognises impairment losses on trade receivables where there is uncertainty over the amount we can recover from customers. The amount recognised in underlying costs of £12.0m (2023: £21.3m) has decreased on the prior year.

The Group has procedures to manage counterparty risk and the assessment of customer credit risk is embedded in the contract tendering processes. The counterparty risk on bank and cash balances is managed by limiting the aggregate amount of exposure to any one institution by reference to its credit rating and by regular review of these ratings.

Other risks

Following the recent change of government in the US, the new government has stated its intention to implement significant policy changes around tariffs, taxation and climate action. The Group is closely monitoring any changes and the potential impact on our business, not only in North America, but also in other potentially impacted regions where we operate. Should any policy changes be implemented, the Group will then take the appropriate actions to mitigate any negative impact of these changes on the business as far as possible.

Return on capital employed

Return on capital employed is defined at Group level as underlying operating profit divided by the accounting value of equity attributable to equity holders of the parent plus net debt plus retirement benefit liabilities. Return on capital employed in 2024 was 28.2% (2023: 22.8%).

David Burke
Chief Financial Officer

Approved by the Board of Directors and authorised for issue on 3 March 2025.

Principal risks and uncertainties

Our business is subject to risks and uncertainties and as such we have a risk management governance framework to identify, evaluate, analyse and mitigate significant risks, including climate-related risks and opportunities (CRROs), to the achievement of our strategy. We have processes that seek to identify risks from both a top-down strategic perspective and a bottom-up local operating company perspective.

Risk management governance framework

The risk management process within Keller follows industry best practice, incorporating many of the applicable principles of the risk management standard ISO 31000:2018 and ways of working from leading risk management organisations. The adoption of a consistent risk management process within a comprehensive framework can help to ensure that risk is managed effectively, efficiently and coherently across Keller.

Effective risk management protects and adds value to Keller and its stakeholders and supports Keller's objectives by:

- providing a framework that enables future risk management activity to take place in a consistent and controlled manner;
- improving decision-making, planning and prioritisation by comprehensive and structured understanding of the business activity, volatility and project opportunity/threat;
- contributing to a more efficient use/allocation of capital and resources within the organisation;
- reducing volatility in the non-essential areas of the business;
- protecting and enhancing assets and company image;
- developing and supporting Keller's people and knowledge base; and
- optimising operational efficiency.

Important developments in 2024

The continued strengthening of our risk management framework remained a key priority during 2024, as understanding and managing both current and emerging risks is central to effective decision-making in Keller, aligned to our four strategic levers and in line with the Group's risk appetite. Risks that the Group remains exposed to from day-to-day delivery of projects and the longer-term pursuit of its strategic objectives continue to be assessed, managed and monitored as depicted in the process above.

During the year we undertook several initiatives to support this, which included:

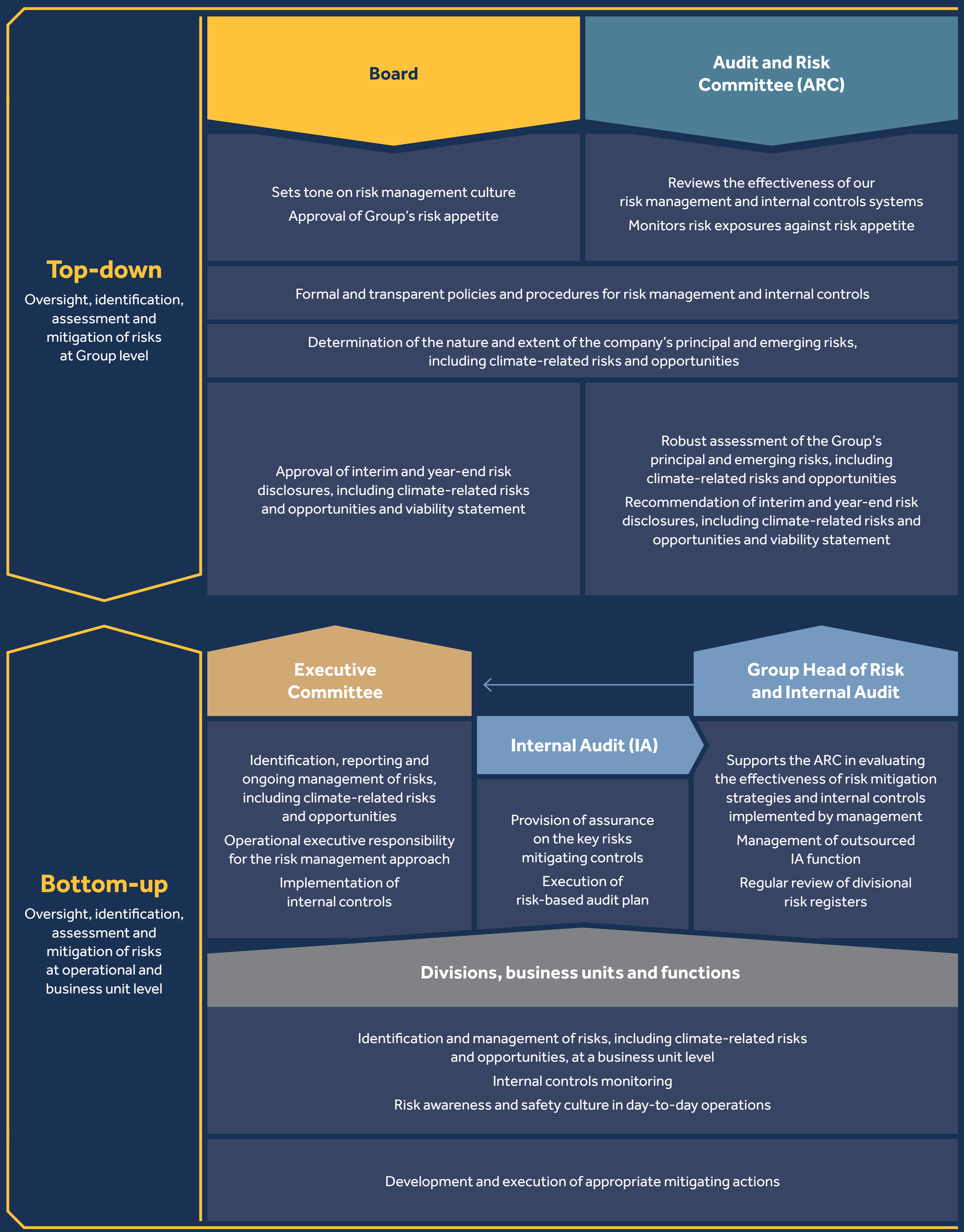
- We performed a comprehensive review of our risk appetite and realigned it to the key risk categories against which we identify, assess, manage and report. The agreed changes were updated in the new Governance, Risk and Compliance (GRC) tool and communicated out to the business.
- We continued to strengthen our internal control environment, measured against a comprehensive set of Group Finance Standards across a number of disciplines including financial reporting, accounting, operational management, taxation and treasury, reinforcing a culture of strong governance and risk management. This was independently validated through both management review and the internal audit programme.
- We reviewed our assurance capability in the second line of defence in 2024, working with senior management to develop a robust assurance programme appropriate to Keller's size and complexity. This will be further refined and tested during 2025.
- Successfully delivered training for our new GRC tool across the organisation during 2024, which will further enhance our capability to manage, monitor and report on our internal control and risk management environment.
- Continued to improve the quality of data on risk reporting across the Group using the GRC tool with its ability to share data in real time, including climate-related risks and opportunities. Regular robust and engaging management reviews of risk throughout the organisation were also instrumental in supporting this.

Key areas of focus for 2025

- We will continue to focus on deepening the understanding and use of our risk management data consistently across the Group using our new risk management platform. Targeted training and business unit level risk workshops supported by subject matter experts will ensure a consistent methodology is used when identifying, assessing, managing and reporting on risks. These changes will lead to continued improvement and consistency of risk reporting and in turn support knowledge sharing across business units and a timely and robust decision-making process.
- Adherence to the new Project Performance Management standard and the effectiveness of the new application developed to support it will be reviewed across the organisation.
- We will continue to focus on testing our assurance programme, especially in the second line of defence, which has been adequately resourced to ensure our first line internal control environment is operating effectively.
- We will continue to further develop and widen the scope of the CRROs scenario analysis tools, in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Principal risks and uncertainties continued

Our risk governance framework



Our risk appetite

The Group's risk appetite drives high standards of health, safety and environmental compliance, and a focus on commercial risks and opportunities. This approach was thoroughly reviewed and refreshed in 2024 and then communicated out to the business to ensure it was fully understood across the organisation, allowing us to continue to collectively build a profitable and leading market share whilst limiting the Group's risk exposures to an acceptable level. This level of risk is considered appropriate for Keller to accept in achieving strategic objectives.

Risk identification and impact

The Group's principal risks are analysed on a residual (post-mitigation) basis.

Risk trends

The ongoing review of the Group's principal risks focuses on how these risks may evolve as well as a consideration of emerging and climate-related risks, which we identified and impact-assessed over the short term (ie the next year), medium term (ie two to five years) and long term (ie six to 30 years). As such, horizon scanning and reviewing emerging potential legislation forms key elements of the risk review process.

These elements are embedded within the Group's day-to-day management of risk and its current risk reporting processes. The Audit and Risk Committee and the Board reviewed the Group's principal risks and uncertainties at their meetings in July 2024 and December 2024. Keller's operational and financial performance in an often uncertain macroeconomic environment during 2024 was extremely encouraging and our exposure to our principal risks and uncertainties has not changed materially since the publication of last year's annual report. However, macroeconomic and legislation challenges continue to impact our markets, including the continued level of interest rates, which while reducing are doing so at a slower pace than expected, and the continued political instability in key regions where Keller operates. The following principal risks will continue to be closely monitored throughout 2025:

- a rapid downturn in our markets;
- climate change; and
- ineffective management of our projects.

Information on these and the Group's other principal risks is set out from page 86 onwards.

Developing the viability statement

In developing the viability statement, it was determined that a three-year period should be used, consistent with the period of the Group's business planning processes and reflecting a reasonable approximation of the maximum time taken from procuring a project to completion. Management reviewed the principal risks and considered which of these risks might threaten the Group's viability. It was determined that none of the individual risks would in isolation compromise the Group's viability, and so a number of different severe but plausible principal risk combinations were considered. A downside sensitivity analysis, as well as a consideration of any mitigating actions available to the Group, was applied to the Group's three-year cash flows forecasted as part of the business planning process and presented to the Board for discussion, further to review by the Audit and Risk Committee. The Board discussed the process undertaken by management, and also reviewed the results of stress testing performed to ensure that the sensitivity analysis was sufficiently rigorous. The Board also carried out a robust assessment of the principal risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity.

Viability statement

In accordance with provision 31 of the UK Corporate Governance Code, the Directors have assessed the prospects of the Group over a three-year period.

The Board selected the three-year period as:

- the Group's business planning and budget processes are carried out over a three-year period which provides the relevant estimates; and
- three years is a reasonable approximation of the maximum time taken from procuring a project to completion and therefore reflects our current revenue earning cycle.

The Group's committed facilities principally comprise US private placement notes repayable in August 2030 ($120m) and in August 2033 ($180m). The Group also has a £400m syndicated revolving credit facility which was refinanced during 2024 and is due to expire in June 2029. The assessment therefore assumes that the Group will continue to have access to this funding throughout the viability period.

The review included cash flows and other key financial ratios over the three-year period. These metrics were subject to sensitivity analysis which involves flexing a number of the main assumptions underlying the forecast both individually and collectively. Downside sensitivity analysis was carried out to evaluate the potential impact on the Group of a global downturn in the construction/geotechnical market. Revenues in 2025 and 2026 were assumed to decrease by 10% year-on-year with an operating margin deterioration in proportion.

A number of other downside risks were also modelled, including the margin risk of ineffective project execution, worsening working capital performance and unforeseen settlements. The Directors' assessment has been made with reference to the Group's current position and prospects, the Group's strategy, the Board's risk appetite and the Group's principal risks and how these are managed, as detailed in the Strategic report.

On the basis of the above and other matters considered and reviewed by the Board during the year, the Board has reasonable expectations that the Group will be able to continue in operation and meet its liabilities as they fall due over the next three years. In doing so, it is recognised that such future assessments are subject to a level of uncertainty that increases with time and, therefore, future outcomes cannot be guaranteed or predicted with certainty.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Strategic report. The financial position of the Group, its cash flows and liquidity position are described in the Chief Financial Officer's review, with details of the Group's treasury activities, long-term funding arrangements and exposure to financial risk included in note 26 to the consolidated financial statements.

The Group has sufficient financial resources which, together with internally generated cash flows, will continue to provide sufficient sources of liquidity to fund its current operations, including its contractual and commercial commitments and any proposed dividends. The Group is therefore well placed to manage its business risks. After making enquiries, the Directors have formed the judgement at the time of approving the financial statements, that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the period through to 31 March 2026. For this reason, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Principal risks and uncertainties continued

We list on the following pages the principal risks and uncertainties as determined by the Board that may affect the Group and highlight the mitigating actions that are being taken. The content of the table, however, is not intended to be an exhaustive list of all the risks and uncertainties that may arise.

What we review when assessing our principal and key risks:

Risk ownership
Each risk has a named owner. In addition, each principal risk is sponsored by a member of the Executive Committee, who drives progress.

Likelihood and impact
Managed through a globally applied five-by-five scoring matrix.

Net risk
After mitigating controls are taken into account.

Risk appetite
Defined at a risk category level and split into five levels.

Risk velocity
Measuring how quickly the risk reaches its impact assessment in the event the risk crystallises.

Mitigating actions
Further controls and mitigating activities required to further mitigate likelihood or impact of the risk.

Strategic levers
Capturing the impact on the Group's strategic levers and interdependencies between principal risks.

Emerging risks
Any relevant emerging risks where the principal risk is impacted captured under medium and long-term assessed risks.

All principal risks are detailed in a standardised format. This ensures an effective and consistent review, understanding, monitoring and reporting throughout the Group, both in the terminology and the assessment itself. The top-down process includes a rigorous review by both the Executive Committee and the Board twice a year. The bottom-up process includes at least quarterly reviews facilitated by the Group Head of Risk and Internal Audit at a business unit level across the Group. In addition, deep dive reviews are conducted as required with results fed into respective reviews.

Financial risk

1. Inability to finance our business

Risk owner – Chief Financial Officer

Link to strategy: 3 4

Timeframe:

Link to viability:

Reduced facility headroom

Description and impact

Failure to sufficiently and effectively manage the financial strength of the Group could lead it to:

- Fail to meet required tests that allow it to continue to use the going concern basis in preparing its financial statements.
- Fail to meet financial covenant tests, potentially leading to a default event.
- Have a lack of available funds, restricting investment in growth opportunities, whether through acquisition or innovation.
- Be unable to meet dividend payment requirements.

Causes

- Failure to accurately forecast material exposures and/or manage the financial resources of the Group.

Mitigation and internal controls

- Centralised Treasury function that is responsible for managing key financial risks, including liquidity and credit capacity.
- Mixture of long-term committed debt with varying maturity dates which comprise a £400m revolving credit facility maturing in 2031 and a US private placement debt of $300m, with $120m maturing in 2030 and $180m maturing in 2033.
- The Group maintains significant undrawn facilities within a high-quality RCF bank syndicate, which underpins the liquidity requirements of the Group.
- Strong free cash flow profile – flexibility on capital expenditure and ability to reduce dividends.
- Embedded procedures to monitor the effective management of cash and debt, including weekly cash reports and regular cash flow forecasting to ensure compliance with borrowing limits and lender covenants.
- Culture focused on actively managing our working capital and monitoring external factors that may affect funding availability.

Movement since 2023

New seven-year £400m RCF secured (initial five years with two one-year extensions), along with continued strong operational performance throughout 2024, demonstrate clear ability to manage both existing and future risks.

The $75m US private placement, which matured in December 2024, was paid down from existing facilities.

Link to strategy

1 Balanced portfolio
2 Engineered solutions
3 Operational excellence
4 Expertise and scale

Timeframe and link to viability

Short term
Medium term
Long term
Link to viability

Risk movement since 2023

Increased risk
Constant risk
Reduced risk

Market risk

2. A rapid downturn in our markets

Risk owner – Chief Financial Officer

Link to strategy: 1 2

Timeframe:

Link to viability:

Revenue decline

Description and impact

Inability to maintain a sustainable level of financial performance throughout the construction industry market cycle, which grows more than many other industries during periods of economic expansion and falls harder than many other industries when the economy contracts. Any significant, sustained reduction in the level of customer activity could adversely affect the Group's strategy, reducing revenue and profitability in the short and medium term, and negatively impact the longer-term viability of the Group.

Causes

- Customers postponing or reducing investment in ongoing and new projects at short notice.
- Impact of increasing inflation, especially in steel, cement and energy.
- Political instability leading to disruption in supply chains impacting both availability and price.

Mitigation and internal controls

- The diverse markets in which the Group operates, both in terms of geography and market segment, provide protection to individual geographic or segment slowdowns.
- Leveraging the global scale of the Group, talent and resources can be redeployed to other parts of the company during individual market slowdowns.
- Having strong local businesses with in-depth knowledge of the local markets enables early detection and response to market trends.
- The diverse customer base, with no single customer accounting for more than 4% of Group revenue, reduces the potential impact of individual customer failure caused by an economic downturn.

Movement since 2023

The Group continues to maintain a very strong order book across all divisions at near record levels. Inflation and interest rate risk is now beginning to abate in Keller's key markets. Geopolitical uncertainty continues both due to the conflicts in Ukraine and Gaza, plus elections in many of Keller's key markets.

Strategic risks

3. Losing our market share

Risk owner – Chief Financial Officer

Link to strategy: 1 2

Timeframe:

Link to viability:

Revenue decline

Description and impact

Inability to achieve sustainable growth, whether through organic growth acquisition, new products, new geographies or industry-specific solutions, may:

- Jeopardise our position as the preferred international geotechnical specialist contractor.
- Lead to inefficiencies and increased operating costs, which in turn could impact our ability to deliver balanced profitable growth, which is a key component of our strategy.
- Failure to deliver on our key strategic objective may result in the loss of confidence and trust of our key stakeholders including investors, financial institutions and customers.

Causes

- Increased competitor activity especially in tight or contracting markets.
- Failure to adjust to changing customer demands or fully understand and meet their requirements.
- Inability to identify changes in market demands, including changes to promote sustainability.

Mitigation and internal controls

- A clear business strategy with defined short, medium and long-term objectives, which is monitored at local, divisional and Group level.
- Continued analysis of existing and target markets to ensure opportunities that they offer are understood.
- An opportunities pipeline covering all sectors of the construction market.
- A wide-ranging local branch network which facilitates customer relationships and helps secure repeat work.
- Continually seeking to differentiate our offering through service quality, value for money and innovation.
- North American businesses reorganisation delivering on cross-selling opportunities.
- Minimising the risk of acquisitions, including getting to know a target company in advance to understand the operational and cultural differences and potential synergies, as well as undertaking these through due diligence and structured and carefully managed integration plans.

Movement since 2023

We continued to see strong improvement across the US in 2024, where we continue to provide a wider range of our products across more locations following the successful execution of the One Keller project. This focus is also showing success in the other divisions as they diversify their available product range to maintain and grow our market share.

Principal risks and uncertainties continued

Strategic risks continued

4. Ethical misconduct and non-compliance with regulations

Risk owner – Company Secretary

Link to strategy: 3, 4

Timeframe:

Link to viability: One-off costs

Description and impact

Keller operates in many different jurisdictions and is subject to various rules, regulations and other legal requirements including those related to anti-bribery and anti-corruption. Failure to comply with the Code of Business Conduct or other regulations could leave the Group exposed to:

- Instances of bribery and corruption.
- Fraud and deception.
- Human rights abuses, such as modern slavery, child labour abuses and human trafficking.
- Unfair competition practices.
- Unethical treatment within our supply chain.

This could also apply to M&A activity in relation to past deeds of acquired companies.

These failures could result in legal investigations, leading to fines and penalties, reputational damage and business losses.

Causes

Failure to comply with the Code of Business Conduct or related policies and procedures could stem from:

- Failure to establish a robust corporate culture.
- Failure to adopt a compliance risk approach.
- Failure to embed the Group's values and behaviours across the entire organisation, including any joint ventures.
- Failure to have a robust training and monitoring programme in place.
- Inadequate due diligence in M&A process.
- Deliberate non-compliance.

Mitigation and internal controls

- A Code of Business Conduct that sets out minimum expectations for all colleagues in respect of ethics, integrity and regulatory requirements, that is updated annually and is backed by a training programme to ensure that it is fully embedded across the Group.
- Ethics and Compliance Officers in every business unit who support the ethics and compliance culture and ensure best practice developed by the Group is communicated and embedded into local business practices.
- Regular workshops across the Group to ensure compliance risks are identified and addressed.
- Ethics and compliance updates to the Audit and Risk Committee semi-annually.
- A Group M&A standard that sets out the approach and process to be followed for any M&A activity.
- An independent third-party whistleblowing helpline that is actively promoted. Complaints are independently investigated by the Compliance and Internal Audit teams and appropriate action taken where necessary.

Movement since 2023

5. Inability to maintain our technological product advantage

Risk owner – Chief Construction Officer

Link to strategy: 1, 2

Timeframe:

Link to viability:

Description and impact

Keller has a history of innovation that has given us a technological advantage which is recognised by our clients and competitors. Failure to maintain this advantage through the continued technological advancements in our equipment, products and solutions may:

- Impact our position in the market.
- Result in us not being selected for key complex, high-value projects that support the Group strategy.
- Result in the loss of reputation for delivering the best engineered solutions.

Causes

- Failure to maintain investment in innovation and digitisation.
- Increased competitor investment in innovative solutions.
- Failure to continue to invest in our people.

Mitigation and internal controls

- Innovation initiatives developed at both Group and divisional level to ensure a structured approach to innovation is in place across the Group.
- Innovation in low-carbon materials (cement, concrete, cement-free binders), by carrying out field trials and collaborating with cement suppliers and other companies innovating in this space.
- Digitisation initiatives focusing on strategy of facilitating equipment and operational data capture.
- We take a leadership role in the geotechnical industry, with many of our team playing key roles in professional associations and industry activities around the world.
- Global product teams set standards, provide guidance and disseminate best practice across the Group.
- Continued investment in both external and internal equipment manufacture.

Movement since 2023

6. Climate change

Risk owner – Chief Sustainability Officer

Link to strategy: 1, 2, 3, 4

Timeframe:

Link to viability: One-off costs

Description and impact

Climate change is a global threat and failure to manage and mitigate it could lead to:

- An inability to achieve Keller's commitment to deliver solutions in an environmentally conscious manner, which may in turn have a negative impact on our reputation, affect employee morale and lead to a loss of confidence from our customers, suppliers and investors.
- Product offerings and equipment used becoming obsolete because they are no longer compliant with environmental standards.
- Remediation of non-compliant work at our own expense to maintain compliance.

Causes

- Failure to update product and equipment offerings in line with both legislation and customer demand.

Mitigation and internal controls

- Sustainability Steering Committee that is responsible for integrating sustainability targets and measures into the Group business plan to successfully drive changes important to the company.
- Scope 1 and 2 carbon emissions verified by accredited external third party (Carbon Intelligence).
- Carbon calculator tool used to identify/improve carbon efficiency.
- Processes to meet TCFD requirements embedded into business-as-usual activities.
- Cross-functional working group created to understand and develop processes and procedures to meet the Corporate Sustainability Reporting Directive (CSRD) legislation.

Movement since 2023

We are starting to win project opportunities related to climate impact. This is tempered by the introduction of more legislation relating to climate impact, eg proposed new restriction for federal construction projects in the US and CSRD in Europe.

We continue to focus on delivering against our sustainability targets and meeting TCFD reporting requirements.

Principal risks and uncertainties continued

Operational risks

7. Ineffective management of our projects

Risk owner – Chief Construction Officer

Link to strategy: 3 4

Timeframe:

Link to viability: Contract margin decline

Description and impact

Inability to successfully deliver projects in line with the agreed customer requirements (while maintaining satisfactory and appropriate contractual terms), site and loading conditions and local constraints (eg neighbouring buildings). In addition, an inadequate design of a customer product and/or solution or failure to effectively manage suppliers may lead to:

- Cost overruns, contractual disputes and a failure to meet quality standards, damaging our reputation with the customer and giving rise to potential regulatory action and legal liability, ultimately impacting financial performance.
- Delays to executing projects waiting for materials and ongoing business disruption, along with additional costs to find alternative suppliers.
- Exposing the Group to long-term obligations including legal action and additional costs to remedy solution failure.

Causes

- Misinterpretation of client requirements or miscommunication of requirements by the client may lead to a poorly designed solution and consequently failure.
- Failure to understand and engage with the customer on a balanced approach to allocation or sharing of risk in the contract.
- Failure to identify and manage risks in our projects to ensure that they are delivered on time and to budget, eg due to unforeseen ground and site conditions, weather-related delays, unavailability of key materials, workforce shortages or equipment breakdowns.
- Lack of comprehensive understanding of contract obligations.
- Inadequate resources (people, physical assets and materials).

Mitigation and internal controls

- Ensuring we understand all of our risks throughout the Project Performance Management process and applying rigorous policies and processes to manage and monitor risks and contract performance.
- The Group has professional commercial/contracts personnel and lawyers engaged when negotiating contracts.
- Ensuring we have high-quality people delivering projects. Keller's Project Management Academy and Field Leadership Academy are designed to create project managers with a consistent skill set across the entire organisation. The academies cover a broad range of topics including contract management, planning, risk assessment, change management, decision-making and finance.
- Continuing to enhance our technological and operational capabilities through investment in our product teams, project managers and our engineering capabilities.
- High-quality safety standards for operations (eg platform, cage handling), equipment standards and fleet renewal.
- The Project Lifecycle Management (PLM) Standard aims to drive a consistent approach to project delivery with robust controls at every project phase. This is currently being updated and will be renamed Project Performance Management (PPM). Alongside the updated standard will be an app to support the efficient and effective execution of projects.
- The Group has developed long-term partnerships with key suppliers, working closely with them to understand their operations, but is not over-reliant on any single one, with an extensive network of approved suppliers in place across the organisation to support its strategic ambitions.
- A Supply Chain Code of Business Conduct that sets out minimum expectations for all suppliers in respect of ethics, integrity and regulatory requirements, that is updated annually.

Movement since 2023

Project execution in 2024 continued to maintain the improvement trend witnessed throughout 2023, which along with the work under way to create a new Project Performance Management standard will put in place better controls to ensure continued effective execution of projects across Keller. This new standard will be effective in 2025 and will be supported though a dedicated application, currently being developed.

8. Causing a serious injury or fatality to an employee or a member of the public

Risk owner – Chief HSEQ Officer

Link to strategy: 3

Timeframe:

Link to viability: One-off costs

Description and impact

Failure to maintain high standards of health and safety, and an increase in serious injuries or fatalities leading to:

- An erosion of trust of employees and potential clients.
- Damage to staff morale, an increase in employee turnover rates and a decrease in productivity.
- Threat of potential criminal prosecutions, fines, disbarring from future contract bidding and reputational damage.

Causes

- Inadequate risk identification, assessment and management.
- Lack of clear leadership driving the safety culture.
- Lack of employee competency.
- Conscious decision taken by employee to shortcut approved process to benefit production.
- Poorly designed processes that do not eliminate or mitigate risk.
- Lack of focus on the wellbeing and mental health of employees and JV partners.

Mitigation and internal controls

- Board-led commitment to drive health and safety programmes and performance with a vision of zero harm.
- An emphasis on safety leadership to ensure both HSEQ professionals and operational leaders drive implementation and sustainment of our safety standards through ongoing site presence, using safety tours, safety audits, safety action groups and mandatory employee training.
- Ongoing improvement of existing HSEQ systems to identify and control known and emerging HSEQ risks, which conform to internal standards.
- Incident Management Standard and incident management software driving a robust and consistent management process across the organisation that ensures the cause of the incident is identified and actions are put in place to prevent recurrence.

Movement since 2023

9. Not having the right skills to deliver

Risk owner – Chief People Officer

Link to strategy: 2 3 4

Timeframe:

Link to viability:

Description and impact

Failure to attract, develop and retain the right people could negatively impact our:

- Capability to win and execute work safely and efficiently.
- Ability to stay ahead of our competition.
- Reputation and the confidence of our key stakeholders.

Causes

- Inability to recruit and retain strong performers.
- Lack of a diverse workforce.
- Failure to maintain and promote the Keller culture.
- Overheating of market causing significant increase in demand or competition for people.
- Lack of visibility of long-term pipeline for career progression resulting in existing employees leaving the business.
- Post COVID-19 recovery driving increase in attrition or people leaving sector.
- Pressure from wage inflation and increased offers from competition.

Mitigation and internal controls

- Continuing to invest in our people and organisation in line with the four pillars of the Keller People agenda as noted below.
- Ensuring that the 'Right Organisation' is in place with people having clear accountabilities; each organisational unit is properly configured with a matrix of line management, functional support and product expertise.
- As an industry leader, that Keller is made up of 'Great People' that are well trained, motivated and have opportunities to develop to their full potential. Project managers and field employees receive comprehensive training programmes which cover a broad range of topics including contract management, planning, risk assessment, change management, decision-making and finance.
- A strong focus on the 'Exceptional Performance' of employees in delivering commercial outcomes safely for Keller based upon project successes for our customers. Business leaders are incentivised to deliver their annual financial and safety commitments to the Group.
- The 'Keller Way' provides guidance to the company's employees and leaders to comply with local laws and work within Keller's values and Code of Business Conduct.

Movement since 2023

Inflationary pressure on pay is reducing across many locations where Keller operates as inflation rates fall back to more normal levels. There are still some pockets of pressure on competition for skilled personnel in some parts of Keller.

However, generally, job markets are beginning to show signs of a slowdown, which will hopefully ease this issue. This focus remains on retaining staff with the right skills to deliver.

Principal risks and uncertainties continued

Operational risks continued

10. Information Technology, cyber security and assurance

Risk owner – Chief Information Officer

Link to strategy: 3, 4

Timeframe:

Link to viability:

Description and impact

Failure, degradation or error in IT systems or cyber security incidents could result in:

- Loss of intellectual property and competitive advantage.
- Loss of personal data.
- Operational impact restricting the ability to carry out business-critical activities.
- Potential fines and penalties.
- Reputational damage leading to loss of market and customer confidence.
- Failure to meet client IT or security requirements to win or maintain contracts.

Causes

- Failure to maintain appropriate threat prevention, identification and resolution mechanisms either technically or through processes.
- Poor internal governance.
- Failure to embed preventative culture.
- Lack of or inadequate training and awareness leading to mistakes and errors.
- Inconsistent approach to data security, especially with JV partners and external third parties.
- Cyber attacks.
- Failure to obtain or maintain external security certifications that are required by clients.

Mitigation and internal controls

- The Group has a cyber security and information assurance team and is utilising zero-trust layered technology.
- The Group has created an Information Security Management System framework, referencing industry standards to ensure appropriate governance, control and risk management and then onward management for compliance, maturity and development of service.
- Introduction of technical capabilities and services to further enable prevention, detection, prediction and response services.
- Multi-factor authentication for all users prevents unauthorised access to Keller's networks and applications and further controls limit access to only Keller-approved devices.
- Advanced threat protection on all IT equipment delivers comprehensive, ongoing and real-time protection against viruses, malware and spyware.
- Data protection framework to ensure compliance with the General Data Protection Regulation (GDPR) and other standards of data protection.
- Proactive threat-hunting throughout the environment.

Movement since 2023

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The Strategic report has been approved, authorised for issue and signed by order of the Board by:

Kerry Porritt
Company Secretary

3 March 2025

Governance

Chairman's introduction

Welcome to our Governance report for the year ended 31 December 2024.

This report sets out our approach to effective corporate governance and outlines key areas of focus of the Board and its activities undertaken during the year as we continue to drive long-term value creation for all our stakeholders.

What's inside

Compliance with the Code

In the year under review, the company was required to apply the principles and provisions of good governance set out in the UK Corporate Governance Code issued in 2018 by the Financial Reporting Council (the full text of which can be found at frc.org.uk). The Board is pleased to confirm that the Group applied the principles and complied with the provisions of the Code.

This report contains the narrative reporting variously required by the Code, the Listing Rules and the Disclosure Guidance and Transparency Rules, setting out in greater detail the framework and processes that Keller has in place to ensure the highest levels of corporate governance.

Dear shareholder

On behalf of the Board, I would like to introduce our Governance report for the year ended 31 December 2024. This report sets out our approach to effective corporate governance and outlines key areas of focus of the Board and its activities undertaken during the year as we continue to drive long-term value creation for all our stakeholders.

Board succession and diversity

Annette Kelleher was appointed as an independent Non-executive Director and Chair designate of the Remuneration Committee on 1 December 2023. Following the retirement of Eva Lindqvist at the end of the AGM in 2024, Annette was appointed Chair of our Remuneration Committee. On 1 September 2024, Stephen King was appointed as an independent Non-executive Director. Stephen is a member of the Audit and Risk, Nomination and Governance, Remuneration, and Sustainability Committees and brings a wealth of senior level experience within the industrial, engineering and manufacturing sectors, including a number of executive and non-executive roles.

On 16 December 2024, Carl-Peter Forster joined the Board of Keller as a Non-executive Director and Group Chairman designate. Carl-Peter will succeed me as Group Chair, following a handover period, on 5 March 2025. Carl-Peter was appointed to the Nomination and Governance Committee on 16 December 2024 and will become Chair of that committee on 5 March 2025 when he assumes the role of Chair of the Board. Carl-Peter's experience across a range of international industrial companies, in a broad range of executive and non-executive roles, will be invaluable to Keller and the Group's future strategic development.

Carl-Peter's appointment follows a thorough search process undertaken by the Nomination and Governance Committee of the Board, led by Baroness Kate Rock, Keller's Senior Independent Director, and you can read more on the search and process on page 117 of this report.

We review the Board's composition regularly and are committed to ensuring we have the best balance of skills and experience within the Board. We have made meaningful progress in achieving diversity, with 33% female Board members at year end (2023: 50%), we will return to 37.5% from 5 March 2025. As a Board, we have met the targets set out in our Board Diversity Policy and by the FTSE Women Leaders Review, the Parker Review and the targets specified in the FCA's Listing Rules, which we report against on page 116, for most of the year. The Board and the Nomination and Governance Committee will continue to drive the agenda of diversity, equity and inclusion across the Group.

Company purpose and culture

The Board is responsible for setting the tone from the top and promoting a culture which creates a positive work environment where everyone feels respected, motivated and able to thrive. Our employees are essential for the delivery of our strategic objectives and our continued success. Their feedback is critical to the Board and we continue to monitor our culture through surveys, town-hall sessions and formal and informal engagement activities.

Engagement with our stakeholders

Stakeholder engagement is critical to the long-term success of our business; the art of balancing different stakeholder views and needs in Board discussions and decision-making is key. The role of our designated workforce engagement director has been in place since 2017 and, supported by the Sustainability Committee, continues to be a successful way of ensuring that the Board appropriately considers the interests of employees in its deliberations and, in doing so, makes better decisions.

Last October, the Board attended a conference where it engaged with our Executive Committee and senior leadership team, and had the opportunity to gain increased insight into their progress against their strategic plans and local opportunities and challenges.

During 2023, we commissioned an independent perception audit of a number of investment managers. We first initiated a perception audit in 2021, the outcome of which was invaluable in affording the Board a deeper level of understanding of the views of our shareholders and potential investors whilst giving the executive management additional input as they formulate the strategy for the years ahead. The outcome of the 2023 audit has built upon the detailed action plan we put in place in 2021.

Board evaluation

It is extremely important that the Board, its committees and individual Directors rigorously review their performance and embrace the opportunity to develop, where necessary. In 2023, we carried out an internal review of the effectiveness of the Board and its committees, facilitated by the Company Secretary. Further details of the actions we have taken in 2024 with regard to the outcomes from the review can be found on page 113.

Looking forward

We will continue as a Board to maintain the highest standards of corporate governance across the Group, focus on delivery of our strategy and evaluate and improve all that we do across the Group.

I encourage all our stakeholders to take every opportunity presented to engage with the company. Whilst I will be retiring from the Board as at 5 March 2025, I would encourage you to attend, and in any case vote at, the forthcoming AGM. If you wish to ask a question of the Board relating to this report or the business of the AGM, please feel free to do so by emailing the Company Secretary at secretariat@keller.com. We will consider and respond to all questions received and, to the extent practicable, publish the answers on our website.

Yours faithfully

Peter Hill CBE
Group Chairman

Approved by the Board of Directors and authorised for issue on 3 March 2025

Governance at a glance

Our Board insights

Highlights in 2024

- Appointed Carl-Peter Forster as Non-executive Director and Chair designate.
- Appointed Stephen King as Non-executive Director.
- Embedded best practice for report writing, enabling the Board and its committees to make more effective decisions.

Priorities for 2025

- Transition from Peter Hill to Carl-Peter Forster as Chair.
- Strategy review.
- Reinforcing a high performance culture across the organisation.

Fully compliant

with the 2018 Code and working on compliance with the 2024 Code.

Read more on page 95

Board gender diversity[1]

33%

Women

Proportion of the Board that is independent

67%

Gender diversity among senior Board positions

1

Woman

Board composition[2]

Non-executive Director 7
Executive Director 2

Board nationality

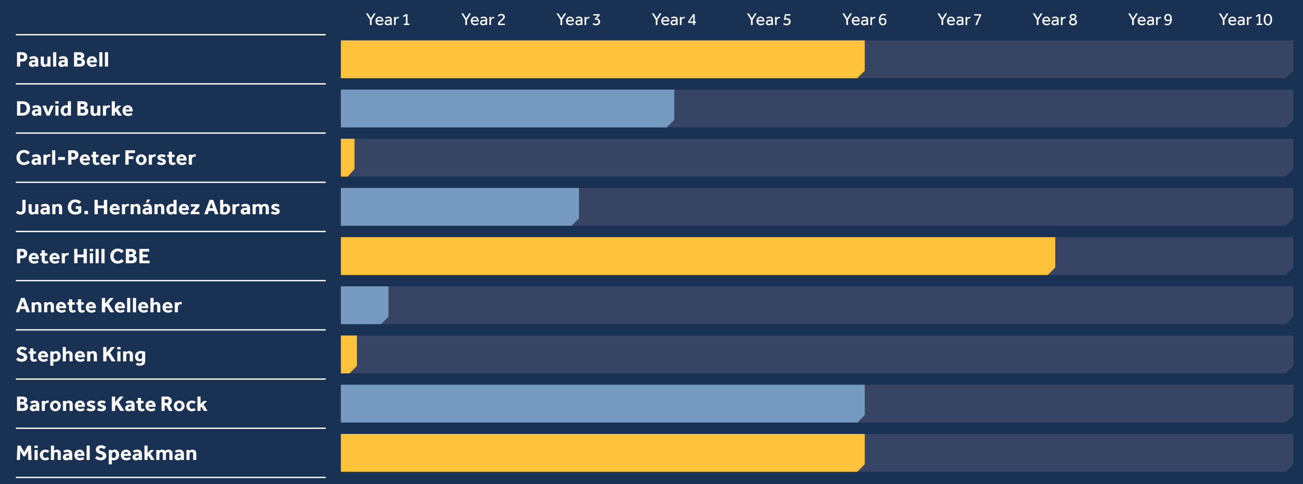
British 5
European 3
American 1

1 The FCA Listing Rule target that at least 40% of the individuals on the Board must be women was not met by Keller throughout the year. From January to May we were at 50%; from May to September we were at 43%; from September to 16 December we were at 37.5%, and we ended 2024 at 33%. We will go back to 37.5% from 5 March 2025, which is close to the 40% target without increasing the size of the Board.

2 Six NEDs are independent; the Group Chairman was independent on appointment as Chairman.

Directors' tenure

The Board comprises the Non-executive Chairman, the Senior Independent Director, five independent NEDs and two Executive Directors. The Board appointed Stephen King and Carl-Peter Forster as independent NEDs during 2024. The Directors' individual biographies are detailed on pages 98 and 99.



Skills to support long-term success

Our Board members form a diverse and effective team focused on promoting the long-term success of Keller in the interests of our stakeholders. Further details on the Directors' skills and experience in promoting the company's success are available on pages 98 and 99.

	Peter Hill	Carl-Peter Forster	Michael Speakman	David Burke	Baroness Kate Rock	Paula Bell	Juan G. Hernández Abrams	Annette Kelleher	Stephen King
Functional skills and experience									
Strategy (including rationalisation, growth, mergers and acquisitions)	✓	✓	✓	✓		✓	✓		
Finance	✓		✓	✓		✓			✓
Operations	✓	✓	✓	✓		✓	✓	✓	✓
Human resources and people development	✓				✓		✓	✓	
Stakeholder relations	✓	✓	✓	✓	✓	✓	✓		
Governmental/political affairs	✓	✓			✓				
International management skills and experience									
Americas	✓	✓	✓	✓		✓	✓	✓	
Europe, Middle East (EME)	✓	✓	✓	✓	✓	✓	✓	✓	✓
Asia-Pacific (APAC)	✓	✓	✓	✓		✓	✓	✓	
Industry and other skills and experience									
Oil and gas	✓		✓				✓		
Technological innovation/cyber	✓		✓		✓	✓	✓		
Construction/engineering	✓	✓	✓	✓		✓	✓	✓	✓
Manufacturing	✓	✓	✓			✓	✓	✓	
Institutional investors	✓	✓	✓	✓	✓	✓	✓	✓	✓

Board diversity

At the end of 2024, Keller's Board of Directors had more than a 33% female share (2023: 50%). We will go back to 37.5% from 5 March 2025, which is close to the 40% FCA Listing Rule target without increasing the size of the Board.

Our commitment to diversity, equity and inclusion aligns with our values of integrity, collaboration and excellence and is underpinned by our Inclusion Commitments. See pages 36 to 42 for further information.

Board of Directors

Ultimate responsibility for the management and long-term success of Keller rests with the Board.

Committee membership

- NOM Nomination and Governance
- ARC Audit and Risk
- REM Remuneration
- SUS Sustainability
- EXC Executive
- Chair

Peter Hill CBE[1]

Non-executive Chairman and designated Director for ESG and sustainability matters

Nationality: British **Appointed:** 2016

Skills and experience: A mining engineer by background, Peter was Non-executive Chairman of Petra Diamonds Limited until November 2023; Non-executive Chairman of Volution Group plc until January 2020; Non-executive Chairman of Imagination Technologies plc from February 2017 until its sale to Canyon Bridge Partners in September 2017; Non-executive Chairman of Alent plc from 2012 to the end of 2015; Chief Executive of the electronics and technology group Laird PLC from 2002 to late 2011 and a Non-executive Director on the Boards of Cookson Group plc, Meggitt plc and Oxford Instruments plc. He has been a non-executive Board member of UK Trade and Investment, and a Non-executive Director on the Board of the Royal Air Force, chaired by the UK Secretary of State for Defence. His early career was spent at Anglo American, Rio Tinto and BP; he was an Executive Director on the Board of Costain Group plc, and he has also held management positions with BTR plc and Invensys plc. Peter holds a BSc in Mining Engineering and an MBA from the London Business School and is a Chartered Engineer.

External appointments: Non-executive Chair of the Nuclear Decommissioning Authority, and Non-executive Chairman of Synthomer plc.

Michael Speakman[2]

Chief Executive Officer

Nationality: British **Appointed:** 2018 (CEO in 2019)

Skills and experience: Michael joined Keller from Cape plc, a leading international provider of industrial services, where he was Chief Financial Officer. He has over 41 years of experience across a range of industries, holding senior operational, divisional and corporate roles within TI Group plc and Smiths Group plc between 1982 and 2004, before his appointment as Chief Financial Officer for the oilfield services company Expro International Group plc.

Michael holds a BSc in Engineering and is a Fellow of the Chartered Institute of Management Accountants.

David Burke

Chief Financial Officer

Nationality: Irish **Appointed:** 2020

Skills and experience: David is a highly experienced finance executive who has worked in a variety of industries and geographies over the last 30 years. Most recently he was Chief Financial Officer of J. Murphy & Sons Limited, a leading international specialist engineering and construction company. He has held senior finance roles at Serco Group plc and at Barclays plc.

David trained as an accountant with KPMG in London and is a Fellow of the Institute of Chartered Accountants in England and Wales.

Carl-Peter Forster[3]

Non-executive Director

Nationality: British and German

Appointed: December 2024. Carl-Peter will succeed Peter Hill CBE as Group Chairman on 5 March 2025.

Skills and experience: Carl-Peter has experience across a range of international industrial companies, in a broad range of executive and non-executive roles. Until 30 November 2024 he was Chairman of Chemring Group PLC. He was previously a Non-executive Director of IMI plc, Rexam PLC, Rolls-Royce plc and Cosworth Ltd, and served as Chairman of The London Electric Vehicle Company Ltd, and as a member of the Boards of Volvo Cars Corporation and Geely Automobile Holdings.

He has degrees in Economics and Aeronautical Engineering awarded separately by the Universities of Bonn and Munich.

External appointments: Chairman of Vesuvius plc and StoreDot; Senior Independent Director and Remuneration Committee Chair at Babcock International Group plc; member of the Kinexon GmbH Advisory Board, and member of the Boards of The Mobility House AG, Gordon Murray Group Limited and Envisics Ltd.

Baroness Kate Rock

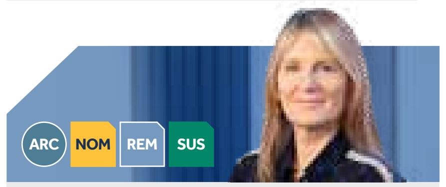
Senior Independent Director and designated Non-executive Director with responsibility for workforce engagement

Nationality: British **Appointed:** 2018

Skills and experience: Kate was a Non-executive Director and Chair of the Remuneration Committee of Imagination Technologies plc until November 2017. She was, until January 2023, a Board member of the world's first Centre for Data Ethics and Innovation, and a Non-executive Director of Unbound Group plc until July 2023. She sat on the House of Lords Science and Technology Select Committee until the end of January 2023 and from 2017 to 2018 was a member of the House of Lords Select Committee on Artificial Intelligence. Kate was a partner at College Hill for 12 years from 1996 and Vice-Chairman of the Conservative Party with responsibility for business engagement until July 2016.

Kate holds a BA in Publishing and History.

External appointments: Non-executive Chair of Costain Group Plc; Director and Trustee of The Royal Countryside Fund and a Senior Adviser at Newton Europe. She was appointed a Life Peer in 2015 and, from 2025, will chair the House of Lords Autism Act 2009 Select Committee.



Paula Bell FCMA CGMA[4]

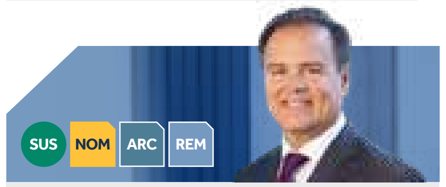
Non-executive Director

Nationality: British **Appointed:** 2018

Skills and experience: Paula has extensive FTSE 100 and 250 board experience as both an Executive and Non-executive Director. Paula has held executive board roles in large, complex global organisations leading on strategy, operations, M&A and driving growth and improved earnings. From 2013 to 2016 she was Chief Financial Officer of John Menzies plc and between 2006 and 2013 was the Chief Financial Officer of Ricardo plc. Prior to that Paula held senior leadership roles at BAA plc, AWG plc and Rolls-Royce plc. Paula was a Non-executive Director and Chairman of the Audit Committee of Laird PLC from 2012 until its acquisition and delisting in July 2018, including a period as Senior Independent Director.

Paula is a Fellow of the Chartered Institute of Management Accountants and a Chartered Global Management Accountant.

External appointments: Chief Financial and Operations Officer of Spirent Communications plc and Non-executive Director and Chair of the Audit and Risk Committee of Persimmon plc.



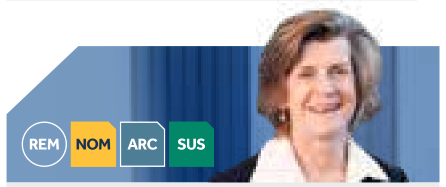
Juan G. Hernández Abrams[5]

Non-executive Director

Nationality: American **Appointed:** 2022

Skills and experience: Juan has served in multiple senior roles with Fluor Corporation, including General Manager and Vice President of the Mining and Metals business in South America, as well as President of the Industrial Services business including the Operations and Maintenance group. His responsibilities included the strategic direction, operations and financial performance across a wide range of industries and sites throughout Europe, the US, Asia, Australia and the Middle East. Juan was the President of Fluor Corporation's Advanced Technologies & Life Sciences business until March 2023.

Juan was born and raised in Puerto Rico and holds a Bachelor's degree in Environmental Sciences from the University of Maine. He is a graduate of Thunderbird University International Management Program, the INSEAD International Competitive Strategy Program, and the London Business School's International Business Program.



Annette Kelleher

Non-executive Director

Nationality: Irish **Appointed:** 2023

Skills and experience: Annette has broad senior management experience in the international industrials sector, including change management, group development and transformation. She joined Johnson Matthey plc in May 2013 from NSG Group, the Tokyo-listed global performance glass group which acquired Pilkington Group plc in 2006. During Annette's career firstly with Pilkington and then NSG, she held a series of increasingly senior and global human resources roles, spending considerable time in Asia.

From 2014 until 2023, Annette was a Non-executive Director at Hill & Smith plc, where she chaired the Remuneration Committee from May 2016 to May 2023. From 2006 to 2009 Annette was an independent Director of Tribunal Services, part of the UK's Ministry of Justice. Annette qualified with a BA in Business Studies and MSc in HR Management and Training.

External appointments: Chief Human Resources Director and a member of the Group Management Committee of Johnson Matthey plc, and independent Non-executive Director of the Remuneration Consultants Group.

Stephen King

Non-executive Director

Nationality: British **Appointed:** 2024

Skills and experience: Stephen has a wealth of senior level experience within the industrial, engineering and manufacturing sectors, including a number of executive and non-executive roles. Stephen retired as Group Finance Director of Caledonia Investments plc in 2018. He was previously a Non-executive Director and Chairman of the Audit Committee at Signature Aviation plc and The Weir Group plc, and Senior Independent Director and Chair of the Audit Committee of TT Electronics plc.

Stephen was Finance Director at De La Rue plc from 2003 to 2009, and prior to that at Midlands Electricity plc. A Chartered Accountant, Stephen has also held senior financial positions at Lucas Industries plc and Seeboard plc, and was a Non-executive Director of Camelot plc.

External appointments: Independent Non-executive Director and Chairman of the Audit Committee at Chemring Group PLC.

Kerry Porritt

Company Secretary

For full biography see page 100

1 Peter was the designated Director for ESG and sustainability matters and a member of the Sustainability Committee until 31 December 2024. Peter will step down from the Board on 5 March 2025.

2 Michael was a member of the Sustainability Committee until 31 December 2024.

3 Carl-Peter will succeed Peter Hill as Chair on 5 March 2025.

4 Spirent Communications plc (Spirent) announced in March 2024 that its Board had recommended an offer to its shareholders from Keysight Technologies Inc, and Spirent's shareholders had since voted to approve the takeover. Spirent and Keysight are currently seeking to obtain all necessary regulatory clearances to allow the deal to complete (expected by the end of April 2025). On completion of that transaction, Paula intends to retire and focus on her non-executive career.

5 Juan became the designated Director for ESG and sustainability matters on 1 January 2025.

Executive Committee

Michael Speakman
Chief Executive Officer

For full biography see page 98

David Burke
Chief Financial Officer

For full biography see page 99

Paul Leonard
President, North America

Nationality: Canadian **Member since:** 2024

Skills and experience: Paul joined Keller from Wood Group PLC, a leading consulting and engineering company across the energy and materials markets, where he was President of Transformation and responsible for the transformation of Wood's global Consulting Business. Prior to that, he was President of operations, responsible for all aspects of Wood's operations in the Americas.

Paul is a highly experienced industry professional with a long tenure at Exxon, where he began his career as a project engineer before leading major projects and world-class engineering and operations teams. Paul holds a Bachelor of Engineering from Memorial University.

Peter Wyton
President, EME (Europe and Middle East)

Nationality: Australian **Member since:** 2018

Skills and experience: Peter joined Keller after 25 years at AECOM, a leading global infrastructure firm. He is an experienced business leader and engineering professional with extensive knowledge of the Asia-Pacific region. He has supported the delivery of major infrastructure projects in transport, building, utilities, mining and industrial markets across APAC.

Peter received a Bachelor of Civil Engineering from the Queensland University of Technology.

John Raine
Chief HSEQ Officer

Nationality: British and American
Member since: 2018

Skills and experience: John is an experienced HSEQ practitioner who has lived and worked in Europe, Asia-Pacific and the US. He was, most recently, at AMEC Foster Wheeler, an international engineering and project management company, where he was Chief HSSE Officer.

Before that, John was Vice President QHSSE for Weatherford International, one of the world's largest multinational oil and gas service companies.

Katrina Roche
Chief Information Officer

Nationality: British **Member since:** 2020

Skills and experience: Katrina has over 25 years of experience in delivering technology-driven change and business transformation in multiple industries such as Aerospace Defence, Telecommunications, Transport and Technology. She joined Keller from Cobham Plc, where she held the position of Executive Vice President IT. Katrina has also held senior IT roles in Raytheon, Systems Union and MCI WorldCom as well as senior roles in Product Development and Transformation at Cable & Wireless and Verizon.

Katrina has a BSc in Mathematics and an MSc in Operational Research.

Craig Scott
Chief People Officer

Nationality: British **Member since:** 2023

Skills and experience: Prior to his appointment as Chief People Officer, Craig was the HR Director for the AMEA Division. He has over 16 years' experience in the field of HR and talent, having lived and worked in the UK, Singapore and the Middle East. Before joining Keller, Craig worked for a FTSE-listed oil company, where he led the HR function for their International Division, responsible for operations in Asia-Pacific and the Middle East.

Craig has an MA in Social Sciences.

Committee membership

- BGFC Bank Guarantees and Facilities
- DIS Disclosure
- SLC Safety Leadership
- SP Share Plans
- SSC Sustainability Steering
- T Treasury
- Chair

Deepak Raj
President, APAC (Asia-Pacific)

Nationality: Indian **Member since:** 2024

Skills and experience: Before his appointment as President, APAC in March 2024, Deepak was Managing Director of the Austral Business Unit in Australia from February 2023 and before that Managing Director of Keller's ASEAN Business Unit since July 2018. Prior to the ASEAN role, Deepak was the Joint Managing Director of the Keller India Business Unit.

Deepak has 20 years of multicultural and diverse leadership experience from organic growth to turnaround. He joined Keller India as a graduate geotechnical engineer in 2004 and went on to build the business organically. Deepak is all-India rank holder for his Bachelor's degree in Civil Engineering from the Institution of Engineers (India) and has a Masters degree in Geotechnical Engineering from IIT Madras followed by an executive MBA from the Indian School of Business (ISB).

Deepak is a member of the Sustainability Committee of the British Chamber of Commerce (Singapore).

Kerry Porritt
Chief Sustainability Officer and Company Secretary

Nationality: British **Member since:** 2013

Skills and experience: Kerry joined the company in 2013 as Company Secretary and was appointed Group Company Secretary and Legal Advisor in 2018. In 2024, Kerry was promoted to her current role, where she oversees sustainability, corporate governance and ethics and compliance.

Kerry is a Fellow of the Chartered Governance Institute and holds an Honours degree in Law. She has over 30 years' experience of company secretarial roles within large, complex FTSE listed companies across a broad range of sectors.

Kerry is a member of the European Corporate Governance Council and the Chartered Governance Institute's Company Secretaries' Forum.

Brent Byford
Chief Construction Officer

Nationality: American **Member since:** 2024

Skills and experience: Before his appointment as Chief Construction Officer, Brent was Vice President of Operations for the North America Division. Brent joined Keller in 2007 and has held several roles throughout his tenure, including Project Manager, Operations Manager, Vice President of Operations for Hayward Baker, and Director of Equipment for Keller. Prior to joining Keller, he worked for a heavy civil general contractor.

Brent holds a Bachelor of Science in Civil Engineering from Purdue University and is a licensed Professional Engineer in Indiana.

Marisa Schleter
Chief Communications Officer

Nationality: Korean-American
Member since: 2024

Skills and experience: Marisa has over 25 years of experience in communications and marketing, with expertise in developing and implementing strategies to drive engagement and support change. She joined Keller in 2005 as a graphic designer. Most recently, she was the Group Director of Communications and Marketing and, before that, the North America Director of Communications and Marketing. Marisa is a founding member of KWIC – Keller Women in Construction – and a current member of the North America DEI Advisory Committee.

Marisa holds a BS in Mathematics from Fordham University.

Governance framework

The Board is appointed by shareholders, who are the owners of the company. The Board's principal responsibility is to act in the best interests of shareholders as a whole, within the legal framework of the 2006 Act and taking into account the interests of all stakeholders, including employees, customers, suppliers and communities.

Ultimate responsibility for the management and long-term success of the Group rests always with the Board, notwithstanding the delegated authorities framework detailed below.

Code of Business Conduct

Board of Directors

Develops
strategy, grows shareholder value, provides oversight and corporate governance, and sets the tone from the top.

Provides
entrepreneurial leadership of the Group, driving it forward for the benefit, and having regard to the views of, its shareholders and other stakeholders.

Governs
the Group within a framework of prudent and effective controls, which enable risks to be assessed and managed to an appropriate level.

Approves
the Group's strategic objectives.

Ensures
that sufficient resources are available to the Group to enable it to meet strategic objectives.

The Board delegates authority to manage the business to the Chief Executive Officer (CEO) and also delegates other matters to its committees and management as appropriate. The Board has formally adopted a schedule of matters reserved to it for its decision, which is available on our website. Details about the principal decisions the Board made during the year can be found on page 106 and 107.

The CEO in turn chairs the Executive Committee for day-to-day management matters and delegates other matters to various Management Committees.

Oversight

Oversight

Main Board Committees

Nomination and Governance Committee

Remit: Review of the composition of the Board and senior management, and plan for its progressive refreshing with regard to balance and structure as well as succession planning, taking account of evolving legal and regulatory requirements as well as stakeholders' expectations. Responsibility for governance matters.

- Board Diversity Policy
- Charter of Expectations

Membership: Chairman and Non-executive Directors (NEDs)

Quorum: Two

Audit and Risk Committee

Remit: Oversight of the Group's financial and non-financial reporting, risk management (including TCFD) and internal control procedures and the work of its internal and external auditor.

- Anti-Bribery and Anti-Fraud Policy
- Information Policy
- Procurement Policy
- Tax Strategy
- Board Delegated Authorities
- Finance Standards

Membership: Independent NEDs

Quorum: Two

Remuneration Committee

Remit: Framework, policy and levels of remuneration of the Executive Directors and senior executives.

- Remuneration Policy

Membership: Independent NEDs

Quorum: Two

Sustainability Committee

Remit: Oversight of the Board's responsibilities in relation to sustainability matters, including climate-related matters, TCFD disclosures and compliance with CSRD. Understanding of the key concerns of the workforce and wider stakeholders, in addition to shareholders.

- Health, Safety and Wellbeing Policy
- Human Resources Policy
- Quality and Continuous Improvement Policy
- Sustainability Policy
- Whistleblowing Policy
- Supply Chain Code of Business Conduct
- Human Rights Policy
- Charitable Giving Policy
- Biodiversity Policy

Membership: Independent NEDs (from 1 January 2025)

Quorum: Two

The Group Chairman and CEO were members of the Sustainability Committee until 31 December 2024.

Disclosure Committee

Remit: Inside information determination and advice on scope and content of disclosures to the market.

- Share Dealings Code
- Share Dealings Policy
- Handling of Inside Information Standard

Membership: Any two Directors (including CEO or CFO) and the Company Secretary

Quorum: Two

The terms of reference for each of the Main Board Committees are reviewed on an annual basis and can be found on our website.

Other Board Committees

Share Plans Committee

Remit: Consideration of administrative matters related to the provision of share-based employee benefits for the company and its subsidiaries.

Membership: All Directors and the Company Secretary

Quorum: Two

Bank Guarantees and Facilities Committee

Remit: Consideration of matters related to the provision of bank guarantees and facilities for the company and its subsidiaries.

Membership: All Directors and the Company Secretary

Quorum: Two

The terms of reference for each of these Other Board Committees can be found on our website.

Main Management Committees

Executive Committee

Remit: Day-to-day management, executing strategy, monitoring performance, promoting the Group's culture and driving the desired behaviours within the Group.

Membership: CEO, CFO, Company Secretary and any other officers as invited by the CEO. Minimum of six.

Chair: CEO or CFO in CEO's absence

Quorum: Four (including CEO or CFO)

Safety Leadership Committee

Remit: Safety culture

Membership: CEO, Divisional Presidents of EME, North America and APAC, Chief HSEQ Officer, Chief Sustainability Officer (CSO) and any other direct reports as required by the CEO. Minimum of six.

- Think Safe

Chair: CEO

Quorum: Four (including CEO or Chief HSEQ Officer)

Other Management Committees

Treasury Committee

Remit: Management of the company's financial risks in accordance with the objectives and policies approved by the Board.

- Treasury Policy

Membership: CFO, Group Financial Controller, Group Head of Treasury, Group Head of Tax.

Chair: Group Head of Treasury

Quorum: Two (including CFO)

Data Protection Steering Committee

Remit: Implementation of Keller's strategy for compliance with data protection laws.

- Data Protection Policy

Membership: Representatives from divisional legal teams (EME, North America, APAC) and Group functions (Company Secretariat, IT, HR).

Chair: Rotational

Quorum: n/a

Sustainability Steering Committee

Remit: Mostly climate-related and environmental matters, but also people, community, governance and reputational matters.

- For policies and statements see Sustainability Committee

Membership: A minimum of six representatives of each division and the Group's relevant functions.

Chair: CSO

Quorum: Four (including CSO)

Accountability

Accountability

Board leadership

Leadership

Board and committee meetings and attendance

All Directors are expected to attend each Board meeting and each committee meeting for which they are members, unless there are exceptional circumstances preventing them from participating. The table below shows the Directors' attendance at all Board and committee scheduled meetings throughout the year.

Meetings	Paula Bell	David Burke	Carl-Peter Forster[1]	Juan G. Hernández Abrams	Peter Hill CBE[2]	Annette Kelleher	Stephen King[3]	Eva Lindqvist[4]	Baroness Kate Rock	Michael Speakman
Board	**6/6**	**6/6**	–	**6/6**	**6/6**	**6/6**	**2/2**	**3/3**	**6/6**	**6/6**
Audit and Risk Committee	**4/4**	–	–	**4/4**	–	**4/4**	**2/2**	**1/1**	**4/4**	–
Remuneration Committee	**4/4**	–	–	**4/4**	–	**4/4**	**2/2**	**2/2**	**4/4**	–
Nomination and Governance Committee	**3/3**	–	–	**3/3**	**3/3**	**3/3**	**1/1**	**1/1**	**3/3**	–
Sustainability Committee	**3/3**	–	–	**3/3**	**2/3**	**3/3**	**1/1**	**1/1**	**3/3**	**3/3**

1 Carl Peter-Forster was appointed to the Board on 16 December 2024.

2 Peter Hill was unable to attend the Sustainability Committee meeting held in July 2024 due to unavoidable personal matters. He was briefed by the Committee Chair prior to the meeting and he also provided comments on the meeting materials to both the Committee Chair and the Company Secretary in advance.

3 Stephen King was appointed to the Board on 1 September 2024.

4 Eva Lindqvist stepped down from the Board at the end of the AGM in May 2024.

Effectiveness

Directors and Directors' independence

The Board currently comprises the Chairman, six independent Non-executive Directors (NEDs) and two Executive Directors. The names of the Directors at the date of this report, together with their biographical details, are set out on pages 98 and 99.

The NEDs constructively challenge and help to develop proposals on strategy and bring strong independent judgement, knowledge and experience to the Board's deliberations. Periodically, the Chairman meets with the NEDs without the Executive Directors present. Apart from formal contact at Board meetings, there is regular informal contact between the Directors.

Keller continues to assess the independence of its NEDs on an annual basis in accordance with the UK Corporate Governance Code (the 'Code'). This includes reviewing their tenure, any potential conflicts of interest, as well as assessing their individual circumstances to ensure that there are no relationships or matters likely to affect the judgement of the NEDs. Paula Bell, Baroness Kate Rock, Juan G. Hernández Abrams, Annette Kelleher, Stephen King and Carl-Peter Forster are all considered to be independent NEDs. Their other professional commitments are as detailed on pages 98 and 99. Peter Hill CBE was independent at the time of his appointment as Group Chairman on 26 July 2016. Peter's other professional commitments are as detailed on page 98.

All Directors are subject to election by shareholders at the first AGM following their appointment and to annual re-election thereafter, in accordance with the Code.

Directors' conflicts of interests

Under the Companies Act 2006 (the '2006 Act'), a Director must avoid a situation where they have, or could have, a direct or indirect interest that conflicts, or possibly may conflict, with Keller's interests. The 2006 Act allows Directors of public companies to authorise conflicts and potential conflicts, where appropriate, where the Articles of Association (the 'Articles') contain a provision to this effect. The Articles give the Directors authority to approve such situations and to include other provisions to allow conflicts of interest to be dealt with. To address this issue, at the commencement of each Board meeting the Board considers its register of interests and gives, when appropriate, any necessary approvals.

There are safeguards which will apply when Directors decide whether to authorise a conflict or potential conflict. Firstly, only Directors who have no interest in the matter being considered will be able to take the relevant decision and, secondly, in taking the decision, the Directors must act in a way that they consider, in good faith, will be most likely to promote Keller's success. The Directors are able to impose limits or conditions when giving authorisation if they think this is appropriate. These procedures on conflicts have been followed throughout the year and the Board considers the approach to operate effectively.

CASE STUDY

Helping vulnerable children across the globe

This year Keller grew its partnership with UNICEF, helping them support vulnerable children and their families around the world.

Over the past few years, Keller has supported UNICEF with general funding for a range of projects. This began by supporting UNICEF's COVID-19 vaccine drive in 2021 and has grown into a fruitful three-year partnership.

During that time, we've helped UNICEF operate in some of the world's most challenging environments. This year, as part of our Global Sustainability Week, we invited the charity to talk to colleagues about the devastating impacts of climate change on children, particularly those in India and Malawi, and how UNICEF projects support those communities.

Inspired by these initiatives, members of the Group head office set about raising over £2,000 for UNICEF (match funded by Keller) by taking part in Construction Rocks. Group Process Transformation Director Barry Perrin and VP of ERP Transformation and Service Delivery Harsha Lakshminarayanan and their band Zero Charm entered the annual industry battle-of-the-bands fundraiser in London, which has raised almost £250,000 for good causes since its inception in 2007.

Keller's partnership with UNICEF aligns with our focus on the UN Sustainable Development Goals, particularly in the areas of good health, quality education and gender equality. We are proud of our colleagues' dedication and the tangible difference we are making together.

Kerry Porritt
Chief Sustainability Officer

October 18, 2024 : Soamanitra Primary Public School, Commune of Tranovaho, Beloha District, Androy Region, Madagascar : a teacher showing her schoolkids the correct method for washing their hands. The school is one of the beneficiaries of Zonta International funding. UNICEF's WASH program to reducing vulnerability and strengthening the resilience of local communities, with a particular focus on young girls and adolescents to promote their empowerment. In this regard, and in line with the objectives of the Ministry of Water, Sanitation, and Hygiene, UNICEF views menstrual hygiene and health management as a human right and as one of the key entry points for having both direct and indirect influence on self-esteem, mental health, physical health, and socio-economic well-being, ensuring the overall well-being of individuals. This 24-month funding from Zonta International supports the implementation of an environmentally sensitive WASH program in schools. To achieve this goal, UNICEF plans to train 750 school teachers in environmental conservation, including the WASH component. Additionally, to actively engage children and adolescents in environmental and climate change initiatives from a young age, five pilot schools in the same districts will be targeted with climate-related activities such as tree planting, the introduction of school gardens, the creation of greenhouse nurseries, sustainable waste management, and the construction of improved, resilient sanitation and hygiene infrastructure, such as basic latrines equipped with handwashing stations. Special attention will be given to the specific needs of young girls and adolescents to adequately manage hygiene during menstruation through the sexual and reproductive health and rights program.

Board leadership continued

Board activities and principal decisions

Strategic priorities: 1 Balanced portfolio · 2 Engineered solutions · 3 Operational excellence · 4 Expertise and scale

Strategy and performance

Topics
- Project performance reviews.
- Reviewed and considered the monthly performance of the divisions and business units.
- M&A opportunities.
- Entity rationalisation.

Outcomes
- Project Performance Management standard under development.
- ERP implementation progressed.
- Finance transformation completed in EME and APAC and started in NA.
- Several entities were dissolved or sold to consolidate Keller's business structure and areas of operation.

Link to strategy
1, 3, 4

Read more from page 70 onwards

People and culture

Topics
- Board composition.
- Executive Committee composition.
- Performance management.
- Wellbeing.

Outcomes
- Appointed Carl-Peter Forster as NED and Chair designate.
- Appointed Stephen King as NED.
- Promoted Marisa Schleter to the ExCom as Chief Communications Officer.
- Promoted Brent Byford to the ExCom as Chief Construction Officer.
- Promoted Kerry Porritt to Chief Sustainability Officer.

Link to strategy
3, 4

Read more from page 32 onwards

Operational performance

Topics
- Contracts performance review and revenue over the year.
- ESG and sustainability objectives.
- Project Performance Management standard.

Outcomes
- Outstanding performance, building on the positive momentum resulting from disciplined execution of our strategy.
- Progress on carbon reduction.
- Promoted Kerry Porritt to Chief Sustainability Officer to drive our sustainability agenda.
- Started preparatory work to comply with CSRD.

Link to strategy
2, 3

Read more from page 70 onwards

Financial management

Topics
- Evaluated and approved the 2025 business plan and budget, and the approach and process for the viability and going concern statements.
- Reviewed the company's forecast net debt levels, facility headroom and covenants and working capital.

Outcomes
- Established shared service centres in EME and APAC as part of the finance transformation programme.
- Considered and agreed the recommendation to pay interim and final dividends for 2024.

Link to strategy
1, 4

Read more from page 76 onwards

Risk and control

Topics
- Considered the principal and emerging risks and uncertainties which could impact the Group.
- Reviewed the risk management framework with particular regard to going concern and impact on the viability statement.

Outcomes
- Audit and assurance strategy with focus on second line of defence.
- Progress with programme of compliance with the 2024 Code.

Link to strategy
3, 4

Read more from page 82 onwards

Governance

Topics
- Group policies.
- Legal and regulatory changes.
- Provision of information to the Board and its committees.

Outcomes
- Started preparatory work to comply with CSRD.
- Tailored induction programmes for Stephen King and Carl-Peter Forster.
- Successful completion of the AI-powered Board reporting programme.

Link to strategy
1, 2, 3, 4

Read more from page 46 onwards

Month	Board and committee meetings	Key announcements and activities
January	BRD, NOM, REM	Trading update
February	BRD, NOM, ARC, REM, SUS	Annette Kelleher to succeed Eva Lindqvist as Chair of the Remuneration Committee
March	EXC; Executive Committee divisional visit to North America	Preliminary results; Retirement of Eva Lindqvist from the Board; CEO and CFO investor roadshow
April	–	2023 Annual Report and Accounts published
May	BRD, NOM	Annual General Meeting; AGM trading update
June	–	Chairman and Senior Independent Director investor roadshow
July	BRD, ARC, SUS, EXC; Executive Committee divisional visit to EME	–
August	–	Interim results; CEO and CFO investor roadshow
September	BRD, ARC	Business Unit Leadership Conference; Appointment of Stephen King as NED; CEO and CFO investor roadshow
October	BRD; Board strategy visit to Australia	–
November	BRD, REM	Trading update
December	BRD, NOM, ARC, REM, SUS	Appointment of Carl-Peter Forster as NED and Chair designate; Changes to the Sustainability Committee and Juan Hernández Abrams appointed Director responsible for ESG and sustainability

BRD Board · NOM Nomination and Governance · ARC Audit and Risk · REM Remuneration · SUS Sustainability · EXC Executive

Market update · Roadshow/meeting · Change in leadership

Section 172 statement

As a Board, we have always taken decisions for the long term. Collectively and individually, our aim is always to uphold the highest standards of conduct. We understand that our business can only grow and be successful over the long term if we respect the views and needs of our employees, customers and the communities in which we operate, as well as our suppliers, the environment and the shareholders to whom we are accountable.

As required by section 172 of the 2006 Act, a director of a company must act in the way they consider, in good faith, would most likely promote the success of the company for the benefit of its shareholders. In doing this, the director must have regard, amongst other matters, to the:

- likely consequences of any decisions in the long term;
- interests of the company's employees;
- need to foster the company's business relationships with suppliers, customers and others;
- impact of the company's operations on the community and environment;
- company's reputation for high standards of business conduct; and
- need to act fairly as between members of the company.

The Directors of Keller – and those of all UK companies – must act in accordance with a set of general duties. These duties are detailed in the 2006 Act and include a duty to promote the success of the company. As part of their induction, our Directors are briefed on their duties and they can access professional advice on these – either through the company or, if they judge it necessary, from an independent provider.

Our Directors fulfil their duties partly through a governance framework that delegates day-to-day decision-making to employees of the company.

The Board recognises that such delegation needs to be much more than simple financial authorities and should take into account the values and behaviours expected of our employees; the standards they must adhere to; how we engage with stakeholders; and how the Board looks to ensure that we have a robust system of control and assurance processes.

For more detail on our governance framework, see pages 102 and 103. Details about the principal decisions the Board made during the year can be found on page 106 and 107.

Principle	Location of additional information
Likely consequences of any decisions in the long term	• The Keller model (pages 2 to 9) • Chairman's statement (pages 10 to 12) • CEO's review (pages 14 to 16) • Our strategy (pages 20 and 21) • Principal risks and uncertainties (pages 82 to 92) • Board activities and principal decisions (pages 106 and 107) • Viability assessment and going concern (page 85)
Interests of employees	• People (page 32 to 44) • Sustainability Committee report (pages 142 to 144) • Nomination and Governance Committee report (pages 114 to 116) • Annual statement from the Chair of the Remuneration Committee (pages 126 and 127)
Need to foster business relationships with suppliers, customers and others	• The Keller model (pages 2 to 9) • Our strategy (pages 20 and 21) • Principles (pages 45 to 47) • Section 172 statement (pages 108 to 110)
Impact of operations on the community and the environment	• ESG and sustainability (pages 22 to 47) • Principles (pages 45 to 47) • Task Force on Climate-related Financial Disclosures (pages 48 to 65) • Corporate Sustainability Reporting Directive (page 66)
Reputation for high standards of business conduct	• Principal risks and uncertainties (pages 82 to 92) • Division of responsibilities (page 111) • Audit and Risk Committee report (pages 118 to 125) • Directors' report (pages 145 to 147)
Need to act fairly between members	• Chairman's statement (pages 10 to 12) • Chairman's introduction to Governance section (pages 94 and 95) • Section 172 statement (pages 108 to 110) • Directors' report (pages 145 to 147)

Shareholders

Delivering for our shareholders ensures that the business continues to be successful in the long term and can therefore continue to deliver for all our stakeholders.

How do we run the company for the benefit of all our members?

- The Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) meet with major shareholders following the preliminary results announcements to discuss a number of matters, including progress against the Group's strategy.
- The CEO and the CFO have calls with major shareholders following the interim results announcements.
- The CEO and the CFO have calls with major shareholders following the Group's trading update announcements.
- Following these announcements, analysts' notes are circulated to the Board.
- The Chairman and the Senior Independent Director have calls with shareholders to discuss Group performance and risk management throughout the year.
- We have consistently either grown or maintained our dividend since listing. We have strong cash generation and a robust balance sheet which, together, support our ability to continue to sustainably increase the dividend.
- The investor relations section of our website provides information on the financial calendar, dividends, AGMs and other areas of interest to shareholders. Copies of annual reports and investor presentations are available to view and download. Shareholders can also register to receive 'news alerts' relating to the Group's activities.
- The Board uses the AGM as an opportunity to communicate with all shareholders, who are invited to attend, ask questions and meet Directors prior to, and after, the formal proceedings. The Chairs of the Main Board Committees are present at the AGM to answer questions on the work of their committees. The results of the voting for the 2024 AGM can be found on our website.
- For the third year running, we carried out an investor perception audit to obtain a deeper level of understanding of the views of shareholders and potential investors.

Outcome

- Keller is a stable business with a long-term track record.
- Continued growth opportunities.
- Consistent and sustainable dividend.
- Transparency and clear communication.
- Plan of action in place to address investor perception audit results.

Employees

The success of our organisation is built on the talents and dedication of our people and they provide us with a competitive edge. We want them to be inspired and motivated, equipped with the right skills, tools and standards to be successful.

How do we consider the interests of our employees?

- During 2024, the Board continued its approach to engagement with the workforce led by Baroness Kate Rock, Keller's designated Non-executive Director for employee engagement matters.
- We communicate regularly with our employees through face-to-face meetings, webcasts, our company intranet and newsletters, and site and office visits.
- Site visits, like the one they conducted in October in Australia, allow NEDs to feel the operational environment and enhance their understanding of employees' experience of their working environment.
- Business unit leaders met in September 2024 at a company conference. The Board met with business unit leaders throughout the conference to celebrate the successes and understand the challenges faced by them.

Outcome

- Local and global development opportunities.
- Established training and development programme.
- Long-term employment.
- Inclusive, diverse and supportive environment.

Customers

Our customers are central to our business – without them we would not exist. We want to continuously improve on efficiently delivering a consistently high performance across all our strategic levers so as to meet our customers' needs.

How do we foster relationships with our customers?

- The CEO and the Divisional Presidents are in regular contact with our customers, and they regularly brief the Board on our performance in delivering on our commitments to customers and the quality of these critical relationships.
- Business unit leaders and senior management conduct a range of client research to better understand their expectations of us, and how we can effectively address their needs.

Outcome

- Benefit from Keller's global strength and local focus.
- Provision of cost-effective geotechnical solutions.

Section 172 statement continued

Suppliers

Building strong relationships with our suppliers enables us to obtain the best value, service and quality. We want to work with suppliers who understand us and adhere to our ways of working.

How do we foster relationships with our suppliers?

- Our procurement function continued to work hard to understand our supply chain and how to develop deeper and more strategic relationships with key suppliers.
- Our Supply Chain Code of Business Conduct sets out our expectations that our supply chain must respect the human rights of their employees and contractors and treat them fairly, in accordance with all applicable laws.
- Consistent communications with our suppliers during the year have assisted us in managing our resources and materials efficiently on site.
- Our Human Rights Policy ensures that human rights infringements are not taking place in our business or any part of its supply chain.
- We are committed to paying suppliers on time and giving clear guidance on payment terms.

Outcome

- A reliable local relationship with a financially strong global company.
- Support in meeting global supply chain standards.

Communities

What we do is an integral part of the community and the community is ultimately our customer. Poor relationships can damage and even destroy our reputation. Good relationships win us goodwill.

How do we consider the interests of the communities in which we operate?

- The Board is informed of, and the Sustainability Committee monitors, our contributions to local communities through our Partnerships programme which is managed by senior management.
- As a geotechnical engineering specialist, we understand that environmental and climate risks could impact us directly. We are committed to protecting the environment, and aim to have a positive impact on it – so we safeguard the future.
- The Keller Foundation (Fundacja KELLER) continued to raise funds in response to the conflict in Ukraine.
- Charitable initiatives during 2024 included our continued partnership with UNICEF.

Outcome

- Local employment.
- Charitable partnerships.
- Participation by our employees in community events.
- Global sustainable commitments.

CASE STUDY

Building skills in underserved communities

Keller is two years into a five-year commitment to support Revolution Workshop, a non-profit enterprise that helps underserved communities in Chicago through training and jobs in construction.

Revolution Workshop recruits and trains adults from areas where resources for educational and career development are scarce. Over a 12-week pre-apprentice programme, trainees learn practical trade skills and certifications to be successful in the workplace. They also learn financial literacy and how to manage health insurance. After completing the course, graduates begin working for general contractors.

Keller Data Acquisition Specialist Alvaro Rojas has worked with the organisation since 2020, supporting participants with mock interviews and teaching them surveying. "I'm very passionate about it," he says. "The individuals are dedicated to bettering themselves and learning skills for life – it's inspiring, particularly since the programme is unpaid and full-time.

"Most alumni become successful in their careers; they join unions and navigate the construction industry and working world by applying the skills they learn."

Keller intends to increase its involvement with Revolution Workshop not only through the sponsorship, but also hopes to hold a position on its board and ultimately to hire graduates. Not only will this support diversity in Keller's talent pipeline, but it will also help to build the next generation of construction workers in Chicago.

> The individuals training at Revolution Workshop are dedicated to bettering themselves and learning the skills for life – it's inspiring.
>
> **Alvaro Rojas**
> Data Acquisition Specialist

Division of responsibilities

The Keller Charter of Expectations and Role Profiles sets the role profiles for all of the key positions on the Keller Group plc Board, and states the expectations that are demanded of each of the Directors and the Secretary. The charter is available on our website so that there is complete transparency of the standards we set ourselves for all our stakeholders. The performance of the Board and Board Committees and of each of the Directors individually is measured against these expectations.

Key role	Responsibilities	
Chair	Responsible for leading the Board, its effectiveness and governance.	The Chair is also responsible for: • Being the ultimate custodian of shareholders' interests. • Ensuring appropriate Board composition and succession. • Ensuring effective Board processes. • Setting the Board's agenda. • Attends meetings with major shareholders to obtain an understanding of their issues and concerns, ensuring effective communication with them. • Ensuring that Directors are properly briefed in order to take a full and constructive part in Board and Board Committee discussions. • Ensuring constructive relations between Executive and Non-executive Directors. • Until 31 December 2024, being the designated Director for ESG and sustainability matters, in particular climate-related issues.
Chief Executive Officer	Responsible for the formulation of strategy, and the operational and financial business of the Group.	The CEO is also responsible for: • Formulating strategy proposals for the Board. • Formulating annual and medium-term plans, charting how this strategy will be delivered. • Informing the Board of all matters which materially affect the Group and its performance, including any significantly underperforming business activities. • Leading executive management in order to enable the Group's businesses to meet the requirements of shareholders. • Ensuring adequate, well-motivated and incentivised management resources. • Ensuring appropriate succession planning. • Ensuring business processes for long-term value creation.
The roles of the Chair and the CEO are quite distinct from each other and are clearly defined in written terms of reference. They do collaborate and have a close working relationship.		
Senior Independent Director	• Works closely with the Chair, acting as a sounding board and providing support. • Acts as an intermediary for other Directors as and when necessary. • Is available to shareholders and other NEDs to address any concerns or issues they feel have not been adequately dealt with through the usual channels of communication. • Meets at least annually with the NEDs to review the Chair's performance and carries out succession planning for the Chair's role. • Attends sufficient meetings with major shareholders to obtain a balanced understanding of their issues and concerns.	
Chief Financial Officer	Responsible for financial management and control, budgeting and forecasting, tax and treasury and investor relations.	The CFO is also responsible for: • Adherence within the company to all applicable accounting standards. • Internal financial controls within the company. • Custodian of the Group's financial resources. • Oversight of the company's financial functions and staffing including motivation, development and succession. • Maintaining adequate financial liquidity and ensuring the viability and resilience of the Group.
Company Secretary	• Ensures good information flows to the Board and its committees and between senior management and NEDs. • All Directors have access to their advice and services. • Responsible for ensuring that the Board operates in accordance with the governance framework it has adopted. • Advises on evolving standards and supports the Chair on the continuing development of the Board. • Their appointment and resignation is a matter for consideration by the Board as a whole.	
Committee Chairs	Responsible for the effectiveness of each committee and individual member Directors.	

Board composition, succession and evaluation

Board composition

The Board comprises the Non-executive Chairman, the Senior Independent Director, five independent NEDs and two Executive Directors. The Board appointed Stephen King and Carl-Peter Forster as independent NEDs on 1 September 2024 and 16 December 2024 respectively as part of the Board's succession planning. The Board's individual biographies are detailed on pages 98 and 99.

Board diversity

Our Board Diversity Policy has been in place since January 2021.

As at 31 December 2024, Keller's Board of Directors had more than a 33% female share (2023: 50%). We will go back to 37.5% from 5 March 2025, which is close to the 40% target without increasing the size of the Board.

The selection of candidates to join the Board continues to be made based on merit and the individual appointee's ability to contribute to the effectiveness of the Board, which in turn is dependent on the pool of candidates available. All appointments and succession plans will seek to promote diversity of gender, ethnicity, skills, background, knowledge, international and industry experience and other qualities.

Our commitment to diversity, equity and inclusion aligns with our values of integrity, collaboration and excellence and is underpinned by our Inclusion Commitments.

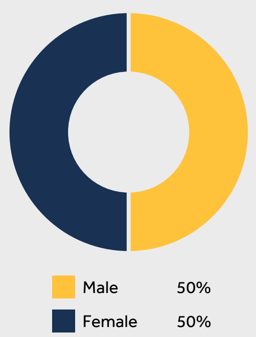
The Board is committed to promoting equality, diversity and inclusion in the boardroom, to ensure all are able to contribute to Board discussions, and aims to meet industry targets and recommendations wherever possible. This includes our objective of meeting the diversity targets recommended by the FTSE Women Leaders and the Parker Reviews.

The Board, supported by the Nomination and Governance Committee, is also committed to:

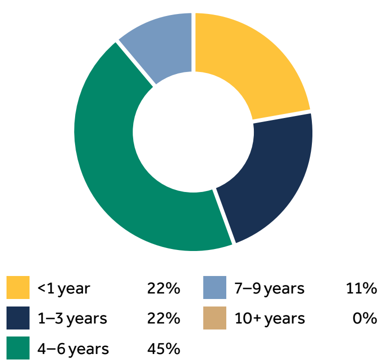
- ensuring that the Board is comprised of a good balance of skills, experience, knowledge, perspective and varied backgrounds;
- only engaging search firms who are signed up to the Voluntary Code of Conduct for Executive Search Firms;
- ensuring that Board appointment 'long lists' will be inclusive according to the widest definition of diversity;
- considering candidates for Non-executive Director Board appointments from a wide pool, including those with no listed company Board-level experience; and
- reporting annually on the diversity of the executive pipeline as well as the diversity of the Board.

The annual evaluation of the Board effectiveness considers the composition and diversity of the Board.

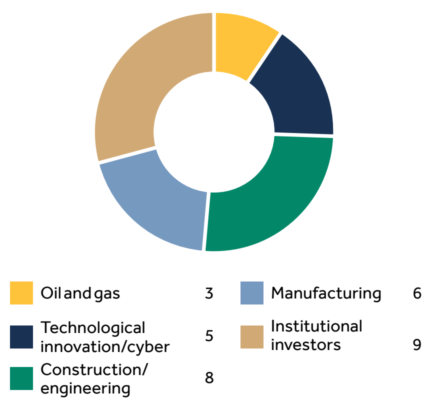
Sex representation – 2023[1]



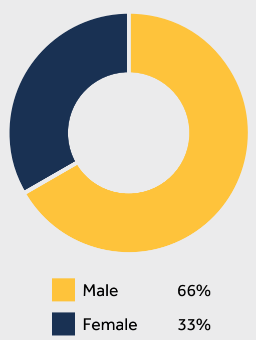
Length of tenure



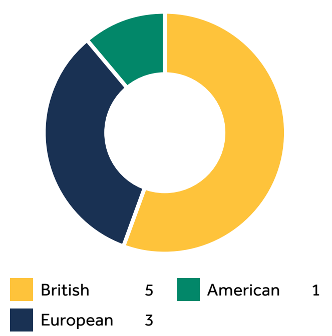
Number of Board members with relevant experience



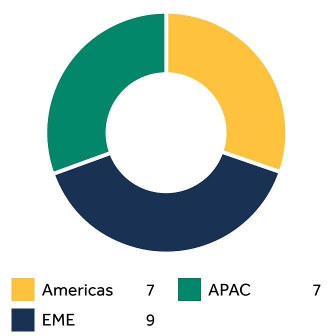
Sex representation – 2024[1]



Nationality



Number of Board members with relevant international experience



1 The FCA Listing Rule target that at least 40% of the individuals on the Board must be women was not met by Keller throughout the year. From January to May we were at 50%; from May to September we were at 43%; from September to 16 December we were at 37.5%, and we ended 2024 at 33%. We will go back to 37.5% from 5 March 2025, which is close to the 40% target without increasing the size of the Board.

We also aim to develop a strong pipeline of diverse candidates for executive Board roles and for the Executive Committee with a goal of ensuring that it is made up of an appropriate balance of skills, experience and knowledge required to effectively oversee the management of the company in the delivery of its strategy.

Our gender diversity statistics across the Group are shown on page 40.

Overall, Keller's Board Diversity Policy aligns to the FTSE Women Leaders Review and the Parker Review, and we report in line with the UK Corporate Governance Code (via the Listing Rules), the relevant Disclosure Guidance and Transparency Rules, and the Companies Act 2006 on people matters.

Board and committee performance review and evaluation 2024

The annual Board evaluation provides the Board and its committees with the opportunity to consider and reflect on the quality and effectiveness of its decision-making, the range and level of discussion and for each member to consider their own contribution and performance.

The 2018 Code requires that there should be a formal and rigorous annual evaluation of the performance of the Board, its committees, the Chair and individual Directors. In addition, the Chair should consider having a regular externally facilitated Board evaluation, and in FTSE 350 companies this should happen at least every three years.

An internal evaluation, facilitated by the Company Secretary, was last carried out at the end of 2023, with the outcomes reviewed by the Board in early 2024. Actions taken following the evaluation included: the commencement of a search for the Chairman's successor, the appointment of an additional Non-executive Director to the Board, and a set of 2024 objectives for the CEO, including the Strategy refresh.

For good order, the usual self-assessment of the Board committees against their terms of reference was undertaken at the December meetings. The Chair has confirmed that, having considered the performance of the individual Directors during the year, he believes that each Director brings considerable knowledge and wide-ranging skills and experience to the Board as a whole and continues to make an effective and valuable contribution to the deliberations of the Board. Each Director has continued to perform effectively and demonstrate commitment to their role. Further, the Chairman considers that each of the Non-executive Directors is independent in accordance with the Code.

An externally facilitated evaluation was conducted in 2021 and in 2022, and the next externally facilitated evaluation will be conducted in 2025, in accordance with the 2018 Code provision that the company should undertake an externally facilitated Board effectiveness evaluation at least once every three years, and to facilitate the transition from Peter Hill to Carl-Peter Forster as Group Chair.

Board development

On appointment, Directors are provided with induction training and information about the Group, the role of the Board and the matters reserved for its decision, the terms of reference and membership of the Board committees and the latest financial information about the Group. This is supplemented by meetings with the company's legal and other professional advisers, and, where appropriate, visits to key locations and meetings with certain senior executives to develop the Directors' understanding of the business.

Throughout their period of office, Non-executive Directors are continually updated on our business, markets, social responsibility matters and other changes affecting the Group and the industry in which we operate, including changes to the legal and governance environment and the obligations on themselves as Directors. During 2024 the Board received externally facilitated training on geopolitical risks, and attended the Business Unit Leadership Conference in September.

Information and support

The Board and committees are satisfied that they receive sufficient, reliable and timely information in advance of meetings and are provided with all necessary resources and expertise to enable them to fulfil their responsibilities and undertake their duties in an effective manner.

The Chairman and the Company Secretary keep under review the forward agendas for the Board and the content and construct of management papers to allow for greater focus by the Board as a whole on strategic matters and avoiding unnecessary operational detail.

For each Board and committee meeting, Directors are provided with a tailored Board pack in advance of the meeting, and we use an electronic system that allows the Board to easily access information, irrespective of geographic location. Directors regularly receive additional information between Board meetings, including a monthly Group performance update which includes carbon emissions reduction performance and progress on sustainability initiatives. If a Director is unable to attend a meeting, they are provided with all the papers and information relating to that meeting and have the opportunity to discuss issues arising directly with the Chair and CEO.

Accountability

Internal controls

The Board is ultimately responsible for the Group's system of internal control and for reviewing its effectiveness. However, such a system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and can provide only reasonable, not absolute, assurance against material misstatement or loss.

The Board confirms that there is an ongoing process for identifying, evaluating and managing the principal risks faced by the Group, which has been in place for the year under review and up to the date of approval of the Annual Report and Accounts. This process is regularly reviewed by the Board and accords with the guidance from the Financial Reporting Council.

Details on the identification and evaluation of risk, as well as on the management of project risk, can be found in the section headed Principal risks and uncertainties on pages 82 to 92. The key elements of the Group's system of internal controls are explained in the Audit and Risk Committee report on page 124. The management of financial risks is described in the Chief Financial Officer's review on page 81.

Compliance with laws and regulations

Compliance with laws and regulations both local and global is of extreme importance to the Board, including the minimisation of instances of non-compliance. Throughout the reporting year, the Company Secretary received reports from and met with members of divisional management to assess and understand the key challenges and opportunities faced in relation to legislative and regulatory developments within each jurisdiction of operation, which were subsequently reported to the Board for consideration.

No instances of non-compliance were identified throughout the year.

For more information on policy commitments in compliance with laws and regulations, please see our Non-financial and sustainability information statement on pages 68 and 69.

Information included in the Directors' report

Certain information that fulfils the requirements of the Corporate governance statement can be found in the Directors' report in the sections headed 'Substantial shareholdings', 'Repurchase of shares', 'Amendment of the company's Articles of Association', 'Appointment and replacement of Directors' and 'Powers of the Directors' and is incorporated into this Corporate governance section by reference.

Nomination and Governance Committee report

NOM

Dear shareholder

Welcome to the report of the Nomination and Governance Committee for the year ended 31 December 2024.

Peter Hill CBE
Chairman of the Nomination and Governance Committee

Role of the committee

The role of the committee is to recommend the structure, size and composition of the Board and its committees.

It is also responsible for succession planning of the Board and executive management, for promoting the overall effectiveness of the Board and its committees, and for governance matters in general.

Committee highlights in 2024

- Appointed Stephen King as Non-executive Director.
- Led the Chairman succession process, chaired by the SID for this purpose.
- Appointed Carl-Peter Forster as Non-executive Director and Chair designate.
- Evaluated the Board and its committees and the Chairman and Directors.
- Developed and monitored succession plans for the Board and senior management.
- Monitored the length of tenure of the Non-executive Directors.
- Reviewed the terms of reference of the committee.
- Reviewed the committee's effectiveness during the year.

Committee composition during 2024	Meeting attendance
Peter Hill CBE (Chair)	3/3
Paula Bell	3/3
Carl-Peter Forster[1]	n/a
Juan G. Hernández Abrams	3/3
Annette Kelleher	3/3
Stephen King[2]	1/1
Eva Lindqvist[3]	1/1
Baroness Kate Rock	3/3

1 Joined the Board and the committee in December 2024.
2 Joined the Board and the committee in September 2024.
3 Stepped down from the Board and the committee at the end of the AGM in May 2024.

The committee has continued to review the balance of skills on the Board as well as the knowledge, experience, length of service and performance of the Directors. During the year, we held three meetings, in January, May and December. The attendance at those meetings is shown on pages 104 and 114.

Chairman succession

In 2024, in recognition of the tenure of the Chairman, an analysis led by Senior Independent Director (SID) Baroness Kate Rock into the succession of the Chairman was undertaken, with a view to seeking an individual with appropriate skills, knowledge and experience to succeed him in 2025. To ensure independence and expertise during the rigorous process, external consultants were engaged in finding the correct calibre of talent for the Group, who met with the committee throughout the year. The committee, chaired by the SID, assessed candidates not only on traditional metrics such as competencies and experience, but also their personality traits and drivers in combination with the skills and experiences currently present on the Board. The succession planning was split into four phases across 15 weeks, resulting in the appointment of Carl-Peter Forster as Non-executive Director and Group Chair designate on 16 December 2024. Further details on the Chairman's succession process can be found on page 117.

Board evaluation

It is extremely important that the Board, its committees and individual Directors rigorously review their performance and embrace the opportunity to develop, where necessary. In 2024, we actively progressed the areas of focus identified in 2023. We also conducted internal reviews of the effectiveness of the Board committees, facilitated by the Company Secretary and overseen by the committee Chairs.

During 2025, Carl-Peter Forster will conduct an externally facilitated review of the Board, its committees and the Directors, and will report back to you in the next Annual Report and Accounts.

Board composition

The committee's activities during the year included:

- Considering the number of Executive and Non-executive Directors on the Board, and whether the balance was appropriate to ensure optimum effectiveness.
- Reviewing the balance of industry knowledge, relevant experience, skills and diversity on the Board.
- Assessing and confirming that all the Non-executive Directors remained independent.

During the year, the committee reviewed and assessed the composition of the Board and agreed to appoint an additional Non-executive Director to the Board. Supported by external consultants (Lygon Group), the committee progressed a search commencing in May 2024 and appointed Stephen King in September 2024. Lygon Group had no other connection to the company or any Director.

We are confident that each Director remains committed to their role and the Board continues to work well and benefits from an appropriate and diverse mix of skills and industry knowledge. Collectively, the Directors bring a range of expertise and experience of different business sectors to Board deliberations, and this encourages constructive and challenging debate around the boardroom table. Having a good mix of skills plays an important role in keeping the Board relevant and up to date with the market and best practice.

Appointments during the year

In September 2024, we were delighted to welcome Stephen King as a Non-executive Director. Stephen has a wealth of senior level experience within the industrial, engineering and manufacturing sectors, including a number of executive and non-executive roles. The breadth of experience Stephen brings from the engineering and manufacturing sectors, together with his finance knowledge, will bring valued insight and experience to our Board.

In December 2024, we also welcomed Carl-Peter Forster as Non-executive Director and Chair designate. His experience across a range of international industrial companies, in a broad range of executive and non-executive roles, will be invaluable to Keller and the Group's future strategic development.

Board diversity

Our commitment to equality, diversity and inclusion aligns with our values of integrity, collaboration and excellence and is underpinned by our Inclusion Commitments.

The Board is committed to promoting diversity, equity and inclusion in the boardroom, to ensure all are able to contribute to Board discussions, and aims to meet industry targets and recommendations wherever possible. This includes our objective of meeting the diversity targets recommended by the FTSE Women Leaders Review and the Parker Review. We also considered the requirements under the Listing Rules and our disclosure is set out on page 116.

For further information on diversity at Board level, as well as more generally at Keller, please see the ESG and sustainability section of this report.

Non-executive appointments and time commitment

When we make recommendations to the Board regarding Non-executive Director appointments, we consider the expected time commitment of the proposed candidate, and any other existing commitments, to ensure that they have sufficient time available to devote to the company.

Before accepting any additional commitments, Non-executive Directors discuss them with the Group Chairman, or, in the case of the Group Chairman himself, with the SID and the CEO. Board agreement is required to ensure that any conflicts of interest are identified and that the individual will continue to have sufficient time available to devote to the company.

Nomination and Governance Committee report continued

With regards to Listing Rule 6.6.6R(9), which seeks to increase transparency for investors on the diversity of Boards and executive management, we have opted to report on sex, rather than gender identity, as the latter is a special characteristic under UK data protection laws requiring enhanced safeguards and processes for collection and disclosure. In some countries, data protection laws do not allow us to ask for gender identity. All data provided below is as at 31 December 2024. We define executive management as Executive Committee. See membership on pages 100 and 101.

Sex representation

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
Men	6	66	3	8	72
Women	3	33	1	3	28
Other categories					
Not specified/prefer not to say					

Ethnicity representation

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
White British or other White (inc. minority – white groups)	8	89	4	9	82
Mixed/Multiple ethnic groups				1	9
Asian/Asian British				1	9
Black/African/Caribbean/Black British					
Other ethnic group	1	11			
Not specified/prefer not to say					

Keller has met two out of three specific Board diversity targets required by the Financial Conduct Authority[1]:

Target:
At least one of the senior Board positions is a woman

Keller:
Baroness Kate Rock, Senior Independent Director

Target:
At least one member of the Board is from a minority ethnic background

Keller:
Juan G. Hernández Abrams (born in Puerto Rico)

1 The FCA target that at least 40% of the individuals on the Board must be women was not met by Keller throughout the year. From January to May 2024 we were at 50%; from May to September 2024 we were at 43%; from September to December 2024 we were at 37.5%, and we ended the year at 33%. We will go back to 37.5% from 5 March 2025, which is close to the 40% target without increasing the size of the Board.

Corporate governance

The committee's terms of reference are available on the Group's website (keller.com) and on request from the Company Secretary. The terms of reference were reviewed during the year, with no material changes to report.

Only the Chairman and Non-executive Directors are members of the committee, and no other person is entitled to be present at committee meetings. We may invite members of senior management to attend meetings where we feel it is appropriate, and the CEO, the CFO and the Chief People Officer, along with external advisers, attended some of the meetings held during the year.

Our 2024 evaluation of the committee's effectiveness concluded that, consistent with the Code and our own terms of reference, the committee was discharging its obligations in an effective manner.

In accordance with the requirements of the Code, all members of the Board, excluding Peter Hill, will seek re-election at the AGM in May 2025. Stephen King and Carl-Peter Forster will seek election by shareholders as they joined the Board during 2024.

Peter Hill CBE
Chairman of the Nomination and Governance Committee

Approved by the Board of Directors and authorised for issue on 3 March 2025.

Chair succession and NED recruitment

In July 2024, it was announced that Peter Hill CBE had given notice of his intention to retire as Chairman and step down as a Director of the company during the first half of 2025, after approximately nine years on the Board.

The Nomination and Governance Committee (the 'committee'), led by the Senior Independent Director Baroness Kate Rock, initiated a formal search process, supported by the external search firm Russell Reynolds Associates (RRA). RRA confirmed that they had no other connection to the company or any Director. A role profile was developed to ensure that the appointment was based on merit and objective criteria to identify the best candidate for the role.

RRA conducted an internal and external market scanning exercise and produced a long list of potential candidates against the role profile. Following consideration of the long list of potential candidates against the role profile, the committee produced a shortlist of preferred candidates to proceed to interview. The committee agreed an interview approach, whereby each candidate met with all Executive and Non-executive Directors and the Company Secretary. Following each interview, feedback was provided to and discussed by the committee at its meetings during the process. A final meeting was held in November 2024 to discuss its views and agree a recommendation to the Board.

Following approval by the Board, it was announced in November 2024 that Carl-Peter Forster would be appointed as a Non-executive Director and Group Chairman designate with effect from 16 December 2024.

The committee and the Board recognised Carl-Peter's experience across a range of international industrial companies, in a broad range of executive and non-executive roles.

More information about Carl-Peter, his experience and previous roles can be found on page 99.

A handover period is currently under way; Carl-Peter will succeed Peter Hill CBE as Group Chairman on 5 March 2025. As well as his role as Non-executive Director and Group Chairman designate, Carl-Peter was appointed to the committee on 16 December 2024 and will become Chair of the committee on 5 March 2025 when he assumes the role of Chair of the Board.

Non-executive Director recruitment and induction process

During 2024, Keller continued its long-term planning agenda, which evolved to reflect the Group's strategy and influenced the Board's composition of skills and experience.

Eva Lindqvist retired from the Board at the AGM in May 2024, having served seven years as an independent Non-executive Director and five years as Chair of the Remuneration Committee. Annette Kelleher joined the Board as a Non-executive Director in December 2023 and became Chair of the Remuneration Committee in May 2024. Annette also joined the Audit and Risk, Nomination and Governance, and Sustainability Committees.

In July 2024, it was announced that Stephen King would join the Board as an independent Non-executive Director on 1 September 2024. Upon joining, Stephen became a member of the Audit and Risk, Nomination and Governance, Remuneration, and Sustainability Committees.

Following their appointments, Annette and Stephen undertook an in-depth induction process which included reviewing a comprehensive pack of documents setting out key information about the company and the Board, broker reports on the company, and information on Directors' duties. Following their appointments, Annette and Stephen met with a number of key internal individuals, including the Chairman, Executive Directors, Non-executive Directors, members of the Executive Committee and other senior management. In addition, meetings with the company's solicitors, brokers, external auditors and advisers were arranged.

More information about Annette and Stephen, their experience and previous roles can be found on page 99.

Following a thorough selection process to identify and select a new Chair, we are delighted to welcome Carl-Peter to the Board at an exciting point in Keller's development.

Baroness Kate Rock

Audit and Risk Committee report

ARC

Dear shareholder

On behalf of the Audit and Risk Committee, I present our report for the financial year ended 31 December 2024.

Paula Bell FCMA CGMA
Chair of the Audit and Risk Committee

Role of the committee

The committee is responsible for overseeing the internal risk management framework, ensuring effective internal controls are in place, financial and non-financial reporting and appropriate external and internal audit arrangements.

Committee highlights in 2024

- Reviewed and approved the evolution of the Group's 'three lines of defence' model, with significant investment in the second line function.
- Reviewed and supported the expanded use of the Group's GRC platform, to encompass risk management, internal controls and internal audit in a single tool.
- Oversaw the development of the Group's financial control framework.
- Monitored the evolution of the Group's risk management framework, with particular focus on emerging risks.
- Monitored the implementation of the assurance programme for the change initiatives under way including ERP, PPM and finance transformation.
- Reviewed and approved policies within its remit: Anti-bribery and anti-fraud, tax evasion facilitation prevention, corporate criminal offences, tax strategy, procurement and related training.
- Reviewed the output of the evaluation of the external and the internal auditors.
- Reviewed and challenged the implementation of the internal audit programme to ensure appropriate coverage of matters of business risk.
- Reviewed detailed plans to manage cyber risk.
- Reviewed its effectiveness during the year and recommended changes to its terms of reference to align with the FRC Minimum Standard for Audit Committees and the 2024 Code.

This report is intended to provide shareholders with an insight into key areas considered, together with how the committee has discharged its responsibilities and provided assurance on the integrity of the 2024 Annual Report and Accounts. This has included ensuring the 2024 Annual Report and Accounts is aligned with the latest requirements and guidance from regulators, that it is fair, balanced and understandable and that all matters disclosed and reported upon meet the rapidly evolving needs of our stakeholders.

In addition, the committee's fundamental priorities include ensuring the quality and effectiveness of the external and internal audit processes and monitoring the management of the principal risks of the business.

My introduction sets out the key areas of focus for the committee during 2024 and to the date of this report.

It is important that the committee's work and focus areas constantly adapt as the company continues to grow its market reach in global markets, whilst also identifying change initiatives in the organisation that require enhanced assurance to manage risk.

During 2024, it was important to ensure that the Group's risk management and internal control systems continued to operate effectively. Throughout the year the committee received regular updates from management on the strengthening of the financial control environment and systems of internal control. The internal audit plan has continued to be adapted appropriately to the evolving needs of the business.

Committee composition during 2024	Meeting attendance
Paula Bell (Chair)	4/4
Juan G. Hernández Abrams	4/4
Annette Kelleher	4/4
Stephen King[1]	2/2
Eva Lindqvist[2]	1/1
Baroness Kate Rock	4/4

1 Joined the Board and the committee in September 2024.
2 Stepped down from the Board at the end of the AGM in May 2024.

In 2024 the committee reviewed the independent audit of the effectiveness of the internal audit activities and also more widely, the three lines of defence to provide assurance to the committee and the Board about the effectiveness these company processes. I am pleased to report good progress in the evolution of the maturity of the internal control framework and we continue to see increased risk awareness and adoption of risk mitigations in our operating processes across our global operations.

Both the external and the internal audit processes were deemed to be effective and we are confident about the efficiency and quality of the process in place for the external audit of the 2024 year-end accounts.

This was the sixth year that EY served as the external auditor, and it was Kevin Weston's first year as the lead audit partner. I oversaw the audit partner rotation process with Kevin Weston succeeding Kevin Harkin as lead audit partner. I thank Kevin Harkin for his strong leadership of the EY audit team and for providing visible and effective oversight of the external audit.

We continued to execute our UK Corporate Governance reform implementation plan, in preparation for the future Board declaration on the effectiveness of risk management and internal control systems. Our focus has been on practical actions that enhance the Group's control environment and especially the evidence maintained to demonstrate that our controls are operating effectively. Progress against these initiatives was reported back to the committee.

We continued the process of designing a second line of defence model across all key risk domains (including non-financial reporting, compliance and operational risks) to support our future assurance requirements, which includes the basis for the Board's statement on internal controls.

We continued to monitor the ERP and finance transformation implementations to ensure that all relevant risks are considered and that the appropriate automated and manual controls are built into the system design.

2024 has been another busy year for the committee and management worked to drive improvements in the areas of risk, internal controls and financial reporting. We are proud of the progress that has been made during the year and we are confident we will be ready to report against the new Code requirements next year.

I would also like to welcome Stephen King, who joined as a committee member in September 2024.

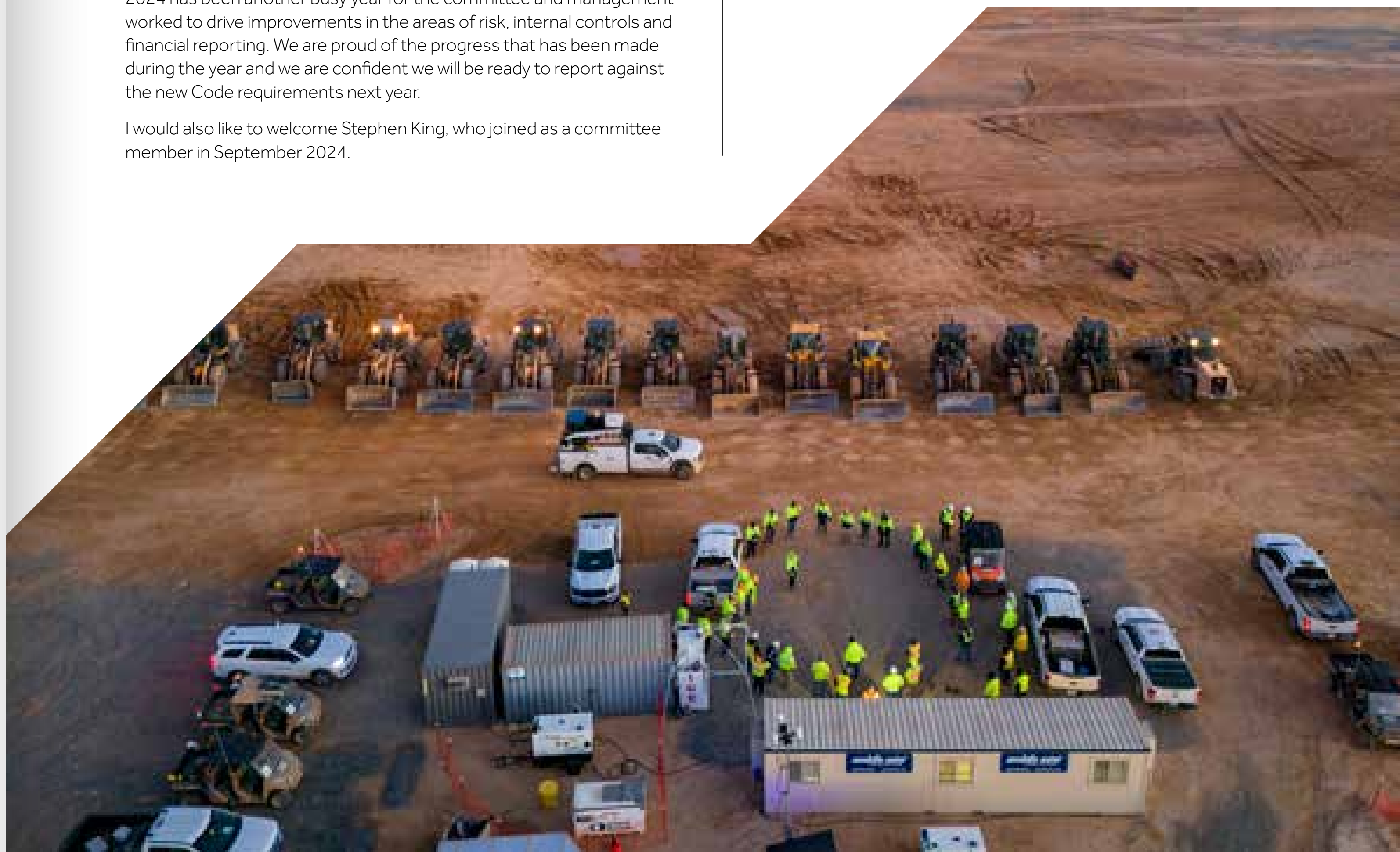
> The work of the committee is fully supported by a skilled internal controls and risk team which lead activities across the Group to ensure evolving compliance and regulations are well designed and implemented to meet appropriate deadlines.

I hope that you find this report informative and can continue to take assurance from the work undertaken by the committee this year. We seek to respond to stakeholders' expectations in our reporting and, as always, welcome any feedback from shareholders or other stakeholders.

I look forward to meeting shareholders who attend our AGM this year to answer any questions on this report or on the committee's activities. Shareholders are encouraged to email their questions in advance to the Committee Secretary at secretariat@keller.com.

Paula Bell
Chair of the Audit and Risk Committee

Approved by the Board of Directors and authorised for issue on 3 March 2025.



Audit and Risk Committee report continued

Activities of the committee

The committee has an extensive agenda of items of business, aligned with the financial reporting cycle, focusing on the audit, assurance and risk processes within the business which it deals with in conjunction with senior management, the external auditor, the internal audit function and the financial reporting team.

The committee's role is to ensure that management's disclosures reflect the supporting detail provided to the committee or challenge them to explain and justify their interpretation and, if necessary, re-present the information. The committee reports its findings and makes recommendations to the Board accordingly.

The committee is supported in this role by using the expertise of EY. In doing so it ensures that high standards of financial governance, in line with the regulatory framework as well as market practice for audit committees going forward, are maintained. Furthermore, PwC in their role as internal auditor contribute to the assurance process by reviewing compliance with internal processes.

The committee met four times during the year, with attendance at these meetings shown on pages 104 and 118, and considered the items of business shown below and overleaf.

The committee also reviewed the information presented in the Group's preliminary announcement, the company's processes for the preparation of the 2024 Annual Report and Accounts and the outcomes of those processes to ensure that we were able to recommend to the Board that the 2024 Annual Report and Accounts satisfied the requirement of being fair, balanced and understandable.

The following processes are in place to provide this assurance:

- Coordination and review of the Annual Report and Accounts performed alongside the formal audit process undertaken by EY.
- Guidance issued to contributors at an operational level.
- Internal challenge and verification process dealing with the factual content of the information within the Annual Report and Accounts.
- Comprehensive review by senior management and external advisers to ensure consistency and overall balance.

2024			2025
6 August – interim results		14 November – trading update	4 March – preliminary results; 8 April – annual financial report; 14 May – AGM
July meeting	**September meeting**	**December meeting**	**February meeting**
Key focus			
Half-yearly results	Audit assurance strategy and external audit planning	Audit assurance strategy and internal audit planning	Final results
Committee activity			
Reviewed and challenged the key accounting judgements applied in the preparation of the half-yearly results. Received a report from EY covering the accounting, financial control and audit issues identified during the half-yearly review. Reviewed the letter of representation issued to EY and made a recommendation to the Board to approve.	Considered the external audit strategy covering the audit approach, significant risks and areas of audit focus, scope and materiality for 2024.	Received an update on the audit assurance strategy plan, with a focus on change management assurance. Considered the findings from EY's controls report and reviewed progress on delivery of the audit strategy. Agreed the external audit engagement and estimated audit fee for 2024. Reviewed and approved the programme of internal audit reviews of the Group's operations and financial controls for 2025.	Reviewed and challenged the appropriateness of the accounting in relation to the significant financial judgements, estimates and non-underlying items in 2024. Received a report from EY covering the accounting, financial control and audit issues identified during the full-year audit. Reviewed the safeguards to the integrity, objectivity and independence of EY. Reviewed the preliminary results, the 2024 Annual Report and Accounts, the letter of representation issued to EY and made a recommendation to the Board to approve.
Other focus area – External audit			
Reviewed the independence and objectivity of EY, including the level of non-audit fees.	Reviewed the effectiveness of EY and the audit process.		Reviewed the independence and objectivity of EY, including the level of non-audit fees. Recommended the reappointment of EY as external auditor.

2024			2025
6 August – interim results		14 November – trading update	4 March – preliminary results; 8 April – annual financial report; 14 May – AGM
July meeting	**September meeting**	**December meeting**	**February meeting**
Other focus area – Internal controls and risk management			
Reviewed liquidity and going concern. Received an update on the ethics and compliance programme, covering cyber security monitoring. Received an update on the second line of defence programme to further enhance internal controls. Reviewed Keller's principal risks and uncertainties. Reviewed the risk register, updated Keller's top 10 risks and considered emerging risks.	Received an update on information assurance and security, including cyber security, across the Group. Reviewed the effectiveness of PwC's internal audit service.	Received an update on the ethics and compliance programme, covering cyber security monitoring. Considered scenarios aligned to the Group's principal risks to stress test the viability assessment. Received an update on progress with the Group risk programme covering principal and emerging risks and assurance frameworks to assess the effectiveness of the system of internal control. Received an update on the Group's progress made against the UK Corporate Governance reform, and approved the list of material controls and the proposed assurance model on behalf of the Board.	Received an update on progress of the second line defence operating model implementation. Received an update on the ethics and compliance programme. Reviewed the effectiveness of the system of internal control. Reviewed liquidity and going concern. Reviewed the analysis to support the viability statement. Received an update and monitored progress with the project to further strengthen the internal control framework. Reviewed the responses and key themes arising from the Group's annual Electronic Internal Control Questionnaire.
Other focus area – Governance			
	Reviewed the Board delegated authorities.	Reviewed the effectiveness of the committee, considering all the governance-related activities carried out during the year, in line with its terms of reference. Approved the committee's rolling agenda and areas of focus for 2025. Received an update on the reporting themes for the 2024 Audit and Risk Committee report. Reviewed and approved the Anti-Bribery and Anti-Fraud Policy and the Procurement Policy. Reviewed and recommended updates to the terms of reference. Received an update on the Group's pension position.	Approved the narrative of the 2024 Audit and Risk Committee report and principal risks related disclosures. Received a report on the disclosure of information to EY. Received an update on governance covering the Non-Audit Services Policy, other committee-related policies, and Executive Directors' expenses for the year. Reviewed a report on the Group's tax position and approved the tax strategy.
Other focus area – Internal audit			
Received an update on the work undertaken by PwC, including audit resource, progress and amendments to the 2024 internal audit plan, significant findings and audit actions, in addition to areas of focus included in the three-year internal audit plan.	Received an update on the work undertaken by PwC, including progress with the 2024 internal audit plan, significant findings and audit actions. Received an update on the new Global Internal Audit Standards.	Received an update on the work undertaken by PwC, including progress with the 2024 internal audit plan, significant findings and audit actions. Received from PwC the proposed internal audit plan for 2025.	Received an update on delivery of the 2024 internal audit plan, progress with the 2025 internal audit plan and approved the three-year internal audit plan. Received an update on actions taken to comply with the new Global Internal Audit Standards.
Other focus area – Financial reporting			
Key focus (as above).			Key focus (as above).

Audit and Risk Committee report continued

Significant audit risks and accounting judgements

In planning its agenda and reviewing the audit plans of the internal and external auditors, the committee has taken into account significant operational and financial issues and risks which may have had an impact on the company's financial statements, internal controls and/or the delivery and execution of the company's strategy (including changes in the nature and significance of some of the Group's principal risks as well as emerging risks).

The committee focused on assessing whether management had made appropriate judgements and estimates in preparing the company's financial statements, particularly with regard to the significant issues listed below. These issues were subject to robust challenge and debate between management, the external auditor and the committee.

The committee also reviewed detailed external auditor reports outlining work performed and any issues identified in respect of key judgements and estimates – in the independent auditor's report on pages 150 to 158. The committee concluded there was no significant disagreement or unresolved issue that required referral to the Board.

Accounting for construction contracts

Significant issues considered	How the committee addressed these issues
There has been no change to the revenue accounting policy approved in 2019 and set out in the Group Finance Standard issued in 2019. The policy has been in effect and operational throughout 2024 and we have seen consistent application of the revenue recognition methodology applied in the businesses and across contract types. Significant judgements are still required to be made on contracts for which a degree of uncertainty remains after application of the methodology.	During the year the committee monitored revenue recorded. This included material revenue related to contracts that were subject to settlement agreements and variation orders. The treatment recommended by management was in line with the approved policy and consistent with previous practice. The committee considered these issues at all of its meetings during the year and, in particular, in December 2024 and February 2025 when it agreed with management's recommendations. The reasonableness of the recommendations made by management was also discussed with EY.

Carrying value of goodwill

Significant issues considered	How the committee addressed these issues
The Group tests goodwill annually, to assess whether any impairment has been suffered. This test is carried out in accordance with the accounting policy set out in note 2 to the financial statements. The Group estimates the recoverable amount based on value-in-use calculations. These calculations require the use of assumptions, the most important being the forecast operating profits, forecast reliability and the discount rate applied. The key assumptions used for the value-in-use calculations are set out in note 15 to the financial statements.	The committee considered the results of impairment tests of goodwill prepared by management at its meetings in December 2024 and February 2025. Following discussion, consultation with EY and challenge, the committee agreed with the recommendations made by management. No goodwill impairment charge has been recognised this year.

Provisioning

Significant issues considered	How the committee addressed these issues
Given the nature of the contracts undertaken by the Group, there is an inherent risk of claims being made against one or more of the Group's businesses in relation to performance on specific contracts. These claims can include risks for which the Group has external insurance coverage. Recognition of liabilities for contract claims requires judgement and coordination between different Group functions.	The committee received regular updates from the CFO and information relating to legal and contract claims and assurance was provided by the divisional legal teams who reviewed the claims, with provisioning being assessed with input from divisional and Group finance.

Expected credit losses

Significant issues considered	How the committee addressed these issues
The recovery of trade receivables from customers in certain jurisdictions and circumstances can be challenging and subject to legal process, leading to uncertainty over the timing of cash inflows. Recognition of expected credit loss impairments for trade receivables and contract assets requires judgement.	The committee received regular updates from the CFO and information relating to expected credit losses was provided by the divisional finance teams who reviewed the open receivables balances, with provisioning being assessed with input from Group finance. Details of the allowance for expected credit loss are set out in note 20 to the statements.

Non-underlying items

Significant issues considered	How the committee addressed these issues
The disclosure of non-underlying items requires significant judgement given that no accounting standard defines specifically what items should or what items should not be presented as non-underlying.	The committee considered management's presentation of non-underlying items at its meetings in July and December 2024, and February 2025. The reasonableness of the assumptions made by management was discussed with EY. The committee agreed with the recommendations made by management.

Going concern

Significant issues considered	How the committee addressed these issues
Assessing the Group's ability to meet its obligations as they fall due in the near term requires estimates and judgements to be made about the likely performance of the Group. The improved financial performance in 2024 provides a strong platform for considering the Group's ability to continue as a going concern. However, going concern remains a key focus for the committee and judgements and estimates have been made on prevailing market conditions in order to complete this assessment.	The committee considered the judgements and estimates made by management in their assessment of the Group's ability to continue as a going concern for the period through to the end of March 2026, a period of at least 12 months from when the financial statements are authorised for issue, at its meetings in July and December 2024, and February 2025.

Internal audit

The Keller internal audit programme is risk-based, ensuring appropriate coverage dependent upon the size of the entity and the perceived risks associated with that operation. It also includes theme-based audits to review adherence to Group policies across the organisation.

The programme carried out by PwC during the year consisted of 15 operational entity audits and themed audits across 15 countries, which together represented approximately 19% of the Group's budgeted revenue for the year.

The committee received and considered reports from PwC which detailed the progress against the agreed work programme and the findings. In the majority of reviews, findings were limited to the need for formalising maintenance of evidence of controls performed. Where more significant control issues were identified, we reviewed the findings, discussed the remediation plans with management and received updates on the progress of remediating the control deficiencies. None of the control deficiencies identified are significant in relation to the preparation of the 2024 Annual Report and Accounts.

The audits carried out during 2024 have been performed against updated control standards wherever they have been issued and any improvement actions aligned to them. The majority of control standards are now in place and embedded across the Group, helping to improve the control environment and enable early identification of potential control breakdowns. Overall, progress was noticeable across business units and we have observed a demonstrably stronger control environment.

During the year, the committee completed an internally facilitated effectiveness assessment of the internal audit function. The work of the internal audit function was rated as fully conforming. We also held regular meetings with the Group Head of Risk and Internal Audit and PwC without management being present.

External audit

The committee has primary responsibility for managing the relationship with the external auditor and places great importance on ensuring there are high standards of quality and effectiveness in the provision of these services.

EY was appointed by shareholders at the AGM held in May 2019, and reappointed in subsequent years. The lead EY partner during the financial year ended 31 December 2024 was Kevin Weston, who had no previous involvement with the Group in any capacity prior to appointment.

The committee considered the effectiveness and quality of the external audit process and of EY as external auditor. This review included consideration of comprehensive papers from both management and the external auditor, and meetings with management in the absence of the external auditor. It considered matters including: the competence of the key senior members of the team and their understanding of the business and its environment; the planning process; effectiveness in identifying key risks; technical expertise displayed by the auditor over complex accounting matters; communicating and resolving audit issues; timeliness of the audit process; cost and communication of issues and risks to management and the committee.

There are a number of checks and controls in place for safeguarding the objectivity and independence of EY. These include open lines of communication and reporting between EY and the committee and, when presenting their 'independence letter', EY discuss with the committee their internal process for ensuring independence.

We assess the effectiveness of the external audit process on an ongoing basis, paying particular attention to the mindset and culture, skills, character and knowledge, quality control and judgement of the external audit firm in their handling of key judgements, responsiveness to the committee and in their commentary where appropriate on the systems of internal control. By way of an example, the Independent auditor's report sets out EY's approach to the risk of improper revenue recognition on page 154.

Audit and Risk Committee report continued

We hold regular private meetings with the external auditor, during which we discuss:

- How the auditor has identified and addressed potential risks to the audit quality.
- The controls in place within the audit firm to identify risks to audit quality.
- The level of challenge the auditor has discussed with the management team and their confidence on the control landscape.
- Whether the auditor has met the agreed audit plan and how it has responded to any changes that have been required.
- Feedback from key people involved in the audit.
- The content of the auditor's management letter.

A detailed assessment of the amounts and relationship of audit and non-audit fees and services is carried out each year, in line with our policy which regulates the placing of non-audit services to EY. This should prevent any impairment of independence and ensure compliance with the updates to the Code and revised Auditing and Ethical Standards with regard to non-audit fees. Any work awarded to EY, other than audit, with a value in excess of £50,000, requires the specific pre-approval of the Board. In 2024, non-audit-related fees paid to EY were less than 3% of the total audit fee. These relate to the half-year report review and are considered to be permitted services. The breakdown is available in note 6 of the accounts on page 174.

The external audit contract is put out to tender at least every 10 years. As part of the review of the effectiveness and independence of the external auditor, we recommend the reappointment of EY for the year ending 31 December 2025.

We confirm compliance with the provisions of the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014 for the financial year under review as well as the FRC's minimum standard for Audit Committees and the External Audit.

Risk management and internal control

The committee has a key role, as delegated by the Board, in ensuring appropriate governance and challenge around risk management. We also set the tone and culture within the organisation regarding risk management and internal control, paying particular attention to emerging risks.

Further information on the Group's risks can be found on pages 82 to 92.

The system of internal control is designed both to safeguard shareholders' investment and the Group's assets, and to facilitate the identification, evaluation and management of the significant risks facing the Group. Key elements of the Group's system of internal control include:

- An experienced and qualified finance function which regularly assesses the possible financial impact of the risks facing the Group.
- Monthly dashboard packs reviewed by the Executive Committee and the Board.
- Detailed business unit budget reviews with updates provided to the Board.
- Regular reports to the Board on health and safety issues.
- Regular visits to operating businesses by head office and divisional directors. Annual completion of internal control questionnaires by business unit management.
- Reports to the committee by PwC on the findings of their internal audit reviews of the controls, processes and procedures in place at each of the Group's in-scope units.

The Group aims to continuously strengthen its processes, with the involvement of the committee, to ensure these processes are embedded throughout the organisation. During 2024, we continued to support management in their efforts to enhance the system of internal controls, defining the following priorities and receiving updates on their progress:

- Continued development of the Group's financial control framework and setting of minimum control standards for all areas of financial reporting and operational finance.
- Monitoring of the implementation of the monthly sign-off checklist at each business to certify that accounting controls have been performed/complied with for the month.
- Review of internal control questionnaires, to identify common areas for improvement as well as to address specific risks and direct assurance efforts.
- Mapping of the Group's control environment to assess controls maturity across all functions within the Group.
- Successfully implementing a GRC tool to support the assessment, monitoring and reporting on risks and internal controls.

Although we review the Group's system of internal controls, any such system can only provide reasonable and not absolute assurance against any material misstatement or loss.

The committee reviewed and challenged the output of management's assurance map to assess controls maturity in the context of the various programme change initiatives under way such as ERP, finance transformation and PPM.

Controls response plan

Ongoing projects which were part of the plan launched last year include:

Second line of defence assurance

In 2024, we made significant progress on our UK Corporate Governance reform implementation plan. This included the identification and documentation of the material controls that address our principal risks and that will be included in the Board's future declaration on the effectiveness of material financial, operational, compliance and reporting controls. In identifying our material controls, the committee considered the completeness of the Group's principal risks and identified the level 2 and 3 risks that underpin those principal risks. We then identified the material controls that mitigate each of those risks through a series of workshops with the Executive Committee.

In some cases, these material controls are already in place and our work in 2025 will focus on assessing the adequacy of the documentation produced to evidence the performance of the controls. In other cases, the control will need to be implemented in 2025 and sufficient time given for the control to operate, before we will be able to demonstrate that the control is effective.

We also approved the assurance model that the Board will rely on to ensure that controls are operating effectively. We believe that the model is sufficiently robust and provides coverage across the first, second and third lines of defence, as well as fully independent assurance, where required. The model is also flexible enough to avoid unnecessary duplication of work by the second and third-line teams.

We are also investing significantly in our second line function to ensure that the right levels of assurance can be provided to the Board by the first reporting obligation.

Project management controls through the new PPM standard

The new Project Performance Management (PPM) standard and supporting guidance is planned to be finalised by Q1 2025 and then rolled out to the Group throughout 2025. The standard will be operationalised through a PPM application, with approval workflows configured in line with Board-delegated authorities. Furthermore, training on PPM will be delivered to all impacted employees. PPM is a material control for one of our principal risks – the ineffective management of our project. This material control will need to operate by 2026 to effectively mitigate the risk. These controls will be implemented along with the implementation of the standard and application, and tested throughout 2025 by the second-line assurance team.

Finance transformation

Overall, good progress was made in 2024 in transitioning finance activities to shared services centres (SSC) in APAC and EME. The focus next year will be in embedding the SSC model into our ways of working and progressing its implementation in the NA division.

Anti-bribery and anti-fraud

The committee is responsible for reviewing the Group's procedures for detecting fraud, and the systems and controls for preventing other inappropriate behaviour with a financial impact. Any instances of fraud or suspected fraud are reported directly to the Group Head of Risk and Internal Audit and the Company Secretary, or anonymously via the Group Whistleblowing hotline. All reports of suspected or actual fraud are treated with confidentiality and thoroughly reviewed and assessed.

During the year, the committee was kept fully apprised in regular updates on the progress and findings of investigations of cases of alleged fraud and any remedial actions taken. Nothing substantial was uncovered.

Corporate governance

The committee's terms of reference, which were reviewed and updated during the year, are available on our website (keller.com) and on request from the Committee Secretary.

It is intended that the committee is comprised of at least three members, all of whom are independent Non-executive Directors of the company with the necessary range of relevant sector, financial and commercial expertise to enable the committee to fulfil its terms of reference. They do so by providing independent and robust challenge to management and our internal and external auditors, and ensuring there are effective and high quality controls in place and appropriate judgements are taken. The Code requires the inclusion of one financially qualified member (as recognised by the Consultative Committee of Accountancy Bodies) with recent financial expertise. Currently, the Committee Chair and NED Stephen King fulfil this requirement.

To support effective governance and quality reporting, each meeting follows a set process:

- Before each meeting, the Committee Chair holds two pre-meetings to ensure the meetings are focused on key and emerging issues. The pre-meetings are held with the CFO and his team, and separately with the Group Head of Risk and Internal Audit and the Committee Secretary.
- We invite the Group Chairman, the CEO, the CFO, the Group Head of Risk and Internal Audit, the Company Secretary, the company's external auditor, EY, PwC in their role as internal auditor, and the Committee Secretary to all meetings. Senior finance and business managers are invited to some meetings to provide insight about specific business matters.
- All meetings are scheduled before Board meetings to enable the Committee Chair to report to the Board and ensure an efficient and timely reporting process.
- The Committee also has private meetings with the Group Head of Risk and Internal Audit and EY at least two times a year, in line with the financial reporting schedule, to allow open dialogue and feedback without management being present.

In line with best practice, the committee conducted an effectiveness review of the business covered during the year against its terms of reference.

Collectively, the committee has the competence relevant to the sector as required by the provisions of the Code, as well as the contracting and international skills and experience required to fully discharge its duties.

The committee is authorised by the Board to seek any information necessary to fulfil these duties and to obtain any necessary independent legal, accounting or other professional advice, at the company's expense.

Looking forward

In 2025 our priorities will be:

- Ensuring we are ready to meet our reporting obligations against the 2024 Code.
- Strengthening our second line assurance function.
- Progressing work on finance transformation with a focus on NA.
- Implementing and testing the PPM standard and application.

Annual statement from the Chair of the Remuneration Committee

REM

Dear shareholder

On behalf of the committee, I would like to share an overview of Executive Director remuneration for the year ended 31 December 2024.

Annette Kelleher
Chair of the Remuneration Committee

Role of the committee

The role of the committee is to determine and agree with the Board the framework or broad policy for the remuneration of the Chairman, the Executive Directors, their direct reports and such other members of the executive management as it is designated to consider. In addition, the committee is responsible for determining the total individual remuneration packages of the Chairman, the Executive Directors, the Secretary and other senior executives, ensuring compliance with legal and regulatory requirements whilst enhancing Keller's long-term strategy.

The committee also:

- determines the measures and targets for annual bonus plan objectives and outcomes for the Executive Directors, Executive Committee and other senior executives;
- exercises the powers of the Board in relation to share plans;
- sets and oversees the selection and appointment process of its remuneration advisers;
- monitors developments in corporate governance and, particularly, any impacts on remuneration practices; and
- reports on its activities to shareholders on an annual basis.

The Chair of the committee reports on the committee's activities at the Board meeting immediately following each meeting.

Committee composition during 2024	Meeting attendance
Annette Kelleher (Chair)[1]	4/4
Paula Bell	4/4
Juan G. Hernández Abrams	4/4
Stephen King[2]	2/2
Eva Lindqvist[3]	2/2
Baroness Kate Rock	4/4

1 Appointed as Chair following the AGM in May 2024.
2 Joined the Board and the committee in September 2024.
3 Stepped down from the Board and as Chair of the committee at the end of the AGM in May 2024.

Committee highlights in 2024

- Monitored developments in corporate governance and market trends, including the challenges presented by increasing geopolitical tension, levels of inflation and the impact across our wider workforce.
- Benchmarked and assessed the remuneration packages of the Executive Directors and the Executive Committee.
- Determined bonus outcomes for 2024 and the vesting outcome of the 2022–24 Performance Share Plan (PSP) awards.
- Set base salaries and established bonus arrangements for 2025 for the Executive Directors and the Executive Committee.
- Approved 2025–27 LTIP awards to Executive Directors, Executive Committee and other senior executives.
- Reviewed its terms of reference and the effectiveness of the committee.

I was pleased to be appointed as Chair of the Remuneration Committee in May 2024, following the AGM. I would like to thank Eva Lindqvist, the former Chair of this committee, for leading the review and shareholder consultation of our 2024 Remuneration Policy which was approved by 95.11% of our shareholders.

2024 business performance and incentive outcomes

Keller achieved record results in 2024, sustaining the prior year's material uplift in performance, whilst taking proactive steps to position it for future opportunities. Underlying operating profit increased by 18%, up to £212.6m (2023: £180.9m). Underlying operating margin increased to 7.1% (2023: 6.1%) whilst underlying earnings per share increased by 30%, driven by the higher underlying operating profit, as well as lower financing costs and a lower Group effective tax rate in the year. An improvement in cash flow generation also saw a significant reduction in net debt (on a IAS 17 lender covenant basis) to £29.5m (2023: £146.2m), equating to a net debt/EBITDA ratio of 0.1x (2023: 0.6x), outside the lower end of our leverage target range of 0.5x–1.5x.

The targets for the 2024 annual bonus for executive management were set by the committee in February of last year and remained unchanged throughout the year. When determining the bonus outcome, the committee considered overall company performance over the period, weighing the successful execution of the strategy and continued growth of the Group against the wider macroeconomic environment.

The annual bonus payments for 2024 reflect the very strong operational and financial performance of the Group. The financial measures, Group profit before tax and net debt, paid out in full. There was progress against the corporate objectives and the Executive Directors achieved 9% out of a possible 30% maximum. Overall, the annual bonus outturn was 79% of maximum.

After considering all the relevant factors for the 2024 bonus, the committee's view was that the outcome was fair and appropriate from both a performance perspective and also taking into account the wider stakeholder experience. Therefore, no discretion was exercised.

The performance of the PSP granted under the company's Long-Term Incentive Plan 2018 (LTIP) to executives in 2022 and vesting in March 2025 was improved from the previous PSP cycle. The operating profit margin, EPS and ROCE targets were met in full during the performance period and TSR vesting at maximum. Overall, the 2022 LTIP awards vested at 100% of maximum.

The committee carefully considered the vesting levels of the 2022 award, with additional reference to both the shareholder and wider workforce experience. It also specifically considered share price movements and was satisfied that there had been no inappropriate windfall gains over the period.

The committee determined that the LTIP outcome fairly and appropriately reflected performance over the three years and no discretion was exercised.

2025 wider workforce

Salary increases awarded across the business in 2025 were reviewed in conjunction with local benchmarking of in-country market median and industry level inflation data. The Remuneration Committee considers the wider workforce budgeting process and approval procedures for salary increases within Keller annually to ensure oversight and challenge at the Group level.

2025 salary review

Michael Speakman, CEO, and David Burke, CFO, were awarded salary increases of 4%. Their 2025 LTIP award levels have been increased from 2024 levels by 25% of base salary to 175% and 150% respectively. This is within the market median range and remains within our policy maximum of 200%. As additional context, the CEO and CFO are already aligned with the wider workforce pension rate of 7% of salary.

Year ahead: 2025 annual bonus plan and LTIP metrics

Management's focus continues to be on driving value by focusing on, and investing in, our key markets and the sustainability of operating profits and enhanced margins, whilst maintaining a robust balance sheet.

Since 2022, we have included a carbon reduction metric in management's corporate objectives, supporting our ambitious net zero targets for all three of our emission scopes which will culminate in carbon neutrality by 2050 at the latest. Recognising the continued importance of achieving these goals, we agreed a further Scope 1 reduction target to be included in management's corporate objectives in 2025. Further detail on the 2025 corporate objectives will be disclosed in the 2026 Annual remuneration report.

The four LTIP measures agreed in 2022 continue to support the delivery of the strategy and are therefore carried forward into 2025. Together with the targets for the LTIP for the year ahead, the measures are disclosed in the Directors' remuneration report. See page 139 for further details.

2025 Annual General Meeting (AGM)

We very much hope that you will support our 2024 Annual remuneration report at the AGM in May. I will be available at the AGM to answer any questions you may have about our work. Please also feel free to email your questions to us in advance at secretariat@keller.com and we will respond to them directly.

Annette Kelleher
Chair of the Remuneration Committee

Approved by the Board of Directors and authorised for issue on 3 March 2025.

Remuneration in context

The committee sets the Remuneration Policy for Executive Directors and other senior executives, taking into account the company's strategic objectives over both the short and the long term and the external market.

The committee:

- addresses the need to balance risk and reward;
- monitors the variable pay arrangements to take account of risk levels, ensuring an emphasis on long-term and sustainable performance; and
- believes that the incentive plans are appropriately managed and that the choice of performance measures and targets does not encourage undue risk-taking by the executives so that the long-term performance of the business is not compromised by the pursuit of short-term value.

The plans incorporate a range of internal and external performance metrics, measuring both operational and financial performance over differing and overlapping performance periods, providing a rounded assessment of overall company performance.

Linkage to all-employee pay

The committee reviews changes in remuneration arrangements in the workforce generally as we recognise that all our people play an important role in the success of the company. Keller is committed to creating an inclusive working environment and to rewarding our employees throughout the organisation in a fair manner. In making decisions on executive pay, the committee considers wider workforce remuneration and conditions to ensure that they are aligned on an ongoing basis.

As part of our commitment to fairness, we have a section in this report (see ESG and sustainability on page 36) which sets out more information on our wider workforce and our diversity initiatives.

Shareholder views

The committee engages proactively with the company's major shareholders and is committed to maintaining an open dialogue. The committee reviews any feedback received from shareholders as a result of the AGM process. Committee members are available to answer questions at the AGM and throughout the rest of the year. The committee takes into consideration the latest views of investor bodies and their representatives, including the Investment Association, the Pension and Lifetime Savings Association and proxy advice agencies such as Institutional Shareholder Services.

Remuneration principles

We strongly believe in fair and transparent reward throughout the organisation and when making decisions on executive remuneration the committee considers the context of wider workforce remuneration. This section shows how the 2018 Code is embedded in our remuneration principles and how they are cascaded throughout the organisation. The table below and on the following page shows how the policy is aligned with the factors set out in Provision 40, and how our principles and policy are aligned with the 2018 Code. During 2025 we will work to align our policy with the 2024 Code which removed this provision, and make appropriate disclosures in 2026.

Our purpose: Building the foundations for a sustainable future

Embedding our purpose and vision in our remuneration guiding principles

- Support our purpose, values and our wider business goals.
- Drive long-term sustainable performance for the benefit of all our customers, shareholders and wider stakeholders.
- Be simple, transparent and easily understood by internal and external stakeholders.
- Attract, motivate and retain all our employees with diverse backgrounds, skills and capabilities.

How we address the requirements under Provision 40

Cultural alignment and proportionality

- The committee ensures that the overall reward framework embeds our purpose and values.
- The committee reviews the executive reward framework regularly to ensure it supports the company's strategy.

Simplicity, clarity and predictability

- The committee ensures the highest standards of disclosure to our internal and external stakeholders.
- The committee makes decisions on executive pay in the context of all employees and the external environment.

Proportionality and risk

- A significant proportion of remuneration is delivered in variable pay linked to corporate performance.
- Performance measures/targets for incentives are objectively determined.
- Outcomes under incentive plans are based on holistic assessment of performance.

Cultural alignment and risk

- The committee ensures that a significant portion of reward is equity-based and thereby linked to shareholder return.
- Executive Directors are required to build significant personal shareholdings in the company and this is regularly monitored by the committee.

Clarity

- The committee ensures that the Executive Directors are provided with a remuneration opportunity which is competitive against companies of a similar size and complexity, with a strong emphasis on the variable elements.

Alignment of the policy to the Provisions of the 2018 Code

Clarity

The company's performance remuneration is based on supporting the implementation of the company's strategy measured through KPIs which are used for the annual bonus and LTIP. This provides clarity to all stakeholders on the relationship between the successful implementation of the company's strategy and the remuneration paid.

Simplicity

The policy includes the following:

- setting defined limits on the maximum awards which can be earned;
- requiring the deferral of a substantial proportion of the incentives in shares for a material period of time, helping to ensure that the performance earning the award was sustainable, and thereby discouraging short-term behaviours;
- aligning the performance conditions with the agreed strategy of the company as well as our sustainability and net zero carbon ambitions;
- ensuring a focus on long-term sustainable performance through the LTIP; and
- ensuring there is sufficient flexibility to adjust payments through malus and clawback and an overriding discretion to depart from formulaic outcomes, especially if it appears that the behaviours giving rise to the awards are inappropriate or that the criteria on which the award was based do not reflect the underlying performance of the company.

Predictability

Shareholders are given full information on the potential values which can be earned under the annual bonus and LTIP plans on their approval.

Proportionality

The company's incentive plans clearly reward the successful implementation of the strategy and our environmental ambitions, and through deferral and measurement of performance over a number of years ensure that the executives have a strong drive to ensure that the performance is sustainable over the long term. Poor performance cannot be rewarded due to the committee's overriding discretion to depart from the formulaic outcomes under the incentive plans if they do not reflect underlying business performance.

Alignment to culture

A key principle of the company's culture is a focus on our stakeholders and their experience; this is reflected directly in the type of performance conditions used for the bonus. The focus on long-term sustainable performance is also a key part of the company's culture. In addition, the measures used for the incentive plans are measures used to determine the success of the implementation of the strategy.

Remuneration at a glance

Overview of Remuneration Policy – How Executive Directors will be paid in future years

Shareholders approved a new policy at the 2024 AGM. The policy is available on our website. An overview of our policy and how it is proposed to apply in 2025 is set out below:

Fixed pay

Attract and retain high-calibre individuals needed to execute and deliver on the Group's strategic objectives.

Remuneration in 2025

Salary	CEO: £671,840 – 4% increase from 2024, below average salary increases of 5% awarded to UK-based employees	CFO: £440,960 – 4% increase from 2024, below average salary increases of 5% awarded to UK-based employees
Pension	7% of salary – aligned with the wider workforce rate	
Benefits	Includes car allowance, private healthcare and life assurance and long-term disability insurance	

Annual bonus

Rewards achievement of short-term financial and strategic targets.

Cash element

25% of bonus deferred into shares for two years

Maximum opportunity – up to 150% of salary. Awards subject to **malus and clawback.**

2025 bonus metrics:
- 50% PBT
- 20% Cash conversion
- 30% Corporate objectives

Performance Share Plan (PSP)

Focus on delivering value creation for shareholders and sustainable financial performance for the company over the long term.

3-year performance period

2-year holding period

Maximum opportunity – up to 200% of salary. For 2025, CEO will receive 175% of salary and CFO will receive 150% of salary.

Awards subject to **malus and clawback.**

2025 PSP metrics:
- 25% Cumulative EPS
- 25% ROCE
- 25% Relative TSR
- 25% Operating profit margin

- ✓ Aligned with our evolving strategy
- ✓ Aligned with strategic KPIs
- ✓ Aligned with shareholders
- ✓ Drive quality and sustainable performance

Shareholding guideline

Guideline applies in post, and extends beyond tenure.

In-post guideline: 200% of salary

Post-employment guideline: 100% of in-post shareholding (or actual shareholding if lower) in year 1 and at least 50% in year 2

Remuneration for 2024 – What Executive Directors earned during 2024

The Executive Directors received salary increases of 4.5% in 2024, below the salary increases to UK-based employees of 6.5%. The CEO received £645,510 and the CFO received £423,810 in base salary.

Annual bonus	Weighting	Threshold	Target	Max	Outcome (% of max)
Underlying operating profit, £m[1]	50%	148.5	165.0	198.0	100
		Performance outcome: 212.6			
Net debt, £m[2]	20%	171.1	155.1	124.4	100
		Performance outcome: 29.5			
Corporate objectives	30%	Summary of objectives on page 136			30
		Actual: 9% out of 30%			
Overall					**79**

PSP	Weighting	Threshold	Max	Outcome (% of max)
EPS	25%	330p	400p	100
		Actual: 454.5p		
TSR	25%	Median	Upper quartile	100
		Actual: Above upper quartile		
ROCE[3]	25%	12%	18%	100
		Actual: 22%		
Operating profit margin	25%	5.5%	6.5%	100
		Actual: 7.1%		
Overall				**100**

1 At 2024 actual exchange rates before non-underlying items.
2 IAS 17 covenant basis.
3 Average of the three-year ROCE for 2022–2024.

Annual remuneration report

The following section provides details of how Keller's Remuneration Policy was implemented during the financial year ended 31 December 2024.

Single total figure of remuneration for Executive Directors (audited)

The table below sets out a single figure for the total remuneration received by each Executive Director for the financial years ended 31 December 2023 and 2024:

	Executive Directors			
	Michael Speakman		David Burke	
	2024 £000	2023 £000	2024 £000	2023 £000
Salary	**646**	618	**424**	406
Taxable benefits[1]	**14**	14	**20**	20
Pension benefits[2]	**45**	43	**30**	28
Total fixed pay	**705**	675	**474**	454
Annual bonus[3]	**765**	729	**502**	478
PSP[4]	**2,026**	892	**1,108**	488
Total variable pay	**2,791**	1,621	**1,610**	966
Total pay	**3,496**	2,296	**2,084**	1,420

1 Taxable benefits consist of a car allowance of £12,000 and £18,000 for Michael Speakman and David Burke respectively, as well as private healthcare for both.

2 Pension benefits represent cash in lieu of pension for Michael Speakman. David Burke's pension contribution is paid into a private SIPP.

3 The annual bonus represents the value of the bonus receivable in respect of the Group's annual bonus plan for the relevant financial year. 25% of the bonus shown above will be deferred into Keller shares for a period of two years.

4 For the PSP, the value shown for 2024 reflects the final vesting outcome of the 2022 PSP award with performance measured over the three-year performance period 1 January 2022 to 31 December 2024. The final vesting outcome of the 2022 PSP award was 100% of maximum. The value of the award was calculated using a three-month average closing share price to 31 December 2024 of 1,562p. See page 133 for further details. The 2022 award is expected to vest on 17 March 2025. Using the average closing share price to 31 December 2024, Michael Speakman's 2022 PSP appreciated in value from the date of the award by £861,000 to the total disclosed value of £2,026,000.

Total pension entitlements (audited)

Michael Speakman and David Burke's pension rate has been set at 7% of base salary in line with the contribution rate provided to the majority of the UK workforce. The committee keeps the pension entitlement of the Executive Directors under review in the context of any changes in pension provision across the Group.

2024 annual bonus

The 2024 annual bonus was based 70% on the achievement of stretching profitability and net debt targets and 30% on individual corporate objectives aligned to the delivery of key strategic and operational priorities. Overall, the bonus outcome for 2024 was 79% of the maximum payout, for each Executive Director, based on performance as set out below:

	2024 measurement ranges and outcome				Bonus as % of salary			
					Executive Directors			
					Michael Speakman		David Burke	
Measures	Threshold 0%	Target 50%	Maximum 100%	Performance outcome[1]	Max %	Outcome %	Max %	Outcome %
Group underlying operating profit, £m	148.5	165.0	198.0	212.6	75	75	75	75
Group net debt (IAS 17 basis), £m	171.1	155.5	124.4	29.5	30	30	30	30
Total Group measures					105	105	105	105
Corporate objectives assessment					45	14	45	14
Total bonus					150	119	150	119
Base salary						£645,510		£423,810
Bonus based on performance outcomes					119	£764,929	119	£502,215

1 At 2024 actual exchange rates, before non-underlying items.

Corporate objectives

Corporate objectives are measurable deliverables that are jointly shared by the Executive Directors and the Executive Committee and are focused on supporting the delivery of Keller's key strategic activities. The committee determined that this was an appropriate basis to incentivise management to increase collaboration on strategic activities. The categories of the corporate objectives have maximums from 5% to 10% of base salary that can be attained, with an overall maximum of 30% of base salary available (20% weighting of total annual bonus plan for Executive Directors). The committee retains the right to apply discretion to the overall evaluation of the attainment of corporate objectives.

Corporate objective	Opportunity (maximum)	Actual performance	Outcome (maximum 30%)
Improved project execution	10.0% of base salary	Partially achieved	4.0%
Fixed and indirect cost management	10.0% of base salary	Not achieved	0.0%
An absolute 48% reduction in Scope 2 market-based emissions[1]	5.0% of base salary	Fully achieved	5.0%
A 35% reduction in 2024 Scope 1 emissions per £m revenue[1]	5.0% of base salary	Not achieved	0%
Attainment as assessed by the committee		9.0%	
Discretion applied			**None**
Final outcome			**9.0% achieved**

1 This will use the 2019 reported number as a baseline.

2024 annual bonus outcomes

The financial targets for Keller were fully met in 2024.

The objective scoring by the committee for performance in 2024 against corporate objectives resulted in an outcome of 14% of salary.

As described in the Chair's letter, the committee considered all relevant factors when determining the level of bonus payout and concluded that the annual bonus payments for 2024 reflect the very strong operational and financial performance of the Group. The committee's view was that the outcome was fair and appropriate from both a performance perspective and also taking into account the wider stakeholder experience.

2022–24 Performance Share Plan (PSP) outcomes (audited)

Based on EPS, TSR, ROCE and operating profit margin performance over the three years ended 31 December 2024, the PSP awards made in 2022 will vest as follows:

	Vesting schedule and outcome[3]				
	% of award that will vest				
Measures	0%	25%	100%	Outcome	Vesting %
25% weight					
Cumulative EPS over three years[1]	Below 330p	330p	400p	454.5p	25
25% weight					
Keller's relative TSR performance vs FTSE 250 Index[2] over three years	Below median	Median	Upper quartile	Above upper quartile	25
25% weight					
Average ROCE over three years[1,3]	Below 12%	12%	18%	22%	25
25% weight					
Operating profit margin	Below 5.5%	5.5%	6.5%	7.1%	25
Total vesting					100

1 EPS and ROCE are before non-underlying items on an IFRS 16 basis.

2 Excluding investment trusts and financial services.

3 Average of the three-year ROCE for 2022–24.

The committee carefully considered the vesting levels of the 2022 award, with additional reference to both the shareholder and wider workforce experience. It also specifically considered share price movements and was satisfied that there had been no inappropriate windfall gains over the period. The committee determined that the LTIP outcome fairly and appropriately reflected performance over the three years and no discretion was exercised.

In line with the policy, the committee has the ability to exercise malus and clawback with regard to incentive awards in certain circumstances as outlined in the policy. Overall, the committee considers that the policy has operated as it was intended during 2024.

Annual remuneration report continued

Scheme interests awarded in 2024 (audited) 2024–26 PSP

The three-year performance period over which performance will be measured began on 1 January 2024 and will end on 31 December 2026. Awards will vest in March 2027, subject to meeting performance conditions. Awards were made as follows:

Executive Director	Date of grant	Shares over which awards granted	Market price at award[1] (£)	Face value of the award at grant	Face value at threshold (£)	Face value at maximum (£)	Performance period
Michael Speakman	18 March 24	96,441	10.04	150% of salary	242,067	968,268	1 Jan 24–31 Dec 26
David Burke	18 March 24	52,765	10.04	125% of salary	132,440	529,761	1 Jan 24–31 Dec 26

1 The average of the daily closing price on 13, 14 and 15 March 2024 of the company's shares on the main market of the London Stock Exchange.

Vesting of the 2024–26 Performance Awards is subject to achieving the following performance conditions:

	Vesting schedule		
	% of award that will vest		
Measures	0%	25%	100%
25% weight			
Cumulative EPS over three years[1]	Below 400p	400p	500p
25% weight			
Keller's relative TSR performance vs FTSE 250[2] Index over three years or higher	Below median	Median	Upper quartile
25% weight			
Average ROCE over three years[1]	Below 20%	20%	25%
25% weight			
Operating profit margin in year three	Below 6.0%	6.0%	7.0%

1 EPS and ROCE are before non-underlying items on an IFRS 16 basis.
2 Excluding investment trusts and financial services.

To reflect the impact of any changes in IFRS accounting standards, the committee will consider adjusting financial targets appropriately for all subsisting PSP awards, ensuring that they are not materially easier or harder to satisfy than the original targets. Any amended targets determined by the committee will be disclosed to shareholders in the next Directors' remuneration report.

Directors' interests (audited information)

The table below sets out the beneficial interests of the Directors and their families in the share capital of the company as at 31 December 2024. None of the Directors has a beneficial interest in the shares of any other Group company. There have been no changes in the Directors' interests in shares since 31 December 2024 and the date of this report.

Director	Ordinary shares at 31 December 2024	Ordinary shares at 31 December 2023
Michael Speakman	**151,745**	120,299
David Burke	**44,348**	21,921
Peter Hill CBE	**53,000**	53,000
Carl-Peter Forster[1]	**–**	–
Baroness Kate Rock	**2,500**	2,500
Paula Bell	**1,581**	1,581
Juan G. Hernández Abrams	**–**	–
Annette Kelleher	**–**	–
Stephen King[2]	**–**	–

1 Carl-Peter Forster was appointed to the Board on 16 December 2024.
2 Stephen King was appointed to the Board on 1 September 2024.

Payments to former Directors

There were no payments made to former Directors of the company in 2024.

Payments for loss of office

There were no payments made to Directors for the loss of office in 2024.

Executive Directors' shareholding guideline (audited information)

The table below shows the shareholding of each Executive Director against their respective shareholding guideline as at 31 December 2024.

	Shares held	Awards held[1]			
	Owned outright or vested	Unvested and subject to performance conditions	Unvested without performance conditions[2]	Shareholding guideline % salary/fee	Current shareholding %[3] salary/fee
Michael Speakman	151,745	372,381	20,156	200%	341%
David Burke	44,348	203,739	13,233	200%	152%[4]

1 Dividend accruals are included in these numbers, totalling 13,647 shares for Michael Speakman and 7,544 shares for David Burke.
2 Deferred awards.
3 Reflects closing price on 31 December 2024 of 1,450p.
4 David Burke joined the Board in October 2020 and is expected to meet the shareholding guideline this year.

Supplementary information on Directors' remuneration

Outstanding Performance Share options/awards

Details of current awards outstanding to the Executive Directors are detailed in the table below:

	At 1 January 2024[1,2]	Granted during the year	Vested in year[2]	Lapsed during the year[2]	Dividend equivalents accrued during the year	At 31 December 2024[2]	Vesting date
Michael Speakman							
15 March 2021	118,722	–	113,557	5,165	–	–	15/03/24
15 March 2022 (deferred award)	27,349	–	27,349	–	–	–	15/03/24
15 March 2022	125,191	–	–	–	4,509	129,700	15/03/25
15 March 2023 (deferred award)	1,312	–	–	–	47	1,359	15/03/25
15 March 2023	137,802	–	–	–	4,964	142,766	15/03/26
18 March 2024 (deferred award)	–	18,144	–	–	653	18,797	18/03/26
18 March 2024	–	96,441	–	–	3,474	99,915	18/03/27
David Burke							
15 March 2021	64,952	–	62,126	2,826	–	–	15/03/24
15 March 2022 (deferred award)	17,956	–	17,956	–	–	–	15/03/24
15 March 2022	68,495	–	–	–	2,468	70,963	15/03/25
15 March 2023 (deferred award)	861	–	–	–	31	892	15/03/25
15 March 2023	75,395	–	–	–	2,716	78,111	15/03/26
18 March 2024 (deferred award)	–	11,912	–	–	429	12,341	18/03/26
18 March 2024	–	52,765	–	–	1,900	54,665	18/03/27

1 Awards are measured 25% on TSR outperformance of the FTSE 250 excluding investment trusts and financial services, 25% on EPS over three years of the performance period, 25% on ROCE, and 25% on operating margin in year three. Each performance period ends on 31 December of the third year.
2 Includes dividend equivalents added as shares since the date of grant.

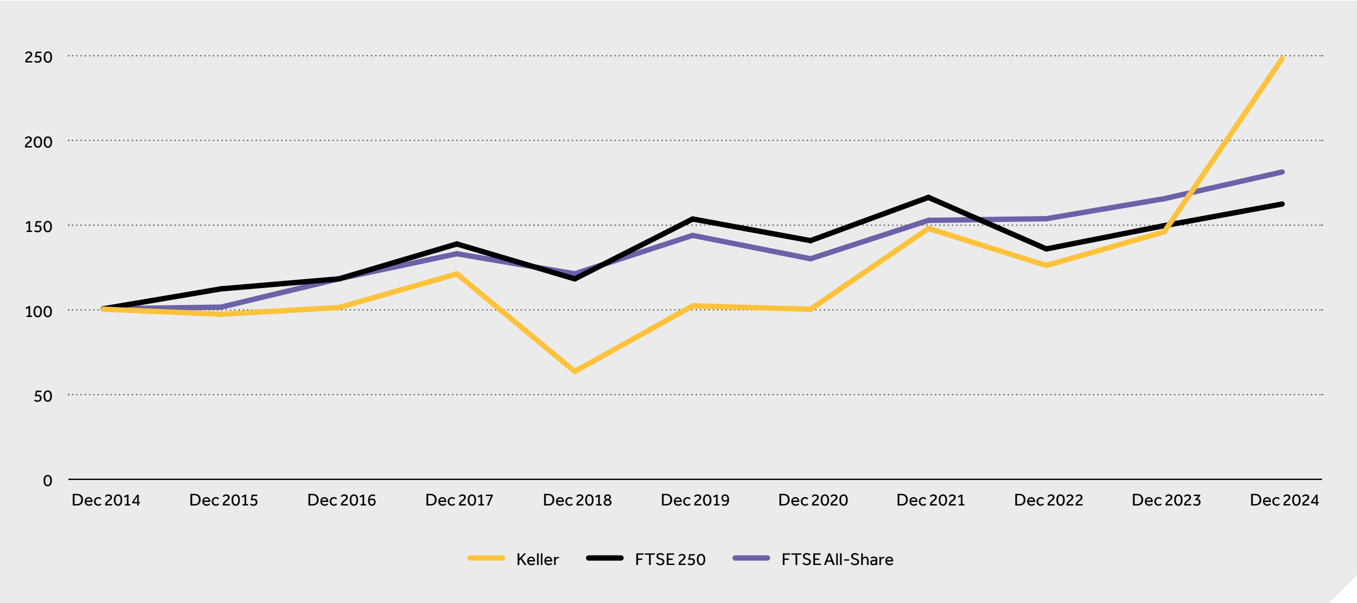
Annual remuneration report continued

Supplementary information on Directors' remuneration continued

CEO pay for performance comparison with TSR performance

The graph below shows the company's performance, measured by TSR, compared with the performance of the FTSE 250 Index (excluding investment trusts) and the FTSE All-Share Index. These indices have been selected as broad market indices, within which Keller is a constituent.

This graph shows the growth in value of a hypothetical £100 holding in Keller Group plc ordinary shares over 10 years, relative to a hypothetical £100 holding in the FTSE 250 and FTSE All-Share indices.



The table below details the CEO single figure of remuneration over the same period.

	2015[1]	2016	2017	2018[2]	2019[3]	2020	2021	2022	2023	2024
CEO single figure of remuneration (£000)	1,420	715	1,427	639	921	1,433	1,685[4]	1,297	2,296	**3,496**
Annual bonus as a % of maximum opportunity	85	12	59	0	25	93	90	4	79	**79**
PSP vesting as a % of maximum opportunity	67.3	0	33.9	0	26.5	10.6	36.6	61.9	95.6	**100**

1 The CEO single figure of remuneration has been calculated using Justin Atkinson's emoluments for the period from 1 January 2015 to 14 May 2015 and Alain Michaelis' emoluments for the period 14 May 2015 to 31 December 2015.

2 The committee exercised its discretion and applied 0% bonus in 2018.

3 The CEO single figure of remuneration has been calculated using Alain Michaelis' emoluments for the period from 1 January 2019 to 30 September 2019 and Michael Speakman's emoluments for the period 1 October 2019 to 31 December 2019.

4 Reflects the restatement of the PSP for 2021 to reflect the share price on the vesting date compared with the estimate published in the 2021 Annual Report and Accounts.

CEO pay ratio

The table below shows the comparison of the CEO's single total figure of remuneration (STFR) to the 25th, median and 75th percentile STFR of full-time equivalent UK employees on a Group-wide basis consistent with The Companies (Miscellaneous Reporting) Regulations 2018.

Financial year	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2019	Option A	26:1	19:1	15:1
2020	Option A	37:1	24:1	18:1
2021	Option A	43:1	30:1	22:1
2022	Option A	33:1	20:1	15:1
2023	Option A	51:1	33:1	25:1
2023 (restated with actual bonuses)	Option A	48:1	32:1	25:1
2024	Option A	**66:1**	**45:1**	**36:1**

The employees used for the purposes of the table on page 136 were identified as based in the UK and on a full-time equivalent basis as at 31 December 2024.

Option A was chosen as it is considered to be the most accurate way of identifying the relevant employees required by The Companies (Miscellaneous Reporting) Regulations 2018.

The CEO pay ratio has been calculated to show the remuneration of the CEO Michael Speakman, who has been CEO on a permanent basis for the full financial year.

Due to the timing of bonus payouts for the 2024 performance year, we have used the bonus payout for 2024 for the CEO and the bonus payouts for the comparison population that was paid in 2024, in respect of the 2023 performance year. We will update these figures with the actual amounts paid in 2025, in respect of the 2024 performance year, in next year's Annual remuneration report.

The following table provides salary and total remuneration information in respect of the employees at each quartile.

Financial year	Element of pay	25th percentile employee	Median employee	75th percentile employee
2023	Salary	£35,169	£50,531	£67,267
	Total remuneration	£44,722	£70,590	£92,825
2024	**Salary**	**£38,383**	**£54,165**	**£71,994**
	Total remuneration	**£52,643**	**£77,422**	**£96,894**

The Board has confirmed that the ratio is consistent with the company's wider policies on employee pay, reward and progression.

Director percentage change versus employee group

The table below shows how the percentage increase in each Director's salary/fees, taxable benefits and annual bonus between 2023 and 2024 compared with the average percentage increase in each of those components of pay for the UK-based employees of the Group as a whole. The committee has previously monitored year-on-year changes between the movement in salary, benefits and annual bonus for the CEO between the current and previous financial year compared with that of employees. As required under The Companies (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019, the analysis has been expanded to cover each Executive Director and Non-executive Director over a five-year history.

	% change 2023/24			% change 2022/23			% change 2021/22		
	% change in salary or fees	% change in benefits	% change in annual bonus	% change in salary or fees	% change in benefits	% change in annual bonus	% change in salary or fees	% change in benefits	% change in annual bonus
Executive Directors									
Michael Speakman[1]	**4.5**	**3.5**	**4.9**	5.1	3.6	1,983	3.0	1.90	(95.5)
David Burke[1]	**4.5**	**4.2**	**5.0**	5.2	2.3	1,978	3.0	2.00	(95.5)
Chairman and Non-executive Directors[2]									
Peter Hill CBE	**7.0**	**0.0**	**0.0**	5.0	0.0	0.0	5.0	0.0	0.0
Carl-Peter Forster[3]	**n/a**	**n/a**	**n/a**	n/a	n/a	n/a	n/a	n/a	n/a
Baroness Kate Rock	**(2.0)**	**0.0**	**0.0**	5.0	0.0	0.0	2.1	0.0	0.0
Paula Bell	**6.0**	**0.0**	**0.0**	5.0	0.0	0.0	2.4	0.0	0.0
Eva Lindqvist[4]	**(56.0)**	**0.0**	**0.0**	5.0	0.0	0.0	2.4	0.0	0.0
Juan G. Hernández Abrams	**5.0**	**0.0**	**0.0**	32.3	0.0	0.0	n/a	0.0	0.0
Annette Kelleher	**1,309.0**	**0.0**	**0.0**	n/a	n/a	n/a	n/a	n/a	n/a
Stephen King[5]	**n/a**	**n/a**	**n/a**	n/a	n/a	n/a	n/a	n/a	n/a
Nancy Tuor Moore[4]	**n/a**	**n/a**	**n/a**	n/a	n/a	n/a	(52.6)	0.0	0.0
Paul Withers[4]	**n/a**	**n/a**	**n/a**	n/a	n/a	n/a	n/a	n/a	n/a
Keller UK-based employees[6,7]	**5.9**	**13.4**	**48.8**	6.0	15.0	27.0	4.5	44.6	(11.8)

Annual remuneration report continued

Supplementary information on Directors' remuneration continued

Director percentage change versus employee group continued

	% change 2020/21			% change 2019/20		
	% change in salary or fees	% change in benefits	% change in annual bonus	% change in salary or fees	% change in benefits	% change in annual bonus
Executive Directors						
Michael Speakman[1]	2.0	(0.8)	(1.6)	39.3	0.0	412.4
David Burke[1]	364.4	300.0	332.5	n/a	n/a	n/a
Chairman and Non-executive Directors[2]						
Peter Hill CBE	2.6	0.0	0.0	8.3	0.0	0.0
Carl-Peter Forster[3]	n/a	n/a	n/a	n/a	n/a	n/a
Baroness Kate Rock	1.4	0.0	0.0	26.3	0.0	0.0
Paula Bell	1.6	0.0	0.0	8.8	0.0	0.0
Eva Lindqvist[4]	1.6	0.0	0.0	26.5	0.0	0.0
Juan G. Hernández Abrams	n/a	n/a	n/a	n/a	n/a	n/a
Annette Kelleher	n/a	n/a	n/a	n/a	n/a	n/a
Stephen King[5]	n/a	n/a	n/a	n/a	n/a	n/a
Nancy Tuor Moore[4]	(7.7)	0.0	0.0	6.0	0.0	0.0
Paul Withers[4]	n/a	n/a	n/a	(60.0)	0.0	0.0
Keller UK-based employees[6,7]	5.3	22.8	23.4	15.5	16.7	146.4

1 The substantial increase in all measures for David Burke between 2020 and 2021 reflects a full year of employment following his start date on 12 October 2020. In both 2020 and 2021 the financial targets relating to profitability and cash-based performance were achieved in full. The Executive Directors and the comparator group of employees are incentivised on the same financial metrics.

2 The increases for Non-executive Directors reflect the changes made during 2023 and 2024.

3 Carl-Peter Forster joined the Board on 16 December 2024.

4 Paul Withers, Nancy Tuor Moore and Eva Lindqvist retired in June 2020, May 2022 and May 2024 respectively.

5 Stephen King joined the Board on 1 September 2024.

6 The comparator group comprises the population of Keller UK and Group head office employees being professional/managerial employees based in the UK and employed on more readily comparable terms.

7 The change in components of the comparator group remuneration is on a per capita basis; the year-on-year increases reflect large percentage increases in small value benefits such as travel allowances.

Relative importance of spend on pay

The table below shows shareholder distributions (ie dividends) and total employee pay expenditure for the financial years ended 31 December 2023 and 31 December 2024, along with the percentage changes.

	2024 £m	2023 £m	% change
Distribution to shareholders[1]	**34.6**	27.7	25
Remuneration paid to all employees[2]	**790.1**	739.7	7

1 The Directors are proposing a final dividend in respect of the financial year ended 31 December 2024 of 33.1p per ordinary share.

2 Total remuneration reflects overall employee costs. See note 8 to the consolidated financial statements for further information.

Summary of implementation of the Remuneration Policy during 2024 and 2025

Overall, the committee considers that the Remuneration Policy has operated as it intended during 2024, with no deviations. A summary of how the committee intends the policy to be operated during 2025 can be found in the remaining pages of this report.

2025 base salary and benefits

The committee noted that salary increases for UK-based employees across the Group were generally around 5%, effective 1 January 2025. The Executive Directors received salary increases of 4% for 2025.

Benefits for 2025 will remain broadly unchanged from prior years.

2025 pensions

Pension contributions for Michael Speakman and David Burke have been set at 7% of base salary in line with the rate provided to the majority of the workforce in the UK and on a weighted average basis around Keller's most populous locations.

2025 annual bonus

For 2025, 70% of Executive Directors' bonus will be based on Group financial results and 30% will be based on shared corporate objectives. The performance measures will be underlying operating profit, an important indicator of the company's financial and operating performance, and a cash conversion target, a more operational measure. Targets for each measure are challenging but realistic and have been set in the context of the business plan. Targets will be disclosed retrospectively in the 2025 Annual remuneration report to the extent that they are no longer considered commercially sensitive.

25% of any bonus earned will be deferred into company shares for two years.

2025–27 Performance Share Plan Awards (PSP)

The 2025–27 PSP performance conditions will be assessed over three years based on the following measures: relative TSR (25% weight), cumulative EPS (25% weight), return on capital employed (ROCE) (25% weight) and operating profit margin (25% weight). These measures strongly align potential payout under the PSP with Keller's strategic priorities.

Relative TSR performance will be measured by ranking against FTSE 250 companies (excluding investment trusts and financial services). Under a ranked approach, a threshold vesting (resulting in 25% of that portion of the award vesting) will be for median performance against the comparator group; maximum vesting for upper quartile performance (or above) against the comparator group. Straight-line vesting between these points.

EPS will be measured on a cumulative basis enabling target setting to reflect business plans, market consensus and the position in the construction cycle.

Cumulative EPS of 725p over the three-year period will enable full vesting of this performance condition, with a threshold vesting of 25% if 600p is achieved.

ROCE will be measured on an average basis over the three-year performance period, with a threshold level of performance of 23% (leading to 25% of that portion of the award vesting) and a maximum of 30%. Straight-line vesting between these points.

Operating profit margin will be measured in year three (with a threshold vesting of 6.0% leading to 25% of that portion of the award vesting) and maximum of 8.0%. Straight-line vesting between these points.

These targets have been carefully assessed and the committee considers them to be appropriately stretching, given the company's business plans, opportunity set and investor expectations and the challenging macroeconomic environment.

2025–27 Performance Share Awards

To reflect the impact of any changes in IFRS accounting standards, the committee will consider adjusting financial targets for all subsisting PSP awards, ensuring that they are not materially easier or harder to satisfy than the original targets. Any amended targets determined by the committee will be disclosed to shareholders in the next Directors' remuneration report.

	Vesting schedule		
	% of award that will vest		
Measures	0%	25%	100%
25% weight – Cumulative EPS over three years[1]	Below 600p	600p	725p
25% weight – Keller's relative TSR performance vs FTSE 250[2] Index over three years	Below median	Median	Upper quartile
25% weight – Average ROCE over three years[1]	Below 23%	23%	30%
25% weight – Operating profit margin in year three	Below 6.0%	6.0%	8.0%

1 EPS is before non-underlying items on an IFRS 16 basis.

2 Excluding investment trusts and financial services.

Annual remuneration report continued

Chairman and Non-executive Director fees

Fees for the Non-executive Directors were reviewed with effect from 1 January 2025. The base fee was increased by 4.0%. Additional fees for chairing a committee and for the Senior Independent Director were increased by 8.7%. The role of designated NED for workforce engagement was increased from £5,500 to £5,750 and the fee for intercontinental travel was increased by 4.6%. The Chairman's fee was increased by 6.4% from 1 January 2025 to reflect appropriate market positioning and ongoing contribution prior to stepping down.

Single total figure of remuneration for Non-executive Directors (audited information)

The table below sets out a single figure for the total remuneration received by each Non-executive Director for the year ended 31 December 2024 and the prior year:

Non-executive Director	2024 £	2023 £
Peter Hill CBE	**235,000**	220,500
Eva Lindqvist[1]	**29,792**	67,725
Paula Bell[2]	**71,500**	67,725
Baroness Kate Rock[3]	**77,000**	78,235
Juan G. Hernández Abrams[4]	**82,500**	78,235
Annette Kelleher[5]	**67,188**	4,769
Stephen King[6]	**20,000**	–
Carl-Peter Forster[7]	**12,231**	–
Total fees	**595,210**	517,189

1 Eva Lindqvist retired in May 2024.
2 Paula Bell received additional fees of £11,500 as Chair of the Audit and Risk Committee.
3 Baroness Kate Rock received additional fees of £11,500 as Senior Independent Director and £5,500 as designated NED for workforce engagement.
4 Juan G. Hernández Abrams received additional fees of £11,500 as Chair of the Sustainability Committee and £11,000 for intercontinental travel.
5 Annette Kelleher received additional fees of £7,188 as Chair of the Remuneration Committee. This was pro-rated, from the £11,500 Chair fee, based on Annette's time served as Committee Chair in 2024.
6 Stephen King joined the Board on 1 September 2024.
7 Carl-Peter Forster joined the Board on 16 December 2024.

Letters of appointment

The Non-executive Directors all have letters of appointment and are subject to annual re-election by shareholders at the AGM. All appointments are for an initial three-year period, and thereafter subject to review by the Nomination and Governance Committee, unless terminated by either party on three months' notice. There are no provisions for compensation payable in the event of early termination.

Non-executive Director	Appointment date	Renewal date(s)	Renewal due
Paula Bell	1 September 2018	1 September 2021 and 1 September 2024	n/a
Carl-Peter Forster	16 December 2024	n/a	16 December 2027
Juan G. Hernández Abrams	1 February 2022	1 February 2025	1 February 2028
Peter Hill CBE	24 May 2016 (26 July 2016 as Chairman)	24 May 2019 and 24 May 2022	n/a
Annette Kelleher	1 December 2023	n/a	1 December 2026
Stephen King	1 September 2024	n/a	1 September 2027
Baroness Kate Rock	1 September 2018	1 September 2021 and 1 September 2024	n/a

Statement of shareholder voting

The following table sets out the results of the vote on the Remuneration report at the 2024 AGM and the Remuneration Policy at the 2024 AGM:

	Votes for		Votes against		Votes cast	Votes withheld
	Number	%	Number	%	Number	Number
Remuneration report	52,568,778	97.35	1,431,265	2.65	54,000,043	77,371
Remuneration Policy	51,360,080	95.11	2,639,884	4.89	53,999,964	77,450

Consideration by the Directors of matters relating to Directors' remuneration

The following Directors were members of the Remuneration Committee when matters relating to the Directors' remuneration for 2025 were being considered:

- Annette Kelleher
- Paula Bell
- Juan G. Hernández Abrams
- Stephen King
- Baroness Kate Rock

During the year, the committee received assistance from the Company Secretary, who is the Committee Secretary, the Chief People Officer and the Group Reward Consultant on salary increases, bonus awards, share plan awards and vesting, and policy and governance matters. The Chief Financial Officer presented information with regard to 2024 financial performance and 2025 budget and the three-year plan for 2025–27. In determining the Executive Directors' remuneration for 2024 and 2025, the committee consulted the Chairman and the CEO about its proposals, except (in the case of the CEO) in relation to their own remuneration. No Director was involved in determining their own remuneration.

No member of the committee has any personal financial interest (other than as a shareholder), conflict of interest arising from cross-directorships or day-to-day involvement in running the business. Given their diverse backgrounds, the Board believes that the members of the committee are able to offer an informed and balanced view on executive remuneration issues.

Corporate governance

The committee's terms of reference, which were reviewed during the year, are available on the Group's website (keller.com) and on request from the Committee Secretary.

The committee conducted an effectiveness review of the business covered during the year against its terms of reference.

External advisers

During the year, the committee received advice from Deloitte, an independent firm of remuneration consultants appointed by the committee after consultation with the Board. The committee is satisfied that Deloitte is and remains independent of the company and that the advice provided is impartial and objective. Deloitte is a founding member and signatory of the Code of Conduct for Remuneration Consultants, details of which can be found at remunerationconsultantsgroup.com.

During the year, Deloitte also provided advice in relation to tax compliance and risk advisory services. The committee is satisfied that the provision of these services did not impair Deloitte's ability to advise the committee independently and objectively. Their total fees for the provision of remuneration services to the committee for 2024 were £34,750.

Annette Kelleher
Chair of the Remuneration Committee

Approved by the Board of Directors and authorised for issue on 3 March 2025.

Sustainability Committee report

SUS

Dear shareholder

On behalf of the Board, I present the report of the Sustainability Committee for the year ended 31 December 2024.

Juan G. Hernández Abrams
Chair of the Sustainability Committee

Role of the committee

The role of the committee is to assist the Board of Directors in fulfilling its oversight responsibilities in relation to sustainability matters arising out of the activities of the Group.

Committee highlights in 2024

- Supported the rollout of Keller's first sustainability week across the Group.
- Supported management to extend Keller's culture and engagement programme to more business units.
- Monitored progress against TCFD disclosures.
- Recommended the inclusion of a new sustainability remuneration metric linked to Scope 1 emissions to the Board.
- Monitored progress against the year's environmental objectives.
- Monitored the CSRD working group's progress in understanding the regulatory reporting requirements and preparing for compliance in 2025.

Committee composition during 2024	Meeting attendance
Juan G. Hernández Abrams (Chair)	3/3
Paula Bell	3/3
Peter Hill CBE	2/3
Annette Kelleher	3/3
Stephen King[1]	1/1
Eva Lindqvist[2]	1/1
Baroness Kate Rock	3/3
Michael Speakman	3/3

1 Joined the Board and the committee in September 2024.
2 Stepped down from the Board at the end of the AGM in May 2024.

The committee continued to develop Keller's commitment to sustainable business activities throughout the year and dedicated significant time to developing the Group's approach to compliance under the Corporate Sustainability Reporting Directive (CSRD).

I was also particularly pleased to see Keller organise its first global sustainability week, engaging employees from every division and function on practical sustainability initiatives. I look forward to Keller building on this success with this year's sustainability week.

CSRD reporting

CSRD received significant attention from the committee during 2024, to ensure sufficient resources and expertise were engaged to assess the requirements of the new regulation. To that effect, a cross-divisional and cross-functional working group was formed to ensure a cohesive and uniform approach to compliance. We also appointed PwC to support on a three-phase plan which involved a legal entity scoping exercise, a double materiality assessment and a European Sustainability Reporting Standards (ESRS) gap analysis.

The CSRD reporting project aims to provide insight and transparency to our materiality assessment in a proportionate and pragmatic way, incorporating key stakeholders throughout the process whilst ensuring compliance with the requirements of CSRD. We believe that a more considered materiality assessment of the impacts our activities have on the environment and our stakeholders will be instrumental in identifying our key risks and opportunities, particularly in shaping Keller's sustainability strategy and how this delivers value for our stakeholders. For further details on our approach to compliance with CSRD, please see page 66.

TCFD reporting

The committee's attention on increasing the scope and quality of our TCFD disclosures continued.

As a consequence of this focus, we made progress in our fourth year of reporting under TCFD, expanding our physical and transition risk scenario analysis to include the EME and APAC divisions. Further details can be found on pages 48 to 64. Furthermore, our transition risks and opportunities were reviewed to ensure alignment with the strategic initiatives of the Group.

The committee diligently considered the value derived from implementing metrics and targets to be reported, against the resourcing required to achieve this and the benefits to our stakeholders. This demonstrates Keller's ambition to effectively and efficiently manage and mitigate our climate-related risks and opportunities in a way that delivers value for our stakeholders and the long-term success of the Group. The committee plays an active role in providing regular assurance on sustainability matters, along with governance and scrutiny over strategic, climate-related topics.

For more information on the specific climate-related risks and opportunities, please see page 89 in the principal risks and uncertainties section of this report.

Carbon reduction targets

Many of our business units dedicated time to analyse the intensity of different solutions on our Scope 1 emissions. This has proven vital to the committee in focusing resources on initiatives which look to target those most carbon-intensive solutions and offer to Keller's clients more sustainable alternative solutions. This marked a significant step towards understanding the extent and causes of our Scope 1 emissions and achieving our net zero 2024 target despite not achieving a strict 5% reduction in Scope 1 emissions per £m revenue in 2024. Additionally, the option of biofuels (HVO) as an alternative for clients was rolled out across several more business units.

As a result of the Group achieving its Scope 2 emissions reduction target in 2023, we have strengthened the Scope 2 remuneration target to drive performance. Thanks to this and the focus from most of our business units, we have reduced our Scope 2 emissions across the Group in line with our target. Implementation of green energy tariffs and electric vehicle chargers across the highest contributing business units to Scope 2 emissions realised significant energy and money savings.

Multiple initiatives are under way to quantify and reduce Scope 3 emissions, with a focus on cement and steel emissions. The new ERP system, when available, will be designed to have the capability to capture the necessary data for measuring Scope 3 emissions.

Employee engagement

The committee continued to lead engagement by the Board and its committees with our workforce, making sure that the Directors understand and learn from the views of all our stakeholders. Opportunities for the Directors to learn from the views of our workforce arose in particular during the year when the Board met Divisional Presidents and business unit leaders from across the organisation during a conference in September, where we learned about the progress they have been making and their local challenges.

> We believe that a more considered materiality assessment of the impacts of our activities will be instrumental in identifying our key risks and opportunities.

As part of Keller's culture and engagement programme to drive better business performance and improve employee engagement, the Group invested in developing its own people to diversify the skills available in the internal talent pipeline, the aim being to achieve this through delivery of quality and consistent content across the Group via internally developed programmes.

To actively monitor the culture of the business, the Board and the committee, supported by the Chief People Officer and his team, regularly reviewed the results of employee engagement surveys, as well as the insights from focus groups and site visits. Where consistent themes emerged, these were fed into the appropriate strategies to further strengthen our culture.

Our culture

How we work, shaped by our values and behaviours

Our track record of successful projects would not be possible without the passion, commitment and enthusiasm of the 10,000 people who work for Keller across the world.

Our culture is the backbone of our organisation and makes Keller a great place to work. It encompasses our shared values, beliefs and behaviours and characterises our identity, guides our decision-making and aims to ensure that everyone feels respected, accepted, supported and valued.

During 2024, the committee oversaw the engagement of external consultants to support the Keller team in the assessment of culture, with a view to relaunching the People Agenda. The People Agenda will provide a structured way of getting and acting on employee feedback to continually improve the employee experience and drive better business performance.

Activities

Further detail on the committee's activities can be found in the Planet, People and Principles sections of our ESG and sustainability report, starting on page 22, but I would like to highlight the following topics considered during the year:

- Supported the Board in achieving its objective to continue the reduction of Scope 1 and 2 emissions during the year.
- Suggested the strengthening of the Scope 2 remuneration target for Executive Directors, and the inclusion of a Scope 1 reduction remuneration target to the Board.
- Dedicated resources to developing an understanding and assessment of Keller's Scope 3 emissions. This has included bringing together leaders from across the Group from a variety of backgrounds and collecting existing high level data on Scope 3 emissions to be used as a starting point for future calculations. In addition, awareness raising through initiatives such as Sustainability Week across the Group.
- Oversaw the engagement of external consultants and remained abreast of the progress of the CSRD working group in determining the nature and extent of reporting requirements.
- Reviewed management's proposal to assess and monitor Keller's culture, with a view to promoting high performance and employee empowerment through transparency of organisational roles and goals.
- Reviewed and promoted management's proposal to invest towards internal talent and skills development, including performance management.

Sustainability Committee report continued

Corporate governance

The remit of the committee is set out in its terms of reference which are available on the Group's website (keller.com) and on request from the Committee Secretary. During this financial year, the committee held formal meetings in February, July and December, with attendance at the meetings shown on pages 104 and 142.

The committee was comprised of the independent Non-executive Directors of the company, the Group Chairman and the CEO until the end of 2024. Following a review, it was agreed that from 1 January 2025 the Group Chairman and the CEO would no longer serve as members. The committee may invite members of the senior management team to attend meetings where it is felt appropriate, and the CFO, the Chief Sustainability Officer and Company Secretary, the Chief People Officer and members of their teams regularly attend meetings. The Group Head of Secretariat is the Committee Secretary.

The Board delegates authority to the committee to manage and mitigate Keller's environmental and social-related risks and plan opportunities, and review relevant people, social and community policies and practices, but the Board maintains ultimate accountability for these, monitoring the efficacy, expertise and knowledge of the committee in executing the sustainability strategy. The Committee Chair is the Director responsible for ESG and sustainability matters and he reports periodically to the Board.

Our organisational and reporting structure for climate governance, and how it fits within our governance framework, is set out in the TCFD section from page 48 onwards.

In addition, the committee's performance, and that of its members, was evaluated internally in an exercise facilitated by the Secretary and overseen by the Group Chairman. More detail about this exercise can be found on page 113.

Looking forward

Our priorities for 2025 will revolve around:

- Ensuring we have the appropriate systems in place to collect the data required to report against CSRD.
- Continuing to embed climate and social risks and opportunities in our overall strategy.
- Advancing our people and culture agendas.
- Horizon scanning on environmental and wider sustainability matters.
- Supporting the company in its progress towards net zero.
- Assisting the Remuneration Committee in monitoring the impact of ESG targets on remuneration.
- Continuing to engage employees on sustainability matters and delivering our second global sustainability week.

I look forward to meeting shareholders who attend our AGM this year to answer any questions on this report or on the committee's activities. Shareholders are also encouraged to email their questions to the Committee Secretary at secretariat@keller.com.

Juan G. Hernández Abrams
Chair of the Sustainability Committee

Approved by the Board of Directors and authorised for issue on 3 March 2025.

CASE STUDY

Chairman celebrates International Women's Day in India

Keller India welcomed Group Chairman Peter Hill, who met with women employees and local school students to hear their views and experiences on an inclusive future.

During the insightful visit, Peter spoke to women engineers who discussed the importance of education in expanding opportunities, enhancing confidence and defying gender stereotypes. They also highlighted the important role men have in supporting women and helping to break down barriers.

Peter talked about the progress of women in geotechnical engineering over the years, noting the increasing representation of women in the construction industry and the increased opportunities available to them, referencing his wife's personal experience in becoming US President and CEO of construction company Costain, and the first woman Non-executive Director of several multi-billion-dollar companies.

Twenty female students from a local school Keller had renovated as part of a Corporate Social Responsibility project were also there to recite poems and give speeches on women's empowerment.

The hugely successful visit included gifts for the students and concluded with senior managers from Keller India planting trees as a symbolic gesture of sustainability and growth.

Directors' report

The Directors present their report together with the audited consolidated financial statements for the year ended 31 December 2024.

Kerry Porritt
Company Secretary

This report is required to be produced by law. The Disclosure Guidance and Transparency Rules and the Listing Rules also require us to make certain disclosures.

The Corporate governance statement, including the Audit and Risk Committee report, forms part of this Directors' report and is incorporated by reference. Disclosures elsewhere in the Annual Report and Accounts are cross-referenced where appropriate. Taken together, the Strategic report on pages 1 to 92 and this Directors' report fulfil the requirement of Disclosure Guidance and Transparency Rule 4.1.5R to provide a Management report.

Results and dividends

The results for the year, showing an underlying profit before taxation of £191.4m (2023: £153.4m), are set out on pages 159 to 214. Statutory profit before tax was £183.9m (2023: £125.6m). The Directors recommend a final dividend of 33.1p per share to be paid on 20 June 2025, to members on the register at the close of business on 23 May 2025. An interim dividend of 16.6p per share was paid on 13 September 2024. The total dividend for the year of 49.7p (2023: 45.2p) will amount to £35.6m (2023: £32.7m).

Going concern and viability statements

Information relating to the going concern and viability statements is set out on page 85 of the Strategic report and is incorporated by reference into this report.

Financial instruments

Full details can be found in note 26 to the financial statements and in the Chief Financial Officer's review.

Post balance sheet events

Please see page 202 for post balance sheet events.

Change of control

The Group's main banking facilities contain provisions that, upon 15 days' notice being given to the Group, lenders may exercise their discretion to require immediate repayment of the loans on a change of control and cancel all commitments under the agreement.

Certain other commercial agreements, entered into in the normal course of business, include change of control provisions. There are no agreements providing for compensation for the Directors or employees on a change of control.

Directors' report continued

Transactions with related parties
Apart from transactions between the company, its subsidiaries and joint operations, which are related parties, there have been no related party transactions during the year.

Directors and their interests
The names of all persons who, at any time during the year, were Directors of the company can be found on pages 98 and 99. The interests of the Directors holding office at the end of the year in the issued ordinary share capital of the company and any interests in its Performance Share Plan are given in the Directors' remuneration report on pages 134 and 135.

No Director had a material interest in any significant contract, other than a service contract or a contract for services, with the company or any of its operating companies during the year.

The company's Articles of Association indemnify the Directors out of the assets of the company in the event that they suffer any loss or liability in the execution of their duties as Directors, subject to the provisions of the 2006 Act. The company maintains insurance for Directors and Officers in respect of liabilities which could arise in the discharge of their duties. The Company has also entered into qualifying third-party indemnity arrangements for the benefit of all its Directors in a form and scope which complies with the requirements of the 2006 Act. These indemnities were in force throughout the year and up to the date of this Annual Report and Accounts.

Powers of the Directors
The business of the company is overseen by the Board, which may exercise all the powers of the company subject to the provisions of the company's Articles of Association, the 2006 Act and any ordinary resolution of the company. Specific treatment of Directors' powers regarding allotment and repurchase of shares is provided under separate headings in the following pages.

Amendment of the company's Articles of Association
Any amendments to the company's Articles of Association may be made in accordance with the provisions of the 2006 Act by way of special resolution. The company's Articles of Association were last amended in May 2017.

Appointment and replacement of Directors
Directors shall be no fewer than two and no more than 12 in number. Subject to applicable law, a Director may be appointed by an ordinary resolution of shareholders in a general meeting following nomination by the Board or a member (or members) entitled to vote at such a meeting, or following retirement by rotation if the Director chooses to seek re-election at a general meeting. In addition, the Directors may appoint a Director to fill a vacancy or as an additional Director, provided that the individual retires at the next AGM. A Director may be removed by the company as provided for by applicable law, in certain circumstances set out in the company's Articles of Association (for example bankruptcy, or resignation), or by a special resolution of the company. All Directors stand for re-election on an annual basis, in line with the recommendations of the Code.

Employees
The Group employed 10,000 people at the end of the year.

Employment policy
The Group gives full and fair consideration to applications for employment made by disabled persons, having regard for their respective aptitudes and abilities. The policy includes, where practicable, the continued employment of those who become disabled during their employment and the provision of training and career development and promotion, where appropriate. Information on the Group's approach to employee involvement, equal opportunities and health, safety and the environment can be found in the ESG and sustainability section of this report on pages 22 to 44.

Section 172 statement
During the financial year, the Directors have considered the needs of the company's stakeholders as part of their decision-making process. Details are set out in our section 172 statement on pages 108 to 110.

Political donations
No political donations were made during the year. Keller has an established policy of not making donations to any political party, representative or candidate in any part of the world.

Greenhouse gas emissions
Information relating to the greenhouse gas emissions of the company is set out on page 27 and is incorporated by reference into this report.

Research and development
The Group continues to have in-house design, development and manufacturing facilities, where employees work closely with site engineers to develop new and more effective methods of solving problems of ground conditions and behaviour. Most of the specialised ground improvement equipment used in the business is designed and built in-house and, where applicable, the development costs are included in the cost of the equipment.

Share capital
Details of the share capital, together with details of the movements in the company's issued share capital during the year, are shown in note 28 to the consolidated financial statements. The company has one class of ordinary shares which is listed on the London Stock Exchange (ordinary shares). Ordinary shares carry no right to a fixed income and each ordinary share carries the right to one vote at general meetings of the company.

There are no specific restrictions on the size of a shareholding, nor on the transfer of shares, which are both governed by the Articles of Association and the prevailing law. The Directors are not aware of any agreements between shareholders that may result in restrictions on voting rights and the transfer of securities. No person has any special rights of control over the company's share capital and all issued shares are fully paid.

Details of employee share plans are set out in note 32 to the consolidated financial statements. Treasury shares and shares held by the Keller Group plc Employee Benefit Trust are not voted.

Repurchase of shares
The company obtained shareholder authority at the last AGM (15 May 2024) to buy back up to 7,277,660 shares. The authority remains outstanding until the conclusion of the 2025 AGM but could be varied or withdrawn by agreement of shareholders at an intervening general meeting. The minimum price which must be paid for each ordinary share is its nominal value and the maximum price is the higher of an amount equal to not more than 5% above the average of the middle market quotations for an ordinary share, as derived from the London Stock Exchange Daily Official List for the five business days immediately before the purchase is made, and an amount equal to the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for an ordinary share on the trading venue where the purchase is carried out.

Allotment of shares and pre-emption disapplication
Shareholder authority was given at the 2024 AGM for the Directors to allot new shares (i) up to an aggregate nominal amount of £2,425,887, approximately equivalent to one-third of the company's issued share capital (excluding treasury shares) as at 4 March 2024 and (ii) in connection with a rights issue, a further aggregate nominal amount of £2,425,887, approximately equivalent to an additional one-third of the company's issued share capital (excluding treasury shares) as at 4 March 2025. Shareholder authority was also granted to disapply pre-emption rights: (i) up to an aggregate nominal amount of £727,776, representing approximately 10% of the company's issued share capital as at 4 March 2024, on an unrestricted basis and (ii) up to a further aggregate nominal amount of £727,776, representing approximately a further 10% of the company's issued share capital for use in connection with an acquisition or specified capital investment announced either contemporaneously with the issue, or which has taken place in the preceding 12-month period and is disclosed in the announcement of the issue and (iii) in the case of both (i) or (ii), up to an additional 2% in connection with a follow-on offer to retail investors or existing investors not allocated shares in the offer.

The Directors have not used, and have no current plans to use, these authorities.

Auditor
The Board, upon the recommendation of the Audit and Risk Committee, has decided that Ernst & Young LLP (EY) will be proposed as the Group's auditor for the year ending 31 December 2025 and a resolution to reappoint EY will be put to shareholders at the 2025 AGM.

AGM
The full details of the 2025 AGM, which will take place on 14 May 2025, are set out in the Notice of Meeting, together with the full wording of the resolutions to be tabled at the meeting.

Substantial shareholdings
At 3 March 2025, the company had been notified in accordance with chapter 5 of the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority of the voting rights of shareholders in the company as per the table below:

Ordinary shares	Number of ordinary shares	Percentage of the total voting rights
FIL Limited	10,238,935	14.03
JP Morgan Asset Management Holdings Inc.	3,680,048	5.04
Dimensional Fund Advisors LP	3,649,304	5.00
Schroders plc	3,634,008	4.99
Perpetual Limited	3,633,898	4.99
Franklin Templeton Institutional, LLC	3,557,757	4.96
Aberforth Partners LLP	3,597,495	4.94
Artemis Investment Management LLP	3,561,152	4.94
Standard Life Aberdeen plc	3,443,366	4.78
Baillie Gifford & Co	3,327,404	4.60

Source: TR1 notifications made by shareholders to the company.

Disclaimer
The purpose of this Annual Report and Accounts is to provide information to the members of the company, as a body, and no other persons.

The company, its Directors and employees, agents or advisers do not accept or assume responsibility to any other person to whom this document is shown or into whose hands it may come and any such responsibility or liability is expressly disclaimed.

The Annual Report and Accounts contains certain forward-looking statements with respect to the operations, performance and financial condition of the Group. By their nature, these statements involve uncertainty since future events and circumstances can cause results and developments to differ materially from those anticipated. The forward-looking statements reflect knowledge and information available at the date of preparation of this Annual Report and Accounts and the company undertakes no obligation to update these forward-looking statements. Nothing in this Annual Report and Accounts should be construed as a profit forecast.

Other information
The Directors who held office at the date of approval of this Directors' report confirm that, in accordance with the provisions of section 418 of the 2006 Act, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each Director has taken all the steps that he or she ought to have taken as a Director to make him or herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Kerry Porritt
Company Secretary

Approved by the Board of Directors and authorised for issue on 3 March 2025.

Registered office:
2 Kingdom Street
London W2 6BD

Registered in England No. 2442580

Statement of Directors' responsibilities
in respect of the Annual Report and the financial statements

The Directors are responsible for preparing the Annual Report and the Group and company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and company financial statements for each financial year. Under that law they have elected to prepare the Group financial statements in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006, and the parent company financial statements in accordance with UK Accounting Standards, including FRS 101 Reduced Disclosure Framework.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and company and of their profit or loss for that period. In preparing each of the Group and company financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- for the Group financial statements, state whether they have been prepared in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006;
- for the company financial statements, state whether the applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the company financial statements;
- assess the Group and company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic report, a Directors' report, a Directors' remuneration report and a Corporate governance statement that comply with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statement of the Directors in respect of the Annual Report and the financial statements

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation as a whole; and
- the Strategic report and the Directors' report, including content contained by reference, includes a fair review of the development and performance of the business and the position and performance of the company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

The Board confirms that the Annual Report and the financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

The Strategic report (pages 1 to 92) and the Directors' report (pages 145 to 147) have been approved by the Board of Directors and authorised for issue on the date shown below.

Kerry Porritt
Company Secretary

3 March 2025

Registered office:
2 Kingdom Street
London W2 6BD

Registered in England No. 2442580

Financial statements

Additional information

Independent auditor's report
to the members of Keller Group plc

Opinion

In our opinion:

- Keller Group plc's Group financial statements and parent company financial statements (the 'financial statements') give a true and fair view of the state of the Group's and of the parent company's affairs as at 31 December 2024 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Keller Group plc (the 'parent company') and its subsidiaries (the 'Group') for the year ended 31 December 2024 which comprise:

Group	Parent company
Consolidated balance sheet as at 31 December 2024	Balance sheet as at 31 December 2024
Consolidated income statement for the year then ended 31 December 2024	Statement of changes in equity for the year then ended 31 December 2024
Consolidated statement of comprehensive income for the year then ended 31 December 2024	Related notes 1 to 10 to the financial statements including material accounting policy information
Consolidated statement of changes in equity for the year then ended 31 December 2024	
Consolidated statement of cash flows for the year then ended 31 December 2024	
Related notes 1 to 35 to the financial statements, including material accounting policy information	

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and parent in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or the parent company and we remain independent of the Group and the parent company in conducting the audit.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group and parent company's ability to continue to adopt the going concern basis of accounting included:

- In conjunction with our walkthrough of the Group's financial statement close process, we confirmed our understanding of management's going concern assessment process and engaged with management early to ensure key factors were considered in their assessment, including the evaluation of the current economic environment impacting the Group and our own independent assessment of risk. This included macroeconomic factors such as uncertainty over future interest rates, the price of steel and continued inflationary pressure over the cost of material, energy and labour.
- We obtained management's Board-approved forecast cash flows and covenant calculation covering the period of assessment from the date of signing to 31 March 2026. As part of this assessment, the Group has modelled a number of adverse scenarios in their cash forecasts and covenant calculations in order to incorporate unexpected changes to the forecasted liquidity of the Group.
- We assessed the reasonableness of the cash flow forecast through analysing management's historical forecasting accuracy, challenging the robustness of the Group's order book, and considering actual post year-end performance to date. We have assessed how management considered the future profitability and cash flows to take account of changes in cyclical demand in North America and the conclusion of large non-recurring projects in EME. We evaluated the key assumptions underpinning the Group's assessment by challenging the measurement and completeness of downside scenarios modelled by management and how these compare with principal risks and uncertainties of the Group.
- We considered the extent to which emerging climate-related risks may affect the Group's assessment, including assumptions around 'Environmental, Social and Governance' related covenants or levies, the cost of climate adaptation solutions, and the exposure to extreme weather events which could delay project completion or cause damage to physical assets. We have also considered the impact of increased replacement cost for capex arising from stranded assets which do not meet the required carbon emission standards.

- We tested the clerical accuracy and logical integrity of the cash flow forecast model, used to prepare the Group's going concern and viability assessments.
- We considered whether the Group's forecasts and related key assumptions in the going concern assessment were consistent with other forecasts used by the Group in its accounting estimates, including goodwill impairment and deferred tax asset recognition.
- We evaluated, based on our own independent analysis, what reverse stress testing scenarios could lead either to a breach of the Group's banking covenants or a liquidity shortfall and whether these scenarios were plausible.
- Our analysis also considered the mitigating actions that management could undertake in an extreme downside scenario and whether these were achievable and in control of management.
- We confirmed the continued availability of debt facilities through the going concern period and reviewed their underlying terms. This included the Group's new revolving credit facility of £400m which replaced the previous £375m facility. We have agreed the terms of the group's facilities to executed documentation and agreed the amounts drawn down at year-end to external confirmations from the banks.
- We extended our procedures (including inquiries of management, considering the forward order book, and maturity of debt/availability of access to future financing in the viability period) to consider events beyond 31 March 2026, including the forecast for covenant compliance at the next testing interval as at 30 June 2026.
- We considered whether management's disclosures in the financial statements sufficiently and appropriately capture the impact of the Group's principal risks and uncertainties on the going concern assessment and through consideration of relevant disclosure standards.
- The audit procedures performed in evaluating the Directors' assessment were performed by the Group audit engagement team, however we also considered the financial and non-financial information communicated to us from our component teams of key locations as sources of potential contrary indicators which may cast doubt over the going concern assessment.

The results from both management's evaluation and our independent reverse stress testing suggest that the Group would need to be exposed to the financial impact of extreme downside events materialising together throughout the going concern period in order to breach its covenants or exhaust its available funding.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and parent company's ability to continue as a going concern for a period to 31 March 2026.

In relation to the Group and parent company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group's ability to continue as a going concern.

Overview of our audit approach

Audit scope	• We performed an audit of the complete financial information of three components and audit procedures on specific balances for a further fifteen components. We also performed specified audit procedures on certain accounts on six additional components. We performed central procedures on financial statement line items as detailed in the 'Tailoring the scope' section below.
Key audit matters	• Improper revenue recognition. • Carrying value of goodwill.
Materiality	• Overall Group materiality of £9.6m which represents 5% of profit before tax, adjusted for one-off, non-underlying items.

Independent auditor's report continued
to the members of Keller Group plc

An overview of the scope of the parent company and Group audits

Tailoring the scope

In the current year our audit scoping has been updated to reflect the new requirements of ISA (UK) 600 (Revised). We have followed a risk-based approach when developing our audit approach to obtain sufficient appropriate audit evidence on which to base our audit opinion. We performed risk assessment procedures, with input from our component auditors, to identify and assess risks of material misstatement of the Group financial statements and identified significant accounts and disclosures. When identifying components at which audit work needed to be performed to respond to the identified risks of material misstatement of the Group financial statements, we considered our understanding of the Group and its business environment, the potential impact of climate change, the applicable financial framework, the Group's system of internal control at the entity level, the existence of centralised processes, applications and any relevant internal audit results.

We determined that centralised audit procedures would be performed on goodwill, investments, derivative financial instruments, share based payments, finance income and costs, deferred tax asset recoverability, equity, and consolidation/head office adjustments. We also centrally tested the cash, loans and borrowings balances in components that did not form part of the overall scoping assessment outlined below, to the extent that the total amounts not tested across the Group were immaterial.

We then identified three components as individually relevant to the Group due to materiality or financial size of the components relative to the Group. These were the operating businesses in the United States of America, Australia and the parent company, Keller Group plc. We then identified an additional nine components as individually relevant to the Group based on the materiality of specific accounts relative to the Group or due to the presence of significant events and conditions underlying the identified risks of material misstatement of the Group's financial statements. These comprised a number of the Group's key operating businesses across the Asia-Pacific ('APAC') and Europe and Middle East ('EME') divisions and the Group's captive insurance company.

For those individually relevant components, we identified the significant accounts where audit work needed to be performed at these components by applying professional judgement, having considered the Group significant accounts on which centralised procedures will be performed, the reasons for identifying the financial reporting component as an individually relevant component and the size of the component's account balance relative to the Group significant financial statement account balance.

We then considered whether the remaining Group significant account balances not yet subject to audit procedures, in aggregate, could give rise to a risk of material misstatement of the group financial statements. We selected twelve further components of the Group to include in our audit scope to address these risks which consisted of holding companies, the Canada trading business, and smaller businesses across the APAC and EME divisions.

Of the twenty-four components selected, we designed and performed audit procedures on the entire financial information of three components ('full scope components'). For fifteen components, we designed and performed audit procedures on specific significant financial statement account balances or disclosures of the financial information of the component ('specific scope components'). For the remaining six components, we performed specified audit procedures to obtain evidence for one or more relevant assertions.

Our scoping to address the risk of material misstatement for each key audit matter is set out in the Key Audit Matters section of our report.

Involvement with component teams

In establishing our overall approach to the Group audit, we determined the type of work that needed to be undertaken at each of the components by us, as the Group engagement team, or by component auditors operating under our instruction.

In addressing the appropriateness of oversight arrangements for component teams, the Group engagement team executed an oversight strategy consisting of physical and virtual site visits for in-scope components, the latter being enabled through the use of video conferencing. The Group engagement team (including the Senior Statutory Auditor) visited the principal operating business in the United States of America (North America) and Australia (APAC) during the planning/interim phase of the audit which involved discussing the audit approach with the component team and any issues arising from their work, meetings with local and divisional management to discuss key accounting judgements on revenue and provisions, conducting contract site visits, and reviewing key audit working papers in the high risk areas. In addition to the visits to North America and Australia, also at year-end, executives from the Group engagement team also visited Germany and Poland as part of the EME division oversight procedures. During these visits, the team reviewed component key audit working papers in the high-risk areas, discussed the audit approach with the component team and addressed relevant audit matters arising from the procedures performed.

The virtual site visits, which occurred throughout the key audit periods, involved the Group engagement team meeting with our component teams to discuss and direct their audit approach, reviewing key working papers and understanding the significant audit findings in response to the risk areas including revenue recognition and areas of judgement and estimation such as contract liabilities and provisions for legal claims (including insured liabilities). We also attended virtual meetings with local management, obtaining updates on reported financial performance and significant risk areas for the audit, including the anticipated business outlook during the going concern period.

The Group engagement team interacted regularly with the component teams, during various stages of the audit, reviewed key working papers and were responsible for the scope and direction of the audit process. This, together with the additional procedures performed at Group level, gave us appropriate evidence for our opinion on the Group financial statements.

Climate change

Stakeholders are increasingly interested in how climate change will impact Keller Group plc. The Group has assessed the principal risks and impact of climate change for the business in relation to (a) its inability to deliver environmentally friendly and/or regulatory conforming solutions impacting its clients and reputation, (b) disruptions to operations and damage/impairment to assets or installed works from physical events, such as storms, floods or wildfires, and (c) transition risks such as the cost of carbon intensive materials, and the growing necessity to monitor and report reduction of Scope 3 emissions.

These are explained on pages 48 to 65 in the Task Force on Climate-Related Financial Disclosures and on page 89 in the principal risks and uncertainties. The Group has also explained its climate commitments in pages 25 to 31. All of these disclosures form part of the 'Other information', rather than the audited financial statements. Our procedures on these unaudited disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated, in line with our responsibilities on 'Other information'.

In planning and performing our audit we assessed the potential impacts of climate change on the Group's business and any consequential material impact on its financial statements.

The Group has explained in its basis of preparation in note 2 on how they have considered the impact of climate change in their financial statements, particularly in the context of the risks identified in the TCFD disclosure on pages 48 to 65 this year. The basis of preparation also explains management consideration of the impact of climate change in respect to (a) estimates of future cash flows used in impairment assessments of the carrying value of goodwill, (b) the useful economic life of plant, equipment and other intangible assets; and (c) going concern and viability of the Group over the next three years. Whilst management disclosed that there is currently no material short-term impact expected from climate change, they are aware of the variable risks arising from climate change and thus they will regularly assess these risks against judgement and estimates made in preparation of the Group's financial statements.

Our audit effort in considering the impact of climate change on the financial statements was focused on evaluating management's assessment of the impact of climate risk, physical and transition, their climate commitments, the effects of material climate risks disclosed on pages 48 to 65 and the significant judgements and estimates disclosed in note 2. We have assessed whether the impact of climate related risks have been appropriately reflected in future cash flows used to assess the carrying value of goodwill, economic life of plant, equipment and other intangible assets and the going concern and viability assessment (see note 2) following the requirements of UK adopted international accounting standards. As part of our audit testing and applying profession scepticism, we performed our own risk assessment, supported by our climate change internal specialists, to determine the risks of material misstatement in the financial statements from climate change which needed to be considered in our audit. Our audit testing included challenges to management with regards to cost assumptions around climate adaptation solutions, and the exposure to extreme weather events which could delay project completion or cause damage/impairment to physical asset and the assumptions for capex requirement in the forecasted going concern and viability period including goodwill. We corroborated our analysis with market available information for any change in climate related regulations and discussion with our component team. In determining the valuations and the timing of future cashflows, we acknowledged that there is degree of certainty involved and all climate related risks or future outcome are not yet known

We also challenged the Directors' considerations of climate change risks in their assessment of going concern and associated disclosures. Where considerations of climate change were relevant to our assessment of going concern, these are described above.

Based on our work we have not identified the impact of climate change on the financial statements to be a key audit matter. We considered the impact of climate change on the future cash flows which have been used to assess the carrying value of goodwill and going concern including the viability assessment. Details of our procedures and findings on the goodwill impairment assessment are included in the key audit matters section below.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Independent auditor's report continued

to the members of Keller Group plc

Risk	Our response to the risk
Improper revenue recognition (management override of controls) (2024: £2,986.7m, 2023: £2,966.0m) Refer to the Audit and Risk Committee report (page 122); Accounting policies (page 166); and note 4 of the consolidated financial statements (page 173). The Group recognises revenue over time from contracts either through the output method or the input method basis, depending on the size and nature of the contract (in accordance with the guidelines provided in the Group revenue recognition policy and IFRS 15). The judgements involved in determining revenue recognition under both recognition methods present a significant fraud risk as results are susceptible to manipulation, particularly around the estimation in determining the cost to complete and the percentage of completion achieved at the year end. Other risks include the use of inappropriate measures or assumptions to determine progress made in satisfying performance obligations, the judgement required for evaluating unapproved change orders and claims, and fictitiously recording manual 'top-side' journal entries to misstate revenues recognised. The Group also provides specialist post-tension materials to customers in the residential and commercial sectors, as well as geotechnical monitoring solutions. The revenue from sales of these materials is recognised at a point of time, based upon the satisfaction of the performance obligations. We have identified that there is a risk that such revenues could be manipulated at or near to the period end through inappropriate 'cut-off' to meet income statement targets	For all significant revenue balances which we considered to be in scope, we: • Performed walkthroughs of significant classes of revenue transactions and assessed the design effectiveness of key controls. • Considered the appropriateness of supporting evidence and the requirements of IFRS 15 and the Group's accounting policies e.g. where contracts include additional entitlements for variations and claims, both for and against the Group. • Performed a risk assessment of higher risk revenue contracts based on size and risk (value/margin, balance sheet exposure, stage of completion and/or complexity), obtained an understanding of such contracts and any key judgements and assumptions. We challenged the appropriate recognition of revenue , contract provisions and onerous contract provisions, where applicable, on such contracts. • Challenged the level of unbilled revenue and the adequacy of the evidence to prove recoverability, including ageing analysis, fluctuation/lookback analysis compared with out-turn expectation, and testing of reconciling items between contract reports and the subledgers;. • Obtained and reviewed costs to complete schedules and challenged the judgements and assumptions within those schedules to determine whether the contract is expected to be loss making and an onerous provision is required. • Assessed the appropriateness of cost allocation across contracts (e.g., verify no manipulation of costs between profit-making and loss-making contracts) due to continued inflationary cost pressure; • Performed detailed correlation analysis between revenue, trade receivables and cash, to identify anomalous entries which do not align with the critical flow of transactions. This test also included vouching a sample of transaction to source documentation and cash receipts. • Performed procedures over journal entries posted to revenue, reversing journals and unusual descriptions, and focusing on journals posted by management or those charged with governance; and • Performed specific enquiries with local management and project managers over authenticity, recoverability of unbilled revenue amounts. • Performed inquiries of internal and external legal counsel to obtain insights or any ongoing or potential legal disputes that could impact revenue recognition • Performed site visits to physically verify the progress of significant projects and contracts.

Key observations communicated to the Audit and Risk Committee
From the audit procedures performed, we conclude that the recognition of revenue was appropriate, that the judgements made by management are consistent with the accounting policy to be applied to all contracts with customers, and that the presentation and disclosure of revenue is materially correct.

How we scoped our audit to respond to the risk and involvement with component teams:
We instructed our component teams to perform, full and specific scope audit procedures over this risk in fifteen locations. For three locations, we performed the procedures centrally. Our total procedures covered 91% of the Group's revenue.

We reviewed key audit workpapers, attended meetings with divisional management to discuss the audit approach and key findings, and maintained regular communication with component teams to ensure alignment and address any issues that arose during the audit process.

Risk	Our response to the risk
Carrying value of goodwill (2024: £107.6m; 2023: £107.6m) Refer to the Audit and Risk Committee report (page 122); Accounting policies (page 168); and note 15 of the consolidated financial statements (page 181). Under IAS 36, an entity must assess intangible items with an indefinite useful life annually, or whenever indicators of impairment are present for all other assets. Due to the degree of estimation involved in calculating the expected future cash flows from cash-generating units (CGUs) and determining appropriate long-term growth rates and discount rates specific to each CGU (including those arising from acquisitions), we have identified a significant risk regarding the assessment of any impairment against goodwill carrying values, as well as the identification of any indicators of impairment as an area of significant risk.	We have performed the following: • Performed a walkthrough to understand the impairment analysis and calculation process (e.g., management's process over the data and assumptions used), level of review on the outlook data in future years and how key inputs were derived. • Evaluated the appropriateness of the CGUs identified given changes in Group structure (including acquisitions) and the allocation of assets and liabilities to the CGUs. • In respect of each CGU, we have challenged management over the key inputs and on the achievability of the cash flow forecasts. We have assessed the projected financial information against recent performance and other market data to assess the robustness of management's forecasting process. • Assessed the discount rates applied against cash flows for each CGU by obtaining the underlying data used in the calculation and benchmarking against comparable organisations with the support of our EY valuation specialists. • Validated the revenue/margin growth rates assumed for the projected financial information for each CGU by comparing them to economic and industry forecasts. • Given the uncertainty attached to forecasts presented by rising costs, skills shortages and the potential for suspension or delay to key projects, we have assessed management's assumptions in relation to these factors including the ongoing market uncertainties and increasing costs of materials and labour, in determining the ability to achieve cash flow forecasts. • Analysed the historical accuracy of budgets compared with actual results to determine whether forecast cash flows are reliable based on past experience. • Challenged the assumptions in the approach taken to determine working capital levels over the forecast period, focusing on the principal reasons and timing of larger fluctuations and how this compared with the historical trend. • Challenged the underlying assumptions in the cash flow forecast by performing stand back procedures, analysing any contradictory evidence through both researching the general macro-economic environment in which the CGU operates including reviewing the board minutes, chairman report, trading & regulatory updates and other relevant evidence available during the audit. • Performed an integrity review of the goodwill model to be able to conclude that the formulae and construction of these models are effective and accurate. • Performed sensitivity analyses by testing key assumptions in the model to recalculate a range of potential outcomes in relation to the size of the headroom between carrying value and fair value. • Considered the appropriateness of the related disclosures provided in the notes to the Group financial statements.

Key observations communicated to the Audit and Risk Committee
Our procedures focused on the CGUs where the headroom was either lower and/or sensitive to changes in key assumptions, including improved future performance, or have historically not achieved budget. We have designated the Norway and Canada CGUs as higher risk CGUs on this basis.

For both Keller Norway and Keller Canada, we have considered the minimum performance levels required for both revenue and operating profit margin in the forecast period for the CGU to reach an impairment. We concluded both Keller Norway and Keller Canada are not impaired on the basis of this analysis which included an assessment of the historic normalised margin achieved, strength of current order book, and operational improvements made in the current year. Despite the improvement in operating profit margin, the headroom in these CGUs remains sensitive to this improved operational performance. As a result, we have ensured that adequate disclosures have been made in the annual report regarding the key sensitivities, assumptions, and available headroom for both the Canada and Norway CGU

For the remaining CGUs, there is sufficient headroom to support the carrying value.

We concluded that management has accounted for the carrying value of goodwill appropriately and has included sufficient disclosure over the key assumptions and sensitivities impacting CGUs in note 15.

How we scoped our audit to respond to the risk and involvement with component teams
All audit work performed to address this risk was undertaken centrally by the Group engagement team, covering 100% of the balance. Component teams have supported the Group engagement team in assessing the growth rates and achievability of the cash flows based on their understanding of the business and local market and industry conditions.

In the prior year, our auditor's report included a key audit matter over quality of earnings including the disclosure of non-underlying items. We note that the quantity and magnitude of non-underlying items have decreased in the current year compared with previous years. Consequently, we have downgraded the associated risk and have not recognised this area of our audit to be a key audit matter during the current period.

Independent auditor's report continued
to the members of Keller Group plc

Our application of materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Group to be £9.6 million (2023: £7 million), which is 5% (2023: 4.6%) of profit before tax adjusted for adjusted one-off, non-underlying items. We believe that profit before tax provides us with an appropriate materiality basis that excludes non-underlying items.

We determined materiality for the Parent Company to be £6.3 million (2023: £5.3 million), which is 1% (2023: 1%) of Equity. Equity is the most appropriate measure given the parent company is an investment holding company with no revenue. The materiality determined for the standalone parent Company financial statements exceeds the Group materiality as it is determined on a different basis given the nature of the operations. For the purposes of the audit of the Group financial statements, our procedures, including those on balances in the parent company that are consolidated, are undertaken with reference to the Group assigned materiality and performance materiality set out in this report.

Starting basis	• £183.9m • Profit before tax for the year
Adjustments	• £7.5m • Non-Underlying items for the year
Materiality	• Totals £191.4m • Materiality of £9.6m (5% of materiality basis)

During the course of our audit, we reassessed initial materiality noting that there was an increase compared with the original assessment attributable to the performance and profit before tax of the Group. The underlying basis of materiality was not changed compared with the planning stage.

Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality was 75% (2023: 50%) of our planning materiality, namely £9.6m (2023: £7m). We have set performance materiality at this percentage after considering various factors such as the historical record of misstatements, our ability to evaluate the likelihood of misstatements, the effectiveness of the control environment, and the factors influencing the entity and its financial reporting. The increase from 50% to 75% was made due to a thorough evaluation of the control environment, which demonstrated its effectiveness in mitigating risks, and a historical analysis indicating a lower frequency of misstatements. As part of our rationale in increasing the percentage applied for performance materiality, we also held discussions with components and management, along with a review of interim workbooks and internal audit reports, to ensure there were no indications that there was an increased risk of material misstatements occurring during the year.

Audit work was undertaken at component locations for the purpose of responding to the assessed risks of material misstatement of the Group financial statements. The performance materiality set for each component is based on the relative scale and risk of the component to the Group as a whole and our assessment of the risk of misstatement at that component. In the current year, the range of performance materiality allocated to components was £1.4m to £6.3m (2023: £0.7m to £3.15 m).

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of £0.48m (2023: £0.35m), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the Annual Report and Accounts set out on pages 1 to 217, including the Strategic report on pages 1 to 92, and Corporate Governance Report set out on page 93 to 148, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the part of the Directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Corporate governance statement

We have reviewed the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group and company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the UK Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 85;
- Directors' explanation as to its assessment of the company's prospects, the period this assessment covers and why the period is appropriate set out on page 85;
- Directors' statement on whether it has a reasonable expectation that the Group will be able to continue in operation and meets its liabilities set out on page 85;
- Directors' statement on fair, balanced and understandable set out on page 148;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 82 to 92;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 82 to 92; and
- The section describing the work of the audit committee set out on page 118.

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 148, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the parent company or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report continued
to the members of Keller Group plc

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are those related to the reporting framework (IFRS, IFRS adopted pursuant to FRS 101, United Kingdom Generally Accepted Accounting Practice, the Companies Act 2006 and the Corporate Governance Code) and the relevant tax compliance regulations in the countries of operations of the reporting components. In addition, we concluded that there are certain significant laws and regulations which may have an effect on the determination of the amounts and disclosures in the financial statements. These are based on the nature of the Group's operations and the key geographies in which they operate in, and include (but are not limited to): labour and employment laws, health and safety, the Modern Slavery Act 2015, the Bribery Act 2010 and the Listing Rules of the London Stock Exchange.
- We understood how Keller Group plc is complying with those frameworks by making enquiries of management, reviewing management procedures for oversight by those charged with governance (i.e. considering the potential for override of controls or other inappropriate influence over the financial reporting process, such as efforts by management to manage earnings in order to influence the perceptions of analysts as to the Group's performance and profitability), the culture of honesty and ethical behaviour and whether a strong emphasis is placed on fraud prevention, which may reduce opportunities for fraud to take place, and fraud deterrence. We corroborated our enquiries through our review of Board minutes, discussions with the Audit and Risk Committee, any correspondence received from regulatory bodies and those responsible for legal and compliance procedures and the Company Secretary.
- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by meeting with management to understand where they considered there was susceptibility to fraud. We also considered performance targets and their influence on efforts made by management to manage earnings or influence the perceptions of analysts. Where this risk was considered to be higher, we performed audit procedures to address each identified fraud risk. The key audit matters section above covers those procedures performed in areas where we have concluded the risks of material misstatement are highest, including where we have identified a risk of fraud. These procedures included testing manual journal entries, a focus on the recoverability of unbilled revenue, and considerations over information produced by the entity including work over the authenticity of key evidence received during the audit.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of Board minutes to identify non-compliance with such laws and regulations, review of reporting to the Audit and Risk Committee on compliance with regulations and enquires of the Company Secretary and management.
- We have performed inquires of internal and external legal counsel to identify risks of material misstatement. We have made further inquiries with project managers to investigate any inconsistencies in data prepared by the finance team, including any transfers of costs between projects and any unusual build-up of work in progress in relation to construction income.
- We have reviewed the internal audit reports to identify major internal control issues. We have discussed the impact of internal audit findings with management to understand their plan to prevent any material misstatement in addition to supplementing these areas with additional audit procedures.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters we are required to address

Following the recommendation from the Audit and Risk Committee, we were appointed by the company to audit the financial statements for the year ending 31 December 2024 and subsequent financial periods. We were appointed at the Annual General Meeting of members and the engagement letter was signed on 17 July 2024 which applies to all accounting periods from the date of the engagement letter until it is replaced.

The period of total uninterrupted engagement including previous renewals and reappointments is six years, covering the years ending 31 December 2019 to 31 December 2024.

- The audit opinion is consistent with the additional report to the Audit and Risk Committee.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Kevin Weston (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor

London

3 March 2025

Consolidated income statement
For the year ended 31 December 2024

		2024			2023		
	Note	Underlying £m	Non-underlying items (note 9) £m	Statutory £m	Underlying £m	Non-underlying items (note 9) £m	Statutory £m
Revenue	3,4	**2,986.7**	**–**	**2,986.7**	2,966.0	–	2,966.0
Operating costs	6	**(2,775.4)**	**(10.6)**	**(2,786.0)**	(2,769.0)	(22.5)	(2,791.5)
Net impairment loss on trade receivables and contract assets	7	**(12.0)**	**–**	**(12.0)**	(21.3)	(0.4)	(21.7)
Amortisation of acquired intangible assets		**–**	**(3.3)**	**(3.3)**	–	(5.1)	(5.1)
Other operating income	6,9	**12.8**	**6.4**	**19.2**	4.4	0.8	5.2
Share of post-tax results of joint ventures	17	**0.5**	**–**	**0.5**	0.8	(0.6)	0.2
Operating profit/(loss)	3	**212.6**	**(7.5)**	**205.1**	180.9	(27.8)	153.1
Finance income	10	**6.6**	**–**	**6.6**	1.8	–	1.8
Finance costs	11	**(27.8)**	**–**	**(27.8)**	(29.3)	–	(29.3)
Profit/(loss) before taxation		**191.4**	**(7.5)**	**183.9**	153.4	(27.8)	125.6
Taxation	12	**(43.9)**	**2.7**	**(41.2)**	(38.8)	3.0	(35.8)
Profit/(loss) for the year		**147.5**	**(4.8)**	**142.7**	114.6	(24.8)	89.8
Attributable to:							
Equity holders of the parent		**147.1**	**(4.8)**	**142.3**	114.2	(24.8)	89.4
Non-controlling interests	34	**0.4**	**–**	**0.4**	0.4	–	0.4
		147.5	**(4.8)**	**142.7**	114.6	(24.8)	89.8
Earnings per share							
Basic	14	**204.0p**		**197.4p**	156.9p		122.8p
Diluted	14	**199.9p**		**193.3p**	153.9p		120.5p

Consolidated statement of comprehensive income
For the year ended 31 December 2024

	Note	2024 £m	2023 £m
Profit for the year		**142.7**	89.8
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange movements on translation of foreign operations		**(13.0)**	(28.3)
Transfer of translation reserve on disposal of subsidiaries		**(0.7)**	–
Cash flow hedge gain taken to equity		**0.1**	1.9
Cash flow hedge transfers to income statement		**–**	(0.2)
Items that will not be reclassified subsequently to profit or loss:			
Remeasurements of defined benefit pension schemes	33	**0.2**	(0.2)
Tax on remeasurements of defined benefit pension schemes	12	**(0.1)**	(0.1)
Other comprehensive (loss) for the year, net of tax		**(13.5)**	(26.9)
Total comprehensive income for the year		**129.2**	62.9
Attributable to:			
Equity holders of the parent		**128.9**	62.7
Non-controlling interests		**0.3**	0.2
		129.2	62.9

Consolidated balance sheet
As at 31 December 2024

	Note	2024 £m	2023 £m
Assets			
Non-current assets			
Goodwill and intangible assets	15	**111.2**	114.6
Property, plant and equipment	16	**461.4**	480.2
Investments in joint ventures	17	**4.8**	4.5
Deferred tax assets	12	**61.5**	36.8
Other assets	18	**88.3**	66.8
		727.2	702.9
Current assets			
Inventories	19	**81.6**	93.3
Trade and other receivables	20	**759.1**	721.8
Current tax assets		**5.9**	6.3
Cash and cash equivalents	21	**207.7**	151.4
Assets held for sale	22	**9.2**	1.6
		1,063.5	974.4
Total assets	3	**1,790.7**	1,677.3
Liabilities			
Current liabilities			
Loans and borrowings	26	**(27.5)**	(86.8)
Current tax liabilities		**(33.0)**	(35.5)
Trade and other payables	23	**(608.7)**	(553.6)
Provisions	24	**(85.2)**	(59.1)
		(754.4)	(735.0)
Non-current liabilities			
Loans and borrowings	26	**(307.1)**	(301.9)
Retirement benefit liabilities	33	**(15.2)**	(17.7)
Deferred tax liabilities	12	**(9.4)**	(7.8)
Provisions	24	**(89.3)**	(73.7)
Other liabilities	25	**(18.6)**	(23.2)
		(439.6)	(424.3)
Total liabilities	3	**(1,194.0)**	(1,159.3)
Net assets	3	**596.7**	518.0
Equity			
Share capital	28	**7.3**	7.3
Share premium account		**38.1**	38.1
Capital redemption reserve	28	**7.6**	7.6
Translation reserve		**16.2**	29.8
Other reserve	28	**56.9**	56.9
Hedging reserve		**1.8**	1.7
Retained earnings		**465.8**	373.9
Equity attributable to equity holders of the parent		**593.7**	515.3
Non-controlling interests	34	**3.0**	2.7
Total equity		**596.7**	518.0

These consolidated financial statements were approved by the Board of Directors and authorised for issue on 3 March 2025.

They were signed on its behalf by:

Michael Speakman
Chief Executive Officer

David Burke
Chief Financial Officer

Consolidated statement of changes in equity

For the year ended 31 December 2024

	Share capital (note 28) £m	Share premium account £m	Capital redemption reserve (note 28) £m	Translation reserve £m	Other reserve (note 28) £m	Hedging reserve (note 26) £m	Retained earnings £m	Attributable to equity holders of the parent £m	Non-controlling interests (note 34) £m	Total equity £m
At 31 December 2022	7.3	38.1	7.6	57.9	56.9	–	326.7	494.5	2.3	496.8
Profit for the year	–	–	–	–	–	–	89.4	89.4	0.4	89.8
Other comprehensive income										
Exchange movements on translation of foreign operations	–	–	–	(28.1)	–	–	–	(28.1)	(0.2)	(28.3)
Cash flow hedge gain taken to equity	–	–	–	–	–	1.9	–	1.9	–	1.9
Cash flow hedge transfers to income statement	–	–	–	–	–	(0.2)	–	(0.2)	–	(0.2)
Remeasurements of defined benefit pension schemes	–	–	–	–	–	–	(0.2)	(0.2)	–	(0.2)
Tax on remeasurements of defined benefit pension schemes	–	–	–	–	–	–	(0.1)	(0.1)	–	(0.1)
Other comprehensive (loss)/income for the year, net of tax	–	–	–	(28.1)	–	1.7	(0.3)	(26.7)	(0.2)	(26.9)
Total comprehensive (loss)/income for the year	–	–	–	(28.1)	–	1.7	89.1	62.7	0.2	62.9
Dividends	–	–	–	–	–	–	(27.7)	(27.7)	–	(27.7)
Transactions with non-controlling interests	–	–	–	–	–	–	(15.2)	(15.2)	0.2	(15.0)
Purchase of own shares for ESOP trust	–	–	–	–	–	–	(3.4)	(3.4)	–	(3.4)
Share-based payments	–	–	–	–	–	–	4.4	4.4	–	4.4
At 31 December 2023	7.3	38.1	7.6	29.8	56.9	1.7	373.9	515.3	2.7	518.0
Profit for the year	**–**	**–**	**–**	**–**	**–**	**–**	**142.3**	**142.3**	**0.4**	**142.7**
Other comprehensive income										
Exchange movements on translation of foreign operations	**–**	**–**	**–**	**(12.9)**	**–**	**–**	**–**	**(12.9)**	**(0.1)**	**(13.0)**
Transfer of translation reserve on disposal of subsidiaries	**–**	**–**	**–**	**(0.7)**	**–**	**–**	**–**	**(0.7)**	**–**	**(0.7)**
Cash flow hedge gain taken to equity	**–**	**–**	**–**	**–**	**–**	**0.1**	**–**	**0.1**	**–**	**0.1**
Remeasurements of defined benefit pension schemes	**–**	**–**	**–**	**–**	**–**	**–**	**0.2**	**0.2**	**–**	**0.2**
Tax on remeasurements of defined benefit pension schemes	**–**	**–**	**–**	**–**	**–**	**–**	**(0.1)**	**(0.1)**	**–**	**(0.1)**
Other comprehensive (loss)/income for the year, net of tax	**–**	**–**	**–**	**(13.6)**	**–**	**0.1**	**0.1**	**(13.4)**	**(0.1)**	**(13.5)**
Total comprehensive (loss)/income for the year	**–**	**–**	**–**	**(13.6)**	**–**	**0.1**	**142.4**	**128.9**	**0.3**	**129.2**
Dividends	**–**	**–**	**–**	**–**	**–**	**–**	**(34.6)**	**(34.6)**	**–**	**(34.6)**
Purchase of own shares for ESOP trust	**–**	**–**	**–**	**–**	**–**	**–**	**(20.1)**	**(20.1)**	**–**	**(20.1)**
Share-based payments	**–**	**–**	**–**	**–**	**–**	**–**	**4.2**	**4.2**	**–**	**4.2**
At 31 December 2024	**7.3**	**38.1**	**7.6**	**16.2**	**56.9**	**1.8**	**465.8**	**593.7**	**3.0**	**596.7**

Consolidated cash flow statement

For the year ended 31 December 2024

	Note	2024 £m	2023 £m
Cash flows from operating activities			
Profit before taxation		**183.9**	125.6
Non-underlying items	9	**7.5**	27.8
Finance income	10	**(6.6)**	(1.8)
Finance costs	11	**27.8**	29.3
Underlying operating profit	3	**212.6**	180.9
Depreciation/impairment of property, plant and equipment	16	**108.7**	111.8
Amortisation of intangible assets	15	**0.1**	0.4
Share of underlying post-tax results of joint ventures	17	**(0.5)**	(0.8)
Profit on sale of property, plant and equipment		**(12.8)**	(4.4)
Other non-cash movements (including charge for share-based payments)		**4.0**	3.3
Foreign exchange gains		**(4.2)**	(2.1)
Operating cash flows before movements in working capital and other underlying items		**307.9**	289.1
Decrease in inventories		**10.4**	26.8
(Increase)/decrease in trade and other receivables		**(54.4)**	1.5
Increase/(decrease) in trade and other payables		**71.7**	(25.6)
Increase in provisions, retirement benefit and other non-current liabilities		**30.9**	12.1
Cash generated from operations before non-underlying items		**366.5**	303.9
Cash outflows from non-underlying items: ERP costs		**(4.9)**	(7.5)
Cash outflows from non-underlying items: contract disputes		**–**	(3.7)
Cash outflows from non-underlying items: restructuring costs		**(4.9)**	(1.2)
Cash inflows from non-underlying items: claims for closed businesses		**1.4**	–
Cash generated from operations		**358.1**	291.5
Interest paid		**(20.4)**	(16.2)
Interest element of lease rental payments		**(6.2)**	(5.6)
Income tax paid		**(65.6)**	(72.7)
Net cash inflow from operating activities		**265.9**	197.0
Cash flows from investing activities			
Interest received		**5.8**	1.8
Proceeds from sale of property, plant and equipment		**29.0**	20.9
Disposal of businesses	5	**(2.6)**	1.3
Acquisition of businesses, net of cash acquired	5	**(0.9)**	(0.2)
Acquisition of property, plant and equipment	16	**(89.0)**	(94.3)
Acquisition of other intangible assets	15	**–**	(0.2)
Net cash outflow from investing activities		**(57.7)**	(70.7)
Cash flows from financing activities			
Debt issuance costs		**(3.5)**	–
Increase in borrowings		**–**	241.2
Cash flows from derivative instruments		**–**	2.0
Repayment of borrowings		**(59.0)**	(245.1)
Payment of lease liabilities		**(28.0)**	(28.3)
Transactions with non-controlling interest		**–**	(6.4)
Purchase of own shares for ESOP trust		**(20.1)**	(3.4)
Dividends paid	13	**(34.6)**	(27.7)
Net cash outflow from financing activities		**(145.2)**	(67.7)
Net increase in cash and cash equivalents		**63.0**	58.6
Cash and cash equivalents at beginning of year		**149.0**	94.2
Effect of exchange rate movements		**(4.3)**	(3.8)
Cash and cash equivalents at end of year	21	**207.7**	149.0

Notes to the consolidated financial statements

1 Corporate information

The consolidated financial statements of Keller Group plc and its subsidiaries (collectively, the 'Group') for the year ended 31 December 2024 were authorised for issue in accordance with the resolution of the Directors on 3 March 2025.

Keller Group plc (the 'company') is a public limited company, incorporated and domiciled in the United Kingdom, whose shares are publicly traded on the London Stock Exchange. The registered office is located at 2 Kingdom Street, London W2 6BD. The Group is principally engaged in the provision of specialist geotechnical services. Information on the Group's structure is provided in note 10 of the company financial statements.

2 Material accounting policy information

Basis of preparation

In accordance with the Companies Act 2006, these consolidated financial statements have been prepared and approved by the Directors in accordance with UK adopted international accounting standards. The company prepares its parent company financial statements in accordance with FRS 101.

The consolidated financial statements have been prepared on an historical cost basis, except for derivative financial instruments that have been measured at fair value. The carrying values of recognised assets and liabilities that are designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to recognise changes in the fair values attributable to the risks that are being hedged in effective hedge relationships. The consolidated financial statements are presented in pounds sterling and all values are rounded to the nearest hundred thousand, expressed in millions to one decimal point, except when otherwise indicated.

Going concern

At 31 December 2024, the Group had undrawn committed and uncommitted borrowing facilities totalling £447.4m, comprising the undrawn committed £400m revolving credit facility and undrawn uncommitted borrowing facilities of £47.4m, as well as cash and cash equivalents of £207.7m. At 31 December 2024, the Group's net debt to underlying EBITDA ratio (calculated on an IAS 17 covenant basis) was 0.1x, well within the limit of 3.0x.

The Group has prepared a forecast of financial projections for the three-year period to 31 December 2027. The forecast underpins the going concern assessment which has been made for the period through to 31 March 2026, a period of at least 12 months from when the financial statements are authorised for issue and aligning with the period in which the Group's banking covenants are tested. The base case reflects the forecast of financial projections prepared by the Group for the three-year period to 31 December 2027. The forecast shows significant headroom and supports the position that the Group can operate within its available banking facilities and covenants throughout this period.

For the going concern assessment, management ran a series of downside scenarios over the base case forecast to assess covenant headroom against available funding facilities. This process involved constructing scenarios to reflect the Group's current assessment of its principal risks, including those that would threaten its business model, future performance, solvency or liquidity. The principal risks and uncertainties modelled by management align with those disclosed within this Annual Report and Accounts.

The following severe but plausible downside assumptions were modelled:

- rapid downturn in the Group's markets resulting in up to a 10% decline in revenues;
- ineffective execution of projects reducing profits by 1.5% of revenue;
- a combination of other principal risks and trading risks materialising together reducing profits by up to £19.9m over the period to 31 March 2026. These risks include changing environmental factors, costs of ethical misconduct and regulatory non-compliance, occurrence of an accident causing serious injury to an employee or member of the public and the cost of a product or solution failure; and
- deterioration of working capital performance by 5% of six months' sales.

The financial and cash effects of these scenarios were modelled individually and in combination. The focus was on the ability to secure or retain future work and potential downward pressure on margins. Management applied sensitivities against projected revenue, margin and working capital metrics reflecting a series of plausible downside scenarios.

Even in the most extreme plausible downside scenario incorporating an aggregation of all risks considered, which showed a decrease in operating profit of 21.6% and an increase in net debt of 30.5% against the Group's latest forecast profit and cash flow projections for the review period up to 31 March 2026, the adjusted projections do not show a breach of covenants in respect of available funding facilities or any liquidity shortfall. Management considered the breaking point of the model, which would result in a breach of financial covenants and the reduction in forecast profit and cash flow projections required to achieve this. These outcomes were considered extreme and remote.

This process allowed the Board to conclude that the Group will continue to operate on a going concern basis for the period through to the end of March 2026, a period of at least 12 months from when the financial statements are authorised for issue. Accordingly, the consolidated financial statements are prepared on a going concern basis.

Climate change

In preparing the consolidated financial statements, management has considered the impact of climate change, particularly in the context of the risks identified in the TCFD disclosure on pages 48 to 65. The output from the scenario analysis has been considered, particularly the financial reporting judgements and estimates in respect of the following areas:

- estimates of future cash flows used in impairment assessments of the carrying value of goodwill;
- the useful economic life of plant, equipment and other intangible assets; and
- going concern and viability of the Group over the next three years.

Although the scenario analysis identified a risk of stranded assets as a result of increased emission standards, this was in one extreme downside scenario and we have not adjusted the useful economic life of any plant or equipment as a result. Whilst there is currently no change, management are aware of the variable risks arising from climate change and will regularly assess these risks against judgements and estimates made in preparation of the Group's financial statements.

Changes in accounting policies and disclosures

New and amended standards and interpretations

The following applicable amendments became effective for annual periods beginning on or after 1 January 2024:

- Amendments to IFRS 16 'Lease Liability in a Sale and Leaseback'.
- Amendments to IAS 1 'Classification of Liabilities as Current or Non-Current'.
- Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures'.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Amendments to IFRS 16 'Lease Liability in a Sale and Leaseback'

The amendments in IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The amendments had no impact on the Group's financial statements.

Amendments to IAS 1 'Classification of Liabilities as Current or Non-Current'

The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement.
- That a right to defer must exist at the end of the reporting period.
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within 12 months. The amendments have resulted in an additional disclosure in note 26, but have not had an impact on the classification of the Group's liabilities.

Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures'

The amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures' clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The amendments had no impact on the Group's financial statements.

Basis of consolidation

The consolidated financial statements consolidate the accounts of the parent and its subsidiary undertakings to 31 December each year. Subsidiaries are entities controlled by the company. Control exists when the company has power over an entity, exposure to variable returns from its involvement with the entity and the ability to use its power over the entity to affect its returns. Where subsidiary undertakings were acquired or sold during the year, the accounts include the results for the part of the year for which they were subsidiary undertakings using the acquisition method of accounting. Intra-group balances, and any unrealised income and expense arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Joint operations

Where the Group undertakes contracts jointly with other parties, these are accounted for as joint operations as defined by IFRS 11. In accordance with IFRS 11, the Group accounts for its own share of assets, liabilities, revenues and expenses measured according to the terms of the joint operations agreement.

Joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. The consolidated financial statements incorporate a share of the results, assets and liabilities of joint ventures using the equity method of accounting, whereby the investment is carried at cost plus post-acquisition changes in the share of net assets of the joint venture, less any provision for impairment. Losses in excess of the consolidated interest in joint ventures are not recognised except where the Group has a constructive commitment to make good those losses. The results of joint ventures acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Summary of material accounting policy information

Foreign currencies

The Group's consolidated financial statements are presented in pounds sterling, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in the consolidated income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into pounds sterling at the rate of exchange prevailing at the reporting date and their income statements are translated at exchange rates prevailing at the dates of the transactions. The exchange movements arising on translation for consolidation are recognised in other comprehensive income (OCI). On disposal of a foreign operation, the component of the translation reserve relating to that particular foreign operation is reclassified to profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation.

The exchange rates used in respect of principal currencies are:

Average rates	2024	2023
US dollar	**1.28**	1.24
Canadian dollar	**1.75**	1.68
Euro	**1.18**	1.15
Singapore dollar	**1.71**	1.67
Australian dollar	**1.94**	1.87

Year-end rates	2024	2023
US dollar	**1.25**	1.27
Canadian dollar	**1.80**	1.69
Euro	**1.21**	1.15
Singapore dollar	**1.71**	1.68
Australian dollar	**2.02**	1.87

Notes to the consolidated financial statements continued

2 Material accounting policy information continued

Summary of material accounting policy information continued

Revenue from construction contracts

The Group's operations involve the provision of specialist geotechnical services. The majority of the Group's revenue is derived from construction contracts. Typically, the Group's construction contracts consist of one performance obligation; however, for certain contracts (for example where contracts involve separate phases or products that are not highly interrelated) multiple performance obligations exist. Where multiple performance obligations exist, total revenue is allocated to performance obligations based on the relative standalone selling prices of each performance obligation.

For each contract, revenue is the amount that is expected to be received from the customer. Revenue is typically invoiced in stages during the contracts, however smaller contracts are usually invoiced on completion. Variable consideration and contract modifications are assessed on a contract-by-contract basis, according to the terms, facts and circumstances of the project. Variable consideration is recognised only to the extent that it is highly probable that there will not be a significant reversal.

The effects of contract modifications, including claims to customers, are recognised only when the Group considers there is an enforceable right to consideration, therefore no revenue is recognised until this point. Operating expenses in relation to customer modifications are recognised as incurred. Factors indicating an enforceable right to consideration will vary from country to country but usually includes written confirmation from the customer.

Revenue attributed to each performance obligation is recognised based on either the input or the output method. The output method is the Group's default revenue recognition approach. The input method is generally used for longer-term, more complex contracts. These methods best reflect the transfer of benefits to the customer.

- **Output method:** revenue is recognised on the direct measurement of progress based on output, such as units of production relative to the total number of contracted production units.
- **Input method:** revenue is recognised on the percentage of completion with reference to cost. The percentage of completion is calculated based on the costs incurred to date as a percentage of the total costs expected to satisfy the performance obligation. Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the percentage of completion calculation in the period in which the circumstances that give rise to the revision become known.

Where the Group becomes aware that a loss may arise on a contract, and that loss is probable, full provision is made in the consolidated balance sheet based on the estimated unavoidable costs of meeting the obligations of the contract, where these exceed the economic benefits expected to be received. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

Incremental bid/tender costs and fulfilment costs are not material to the overall contract and are expensed as incurred.

Any revenues recognised in excess of billings are recognised as contract assets within trade and other receivables. Any payments received in excess of revenue recognised are recognised as contract liabilities within trade and other payables.

Revenue from the sale of goods and services

The Group's revenue recognised from the sale of goods and services primarily relates to certain parts of the North America business. These contracts typically have a single performance obligation, or a series of distinct performance obligations that are substantially the same. There are typically two types of contract:

- **Delivery of goods:** revenue for such contracts is recognised at a point in time, on delivery of the goods to the customer.
- **Delivery of goods with installation and/or post-delivery services:** revenue for these contracts is recognised at a point in time by reference to the date on which the goods are installed and/or accepted by the customer.

Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income. Current income tax relating to items recognised directly in equity is recognised in equity and not in the consolidated income statement.

The Group provides for future liabilities in respect of uncertain tax positions where additional tax may become payable in future periods. Such provisions are based on management's best judgement of the probability of the outcome in reaching agreement with the relevant tax authorities. For further information refer to note 12.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities, and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax is recognised on temporary differences in line with IAS 12 'Income Taxes'. Deferred tax assets are recognised when it is considered likely that they will be utilised against future taxable profits or deferred tax liabilities.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity or to OCI, in which case the related deferred tax is also dealt with in equity or in OCI.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Interest income and expense

All interest income and expense is recognised in the income statement on an accruals basis, using the effective interest method.

Employee benefit costs

The Group operates a number of defined benefit pension schemes, and also makes payments into defined contribution schemes.

The liability in respect of defined benefit schemes is the present value of the defined benefit obligations at the balance sheet date, calculated using the projected unit credit method, less the fair value of the schemes' assets where applicable. The Group recognises the administration costs, current service cost and interest on scheme net liabilities in the income statement, and remeasurements of defined benefit plans in OCI in full in the period in which they occur. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans. Where there is no legal right to a refund from the plan, the liability is calculated as the minimum funding requirement to the plan that exists at the balance sheet date.

The Group also has long service arrangements in certain overseas countries. These are accounted for in accordance with IAS 19 'Employee Benefits' and accounting follows the same principles as for a defined benefit scheme.

Payments to defined contribution schemes are accounted for on an accruals basis.

Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Further details are set out in note 16 for impairments recognised in the year. Subsequent expenditure on property, plant and equipment is capitalised when it enhances or improves the condition of the item of property, plant and equipment beyond its original assessed standard of performance. Maintenance expenditure is expensed as incurred.

Depreciation

Depreciation is provided to write off the cost less the estimated residual value of property, plant and equipment using the straight-line method by reference to their estimated useful lives as follows:

Buildings	50 years
Plant and equipment	3 to 12 years
Motor vehicles	4 years
Computers	3 years

Depreciation is not provided for on freehold land.

An item of property, plant and equipment is derecognised upon disposal (i.e. at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted where appropriate.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets (less than £3,000). The Group recognises lease liabilities to make payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and estimated useful lives as follows:

Land and buildings	3 to 15 years
Plant and equipment	2 to 8 years
Motor vehicles	3 to 5 years

Right-of-use assets are tested for impairment in accordance with IAS 36 'Impairment of Assets'.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date, if the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate applied to each lease is determined by considering the risk-free rate of the country where the asset under lease is located, matched to the term of the lease and adjusted for factors such as the credit risk profile of the lessee. Incremental borrowing rates applied to individual leases range from 1.85% to 15.2%.

After the commencement date, the amount of lease liabilities is increased to reflect the addition of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Group's lease liabilities are included in interest-bearing loans and borrowings. Refer to note 26 for details.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of plant, machinery and vehicles (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low asset value (below £3,000). Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

Notes to the consolidated financial statements continued

2 Material accounting policy information continued

Summary of material accounting policy information continued

Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at the fair value at the acquisition date. Acquisition-related costs are expensed as incurred and included in administrative expenses. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of cost of an acquisition over the fair value of the Group's share of the identifiable net assets acquired, including assets identified as intangibles on acquisition, is recorded as goodwill.

The results of subsidiaries which have been disposed are included up to the effective date of disposal.

Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is reviewed for impairment annually and whenever there is an indication that the goodwill may be impaired in accordance with IAS 36, any impairment losses are recognised immediately in the income statement. Goodwill arising prior to 1 January 1998 was taken directly to equity in the year in which it arose. Such goodwill has not been reinstated on the balance sheet. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units (CGUs) that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a CGU and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the CGU retained.

Other intangible assets

Intangible assets, other than goodwill, include purchased licences, software (including internally generated software), customer relationships, customer contracts and trade names. Intangible assets are capitalised at cost and amortised on a straight-line basis over their useful economic lives from the date that they are available for use and are stated at cost less accumulated amortisation and impairment losses. The estimated useful economic lives are as follows:

Licences	1 to 4 years
Software	3 to 7 years
Patents	2 to 7 years
Customer relationships	5 to 7 years
Customer contracts	1 to 2 years
Trade names	5 to 7 years

Software-as-a-service arrangements

The Group's current SaaS arrangements are arrangements in which the Group does not control the underlying software used in the arrangement.

Software development costs incurred to configure or customise application software provided under a cloud computing arrangement and associated fees are recognised as operating expenses as and when the services are received where the costs represent a distinct service provided to the Group.

When such costs incurred do not provide a distinct service, the costs are recognised as expenses over the duration of the SaaS contract. The Group capitalises other software costs when the requirements of IAS 38 'Intangible Assets' are satisfied, including configuration and customisation costs which are distinct and within the control of the Group. Such software costs are capitalised and carried at cost less any accumulated amortisation and impairment, and amortised on a straight-line basis over the period which the developed software is expected to be used.

Amortisation commences when the development is complete and the asset is available for use and is included in the operating costs item of the consolidated income statement. The amortisation is reviewed at least at the end of each reporting period and any changes are treated as changes in accounting estimates.

Impairment of assets excluding goodwill

The carrying values of property, plant and equipment, right-of-use assets and other intangibles are reviewed for impairment when events or changes in circumstances indicate the carrying value may be impaired. If any such indication exists, the recoverable amount, being the lower of their carrying amount and fair value less costs to sell, of the asset is estimated in order to determine the extent of impairment loss.

Capital work in progress

Capital work in progress represents expenditure on property, plant and equipment in the course of construction. Transfers are made to other property, plant and equipment categories when the assets are available for use.

Inventories

Inventories are measured at the lower of cost and estimated net realisable value with allowance made for obsolete or slow-moving items.

Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Write-downs to net realisable value are made for slow-moving, damaged or obsolete items based on evaluations made at the local level by reference to frequency of stock turnover or specific factors affecting the items concerned.

Assets held for sale

Assets are classified as held for sale if their carrying amount will be recovered by sale rather than by continuing use in the business. Assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell, with reference to comparable market transactions. Assets that are classified as held for sale are not depreciated.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument. The principal financial assets and liabilities of the Group are as follows:

(a) Trade receivables and trade payables

Trade receivables are initially recorded at fair value and subsequently measured at cost and reduced by allowances for estimated irrecoverable amounts.

Trade receivables and contract assets are stated net of expected credit losses (ECLs). At each reporting date, the Group evaluates the estimated recoverability of trade receivables and contract assets and records allowances for ECLs based on experience.

The Group applies the simplified approach to measurement of ECLs in respect of trade receivables, which requires expected lifetime losses to be recognised from initial recognition of the receivable. Immediately after an individual trade receivable or contract asset is assessed to be unlikely to be recovered, an impairment is recognised as the difference between the carrying amount of the receivable and the present value of estimated future cash flows. Customer-specific factors are considered when identifying impairments, which can include the geographic location and credit rating of a customer.

Where there are no specific concerns over recovery, other than the increasing age of a trade receivable or contract asset balance past payment terms, the Group uses a provision matrix, where provision rates are based on days past due. The provision matrix used reflects estimates based on past experience, current economic factors and consideration of forward-looking estimates of economic conditions. Generally, trade receivables are written-off completely if past due for more than 180 days. Default is defined as the point where there is no further legal address available for the Group to recover the receivable amount.

The information about the ECLs on the Group's trade receivables and contract assets is disclosed in note 20.

Trade payables that are not interest bearing are initially recognised at fair value and carried at amortised cost.

(b) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and on hand and short-term deposits with a maturity of three months or less. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management. Bank overdrafts are included within financial liabilities in current liabilities in the balance sheet.

(c) Bank and other borrowings

Interest-bearing bank and other borrowings are recorded at the fair value of the proceeds received, net of direct issue costs. Subsequent to initial recognition, borrowings are stated at amortised cost, where applicable.

Bank or other borrowings are derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated income statement.

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, ie to realise the assets and settle the liabilities simultaneously.

(d) Derivative financial instruments and hedge accounting

The Group uses derivative financial instruments to manage interest rate risk and to hedge fluctuations in foreign currencies in accordance with its risk management policy. In cases where these derivative instruments are significant, hedge accounting is applied as described below. The Group does not use derivative financial instruments for speculative purposes.

Derivatives are initially recognised in the balance sheet at fair value on the date the derivative contract is entered into and are subsequently remeasured at reporting periods to their fair values. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Changes in the fair value of the effective portion of derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive income (OCI). Changes in the fair value of the ineffective portion of cash flow hedges are recognised in the income statement. Amounts originally recognised in OCI are transferred to the income statement when the underlying transaction occurs or if the transaction results in the recognition of a non-financial asset or liability, the amount accumulated in equity is included in the initial cost or carrying amount of the hedged asset or liability.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the income statement as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in OCI is retained in equity until the hedged transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in OCI is transferred to the income statement in the period.

For the purpose of hedge accounting, hedges are classified as:

- Cash flow hedges when hedging the exposure or variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable transaction.
- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability.
- Hedges of a net investment in a foreign operation.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Notes to the consolidated financial statements continued

2 Material accounting policy information continued

Summary of material accounting policy information continued

Provisions

Provisions have been made for employee-related liabilities, restructuring commitments, onerous contracts, insured liabilities and legal claims, and other property-related commitments. These are recognised as management's best estimate of the expenditure required to settle the Group's liability at the reporting date.

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event and where it is probable that an outflow will be required to settle the obligation and the amount of the obligation can be estimated reliably. If the effect is material, expected future cash flows are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to unwinding the discount is recognised as a finance cost. Details of provisions are set out in note 24.

Provisions for insured liabilities and legal claims include the full estimated value of the liability. Any related insurance reimbursement asset that is virtually certain to be received is separately presented gross within trade and other receivables or other non-current assets on the consolidated balance sheet.

Contingent liabilities

Contingent liabilities are possible obligations of the Group of which the timing and amount are subject to significant uncertainty. Contingent liabilities are not recognised in the consolidated balance sheet, unless they are assumed by the Group as part of a business combination. They are however disclosed, unless they are considered to be remote. If a contingent liability becomes probable and the amount can be reliably measured it is no longer treated as contingent and recognised as a liability on the balance sheet.

Contingent assets

Contingent assets are possible assets of the Group of which the timing and amount are subject to significant uncertainty. Contingent assets are not recognised in the consolidated balance sheet. They are however disclosed, when they are considered to be probable. A contingent asset is recognised in the financial statements when the inflow of economic benefits is virtually certain.

Share-based payments

The Group operates a number of equity-settled executive and employee share plans. For all grants of share options and awards, the fair value of the employee services received in exchange for the grant of share options is recognised as an expense, calculated using appropriate option pricing models. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions, with a corresponding increase in retained earnings. The charge is adjusted to reflect expected actual levels of options vesting due to non-market conditions.

Shares purchased and held in trust in connection with the Group's share schemes are deducted from retained earnings. No gain or loss is recognised within the income statement on the market value of these shares compared with the original cost.

Segmental reporting

During the year the Group comprised three geographical divisions which have only one major product or service: specialist geotechnical services. North America; Europe and Middle East; and Asia-Pacific continue to be managed as separate geographical divisions. This is reflected in the Group's management structure and in the segment information reviewed by the Chief Operating Decision Maker.

Dividends

Interim dividends are recorded in the Group's consolidated financial statements when paid. Final dividends are recorded in the Group's consolidated financial statements in the period in which they receive shareholder approval.

Non-underlying items

Non-underlying items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group. They are items which are exceptional by their size and/or are non-trading in nature, including amortisation of acquired intangibles, goodwill impairment, restructuring costs and other non-trading amounts, including those relating to acquisitions and disposals. Tax arising on these items, including movement in deferred tax assets arising from non-underlying provisions, is also classified as a non-underlying item.

Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies, reported amounts of assets and liabilities, revenue and expenses and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Actual results may also differ from these estimates.

The estimates are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that and prior periods, or in the period of the revision and future periods if the revision affects both current and future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Construction contracts

The Group's approach to key estimates and judgements relating to construction contracts is set out in the revenue recognition policy. In the Group consolidated balance sheet this impacts contract assets, contract liabilities and contract provisions (refer to notes 4 and 24).

As described in the policy the default revenue recognition approach is the output method. When revenue is recognised based on the output method, there is little judgement involved in accounting for construction contracts as the amount of revenue that has not been certified/accepted by the client is typically small and is usually based on volumes achieved at agreed rates. These contracts can still be subject to claims and variations resulting in an adjustment to the revenue recognised.

When revenue is recognised based on the input (cost) method, the main factors considered when making estimates and judgements include the cost of the work required to complete the contract in order to estimate the percentage completion, and the outcome of claims raised against the Group by customers or third parties. The Group performed around 5,500 contracts during 2024, at an average revenue of approximately £540,000 and a typical range of between £25,000 and £10m in value. The majority of contracts were completed in the year and therefore there are no estimates involved in accounting for these. For contracts that are not complete at year end and revenue is recognised on the input method, the Group estimates the total costs to complete in order to measure progress and therefore how much revenue to recognise, which may impact the contract asset or liability recorded in the balance sheet. The actual total costs incurred on these contracts will differ from the estimate at 31 December and it is reasonably possible that outcomes on these contracts within the next year could be materially different in aggregate to those estimated.

Total contract assets are £119.2m and contract liabilities are £115.2m at 31 December 2024.

However, due to the level of uncertainty and timing across a large portfolio of contracts, which will be at different stages of their contract life, it is not practical to provide a quantitative analysis of the aggregated judgements that are applied at a portfolio level. The estimated costs to complete are management's best estimate at this point in time and no individual estimate or judgement is expected to have a materially different outcome.

In the case of loss-making contracts, a full provision is made based on the estimated unavoidable costs of meeting the obligations of the contract, where these exceed the economic benefits expected to be received. The process for estimating the total cost to complete is the same as for in-progress profitable contracts, and will include management's best estimate of all labour, equipment and materials costs required to complete the contracted work. All cost to complete estimates involve judgement over the likely future cost of labour, equipment and materials and the impact of inflation is included if material. The amount included within provisions in respect of contract provisions is £66.3m (2023: £41.2m), this includes other contract related provisions as well as onerous contract provisions.

As stated in the revenue recognition accounting policy, variable consideration is assessed on a contract-by-contract basis, according to the terms, facts and circumstances of the project. Variable consideration is recognised only to the extent that it is highly probable that there will not be a significant reversal; management judgement is required in order to determine when variable consideration is highly probable. Uncertainty over whether a project will be completed or not can mean that it is appropriate to treat the contracted revenue as variable consideration.

Non-underlying items

Non-underlying items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group. They are items which are exceptional by their size and/or are non-trading in nature, including amortisation of acquired intangibles, goodwill impairment, restructuring costs and other non-trading amounts, including those relating to acquisitions and disposals. Tax arising on these items, including movement in deferred tax assets arising from non-underlying provisions, is also classified as a non-underlying item.

The Group exercises judgement in assessing whether restructuring items and the ERP implementation costs should be classified as non-underlying. This assessment covers the nature of the item, cause of the occurrence and scale of impact of that item on the reported performance. Typically, management will categorise restructuring costs incurred to exit a specific geography as non-underlying, in addition restructuring programmes which are incremental to normal operations undertaken to add value to the business are included in non-underlying items. The value of exceptional restructuring costs in 2024 (£4.3m) is higher than in 2023 (£2.8m), due to the impact of the finance transformation project in the year. ERP implementation costs are categorised as non-underlying due to the scale and length of the project. The nature of the project and costs incurred are reviewed on a regular basis to assess the appropriateness of the classification as a non-underlying cost.

Carrying value of goodwill

The Group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy set out above. Impairment exists when the carrying value of an asset or cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value-in-use. The fair value less costs of disposal calculation is based on available market data for transactions conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The Group estimates the recoverable amount based on value-in-use calculations. The value-in-use calculation is based on a discounted cash flow (DCF) model. The cash flows are derived from the relevant budget and forecasts for the next three years, including a terminal value assumption. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash inflows, growth rates and maintainable earnings assumed within the calculation.

In 2024, management noted sensitivity in the headroom available for Keller Canada and Keller Norway. The DCF for each CGU is sensitive to the future successful execution of business plans to consistently meet forecasted margins (which assumes an improvement in operating performance compared with 2024) by improving project delivery and revenue growth. Refer to note 15 for further information.

Deferred tax assets

Deferred tax assets are recognised for unused tax losses and other timing differences to the extent that it is probable that future taxable profits will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits (based on the same Board-approved information to support the going concern and goodwill impairment assessments). The Group uses judgement in assessing the recoverability of deferred tax assets, for which the significant assumption is forecast taxable profits. A 10% shortfall in expected profits would have a proportional impact on the value of the deferred tax assets recoverable. Deferred tax assets recognised on unused tax losses were £13.1m at 31 December 2024 (2023: £10.7m). Refer to note 12 for further information.

Insurance and legal provisions

The recognition of provisions for insurance and legal disputes is subject to a significant degree of estimation. In making its estimates, management seek specialist input from legal advisers and the Group's insurance claims handler to estimate the most likely legal outcome. Provisions are reviewed regularly and amounts updated where necessary to reflect developments in the disputes. The ultimate liability may differ from the amount provided depending on the outcome of court proceedings and settlement negotiations or if investigations bring to light new facts. Refer to note 24 for further information.

Notes to the consolidated financial statements continued

3 Segmental analysis

During the year the Group was managed as three geographical divisions and has only one major product or service: specialist geotechnical services.

This is reflected in the Group's management structure and in the segment information reviewed by the Chief Operating Decision Maker.

	2024		2023[1]	
	Revenue £m	Operating profit £m	Revenue £m	Operating profit £m
North America	**1,785.8**	**190.0**	1,770.0	169.6
Europe and Middle East	**835.1**	**7.9**	808.0	9.8
Asia-Pacific	**365.8**	**28.7**	388.0	14.6
	2,986.7	**226.6**	2,966.0	194.0
Central items	**–**	**(14.0)**	–	(13.1)
Underlying	**2,986.7**	**212.6**	2,966.0	180.9
Non-underlying items (note 9)	**–**	**(7.5)**	–	(27.8)
	2,986.7	**205.1**	2,966.0	153.1

	2024					
	Segment assets £m	Segment liabilities £m	Capital employed £m	Capital additions £m	Depreciation[3] and amortisation £m	Tangible[4] and intangible assets £m
North America	**974.7**	**(357.7)**	**617.0**	**46.3**	**56.8**	**348.3**
Europe and Middle East	**380.4**	**(282.8)**	**97.6**	**28.2**	**36.2**	**151.8**
Asia-Pacific	**153.0**	**(100.5)**	**52.5**	**13.9**	**13.7**	**68.4**
	1,508.1	**(741.0)**	**767.1**	**88.4**	**106.7**	**568.5**
Central items[2]	**282.6**	**(453.0)**	**(170.4)**	**–**	**2.1**	**4.1**
	1,790.7	**(1,194.0)**	**596.7**	**88.4**	**108.8**	**572.6**

	2023[1]					
	Segment assets £m	Segment liabilities £m	Capital employed £m	Capital additions £m	Depreciation[3] and amortisation £m	Tangible[4] and intangible assets £m
North America	929.9	(302.9)	627.0	42.1	56.5	347.3
Europe and Middle East	390.6	(271.3)	119.3	36.2	40.5	169.2
Asia-Pacific	162.3	(91.0)	71.3	16.2	14.1	77.5
	1,482.8	(665.2)	817.6	94.5	111.1	594.0
Central items[2]	194.5	(494.1)	(299.6)	–	1.1	0.8
	1,677.3	(1,159.3)	518.0	94.5	112.2	594.8

1 From 1 January 2024, the Middle East and Africa (MEA) business was transferred to the Europe Division, creating the Europe and Middle East Division, and the remaining Asia-Pacific, Middle East and Africa Division became the Asia-Pacific Division. The 2023 comparative segmental information has been updated to reflect this change as it is consistent with the information reviewed by the Chief Operating Decision Maker.

2 Central items include net debt and tax balances, which are managed by the Group.

3 Depreciation and amortisation excludes amortisation of acquired intangible assets.

4 Tangible and intangible assets comprise goodwill, intangible assets and property, plant and equipment.

Revenue analysed by country:

	2024 £m	2023 £m
United States	**1,612.5**	1,644.0
Australia	**246.4**	279.4
Canada	**171.7**	125.2
Germany	**168.9**	146.3
Poland	**101.3**	88.4
United Kingdom	**97.5**	125.1
Other	**588.4**	557.6
	2,986.7	2,966.0

Non-current assets[1] analysed by country:

	2024 £m	2023 £m
United States	**349.0**	342.6
Australia	**52.9**	62.3
Germany	**51.4**	52.4
Canada	**37.5**	44.5
Austria	**30.0**	33.2
Other	**144.9**	131.1
	665.7	666.1

1 Excluding deferred tax assets.

4 Revenue

The Group's revenue is derived from contracts with customers. In the following table, revenue is disaggregated by primary geographical market, being the Group's operating segments (see note 3) and timing of revenue recognition:

	2024			2023		
	Revenue recognised on performance obligations satisfied over time £m	Revenue recognised on performance obligations satisfied at a point in time £m	Total revenue £m	Revenue recognised on performance obligations satisfied over time £m	Revenue recognised on performance obligations satisfied at a point in time £m	Total revenue £m
North America	**1,457.5**	**328.3**	**1,785.8**	1,355.0	415.0	1,770.0
Europe and Middle East	**835.1**	**–**	**835.1**	808.0	–	808.0
Asia-Pacific	**365.8**	**–**	**365.8**	388.0	–	388.0
	2,658.4	**328.3**	**2,986.7**	2,551.0	415.0	2,966.0

Some of the 2023 comparative information in this note has been changed to reflect the changes in the Group's segments as explained in note 3.

The final contract value will not always have been agreed at the year end. The contract value, and therefore revenue allocated to a performance obligation, may change subsequent to the year end as variations and claims are agreed with the customer. The amount of revenue recognised in 2024 from performance obligations satisfied in previous periods is £24.9m (2023: £12.4m).

The Group's order book comprises the unexecuted elements of orders on contracts that have been awarded. Where a contract is subject to variations, only secured variations are included in the reported order book. As at 31 December 2024, the total order book is £1,610.0m (2023: £1,489.1m).

The order book for contracts with a total duration over one year is £578.3m (2023: £462.5m). Revenue on these contracts is expected to be recognised as follows:

	2024 £m	2023 £m
Less than one year	**421.9**	363.4
One to two years	**130.5**	93.3
More than two years	**25.9**	5.8
	578.3	462.5

The following table provides information about trade receivables, contract assets and contract liabilities arising from contracts with customers:

	2024 £m	2023 £m
Trade receivables	**575.1**	583.1
Contract assets	**119.2**	90.9
Contract liabilities	**(115.2)**	(90.9)

Trade receivables include invoiced amounts for retentions, which are balances typically payable at the end of a construction project, when all contractual performance obligations have been met, and are therefore received over a longer period of time. Included in the trade receivables balance is £137.7m (2023: £156.9m) in respect of retentions anticipated to be receivable within one year. Included in non-current other assets is £33.7m (2023: £22.7m) anticipated to be receivable in more than one year. All contract assets and liabilities are current.

Notes to the consolidated financial statements continued

4 Revenue continued

Significant changes in the contract assets and liabilities during the year are as follows:

	2024		2023	
	Contract assets £m	Contract liabilities £m	Contract assets £m	Contract liabilities £m
As at 1 January	**90.9**	**(90.9)**	105.3	(85.6)
Revenue recognised in the current year	**1,091.3**	**930.8**	985.8	1,015.8
Disposed with businesses	**(1.3)**	**0.9**	(0.8)	–
Amounts transferred to trade receivables	**(1,059.9)**	**–**	(995.3)	–
Cash received/invoices raised for performance obligations not yet satisfied	**–**	**(956.8)**	–	(1,025.2)
Exchange movements	**(1.8)**	**0.8**	(4.1)	4.1
As at 31 December	**119.2**	**(115.2)**	90.9	(90.9)

5 Acquisitions and disposals

Acquisitions

There were no material acquisitions during the year to 31 December 2024 or during the year to 31 December 2023.

Disposals

Current year

On 28 June 2024, the Group disposed of its South African operation, being 100% of the issued share capital of Keller Geotechnics SA (Pty) Ltd, for a cash consideration received of £2.4m (ZAR56m). A non-underlying loss on disposal of £0.8m (ZAR19m) was recognised. The business disposal cash outflow of £2.6m relates to the £5.0m disposal of the cash held by the South African subsidiary on the disposal date of 28 June 2024 less the sale proceeds of £2.4m.

Prior year

On 10 November 2023, the Group disposed of its Cyntech Tanks operation in Canada, a part of Cyntech Construction Ltd, for a total consideration of £1.5m (CAD$2.6m), consisting of the sale price of £1.3m (CAD$2.2m) and further sale price adjustments to be paid from the Escrow amount of £0.2m (CAD$0.4m). A non-underlying loss on disposal of £0.1m (CAD$0.2m) was recognised.

6 Operating costs

	Note	2024 £m	2023 £m
Raw materials and consumables		**834.7**	954.0
Staff costs	8	**790.1**	739.7
Other operating charges		**839.6**	779.0
Amortisation of intangible assets	15	**0.1**	0.4
Expenses relating to short-term leases and leases of low-value assets		**202.2**	184.7
Depreciation:			
Owned property, plant and equipment	16a	**78.8**	81.8
Right-of-use assets	16b	**29.9**	29.4
Underlying operating costs		**2,775.4**	2,769.0
Non-underlying items	9	**10.6**	22.5
Statutory operating costs		**2,786.0**	2,791.5
Other operating charges include:			
Fees payable to the company's auditor for the audit of the company's Annual Report and Accounts		**1.5**	1.4
Fees payable to the company's auditor for other services:			
The audit of the company's subsidiaries, pursuant to legislation		**2.1**	2.1
Other assurance services		**0.1**	0.1

Underlying other operating income relates to profit on sale of property, plant and equipment of £12.8m (2023: £4.4m). Non-underlying other operating income is discussed in note 9.

7 Net impairment loss on trade receivables and contract assets

The net impairment loss on trade receivables and contract assets is made up of movements in the allowance for expected credit losses of trade receivables and contract assets as follows:

	2024 £m	2023 £m
Additional provisions	**21.0**	29.4
Unused amounts reversed	**(9.0)**	(7.7)
Net impairment loss	**12.0**	21.7

Further information on the Group's allowance for expected credit losses of trade receivables and contract assets and on the Group's expected credit loss rates for the 2023 and 2024 financial years can be found in note 20 Trade and other receivables.

8 Employees

The aggregate staff costs of the Group were:

	2024 £m	2023 £m
Wages and salaries	**697.4**	643.5
Social security costs	**71.0**	66.2
Other pension costs	**17.5**	25.6
Share-based payments	**4.2**	4.4
	790.1	739.7

These costs include Directors' remuneration. Fees payable to Non-executive Directors totalled £0.6m (2023: £0.5m).

In the United States, the Coronavirus Aid, Relief, and Economic Security Act allowed employers to defer the payment of the employer's share of social security taxes otherwise required to be paid between 27 March and 31 December 2020. The payment of the deferred taxes is required in two instalments; the first half was paid on 3 January 2022 and the remainder was paid on 3 January 2023.

The average number of staff, including Directors, employed by the Group during the year was:

	2024 Number	2023 Number
North America	**4,542**	4,413
Europe and Middle East	**3,403**	3,643
Asia-Pacific	**1,441**	1,433
	9,386	9,489

Notes to the consolidated financial statements continued

9 Non-underlying items

Non-underlying items include items which are exceptional by their size and/or are non-trading in nature, including amortisation of acquired intangibles, goodwill impairment, restructuring costs and other non-trading amounts, including those relating to acquisitions and disposals. Tax arising on these items, including movement in deferred tax assets arising from non-underlying provisions, is also classified as a non-underlying item. These are detailed in the table below.

As underlying results include the benefits of restructuring programmes and acquisitions but exclude significant costs (such as major restructuring costs and the amortisation of acquired intangible assets) they should not be regarded as a complete picture of the Group's financial performance, which is presented in its total statutory results. The exclusion of non-underlying items may result in underlying earnings being materially higher or lower than total statutory earnings. In particular, when significant impairments and restructuring charges are excluded, underlying earnings will be higher than total statutory earnings.

	2024 £m	2023 £m
Exceptional restructuring costs	**4.3**	2.8
ERP implementation costs	**4.0**	7.5
Claims related to closed businesses	**1.5**	–
Loss on disposal of operations	**0.8**	0.1
Goodwill impairment	**–**	12.1
Impairment of trade receivables related to restructuring	**–**	0.4
Non-underlying items in operating costs (including net impairment loss on trade receivables and contract assets)	**10.6**	22.9
Amortisation of acquired intangible assets	**3.3**	5.1
Change in fair value of contingent consideration	**(6.4)**	–
Gain on sale of assets held for sale	**–**	(0.8)
Non-underlying items in other operating income	**(6.4)**	(0.8)
Amortisation of joint venture acquired intangibles	**–**	0.6
Total non-underlying items in operating profit	**7.5**	27.8
Non-underlying items in finance income	**–**	–
Total non-underlying items before taxation	**7.5**	27.8
Taxation	**(2.7)**	(3.0)
Total non-underlying items after taxation	**4.8**	24.8

Non-underlying items in operating costs

Exceptional restructuring costs

Exceptional restructuring costs comprises £4.4m in respect of the Group's finance transformation project, which has moved certain finance activities into internal shared service centres. This is a Group-wide strategic project. The costs for the year mainly comprise headcount restructuring and one-off set-up costs for the shared service centres for the EME and APAC divisions. We anticipate incurring costs for the North America Division in 2025. Non-underlying costs does not include operational post-implementation running costs for the shared service centres. Exceptional restructuring costs also includes a £0.1m credit from a reduction in a restructuring provision recognised as a non-underlying cost in a prior period.

The Group exercises judgement in assessing whether restructuring items should be classified as non-underlying. This assessment covers the nature of the item, cause of the occurrence and scale of impact of that item on the reported performance. Typically, management will categorise restructuring costs incurred to exit a specific geography as non-underlying, in addition restructuring programmes which are incremental to normal operations undertaken to add value to the business are included in non-underlying items. The value of exceptional restructuring costs in 2024 (£4.3m) is higher than in 2023 (£2.8m).

In 2023, exceptional restructuring costs of £2.8m comprised of £0.5m related to the exit from Kazakhstan, and £2.3m related to the closure of the Egypt business.

ERP implementation costs

The Group is continuing the strategic project to implement a new cloud computing enterprise resource planning (ERP) system across the Group. Due to the size, nature and incidence of the relevant costs expected to be incurred, the costs are presented as a non-underlying item, as they are not reflective of the underlying performance of the Group. As this is a complex implementation, project costs are expected to be incurred for a further three years. Non-underlying ERP costs of £4.0m (2023: £7.5m) include only costs relating directly to the implementation, including external consultancy costs and the cost of the dedicated implementation team. Non-underlying costs does not include operational post-deployment costs such as licence costs for businesses that have transitioned.

Loss on disposal of operations

As explained in note 5, the Group disposed of its South African operation in the period, recognising a loss on disposal of £0.8m.

In 2023, the Group disposed of its Cyntech Tanks operation in Canada, a part of Cyntech Construction Ltd, for a total consideration of £1.5m, consisting of the sale price of £1.3m and further sale price adjustments to be paid from the Escrow amount of £0.2m. A loss on disposal of £0.1m was recognised.

Claims related to closed businesses

Claims related to closed businesses of £1.5m (2023: £nil) reflects increased provisions for customer claims for businesses no longer operating.

Goodwill impairment

In 2023, the goodwill impairment of £12.1m related to Keller Limited, the UK Foundations business, following uncertainty over the future profitability of the cash-generating unit after the completion of a substantial customer contract.

Amortisation of acquired intangible assets

Amortisation of acquired intangible assets of £3.3m relates to the amortisation charge on assets acquired in the RECON, GKM, Moretrench and NWF acquisitions. The amortisation of acquired intangible assets in 2023 of £5.1m relates to the amortisation charge on assets acquired in the RECON, GKM, Moretrench and NWF acquisitions.

Non-underlying items in other operating income

Change in fair value of contingent consideration

Non-underlying other operating income of £6.4m arises from a change in fair value of the contingent consideration related to the non-controlling interest transaction to acquire 35% of Keller Company Limited (formerly Keller Turki Company Limited) and the acquisitions of GKM Consultants and NWF. Refer to note 26 for further detail.

Gain on disposal of assets held for sale

During 2023, the gain on disposal of assets held for sale of £0.8m related primarily to the sale of assets owned by the now-closed Waterway business in Australia. Impairment charges for these assets had previously been charged to non-underlying items in prior periods and therefore the corresponding profit on disposal of the assets is also recognised as a non-underlying item.

Amortisation of joint venture acquired intangibles

In 2023, the amortisation of joint venture intangibles related to NordPile, an acquisition by the Group's joint venture interest KFS Finland Oy on 8 September 2021.

Non-underlying taxation

Refer to note 12 for details of the non-underlying tax items.

10 Finance income

	2024 £m	2023 £m
Bank and other interest receivable	**6.1**	1.6
Net pension interest income	**0.2**	–
Other finance income	**0.3**	0.2
Underlying finance income	**6.6**	1.8
Total finance income	**6.6**	1.8

Notes to the consolidated financial statements continued

11 Finance costs

	2024 £m	2023 £m
Interest payable on bank loans and overdrafts	**1.4**	12.6
Interest payable on other loans	**17.3**	8.6
Interest on lease liabilities	**6.2**	5.6
Net pension interest cost	**0.4**	0.3
Other interest costs	**1.9**	1.8
Total interest costs	**27.2**	28.9
Unwinding of discount on provisions	**0.6**	0.4
Total finance costs	**27.8**	29.3

12 Taxation

	2024 £m	2023 £m
Current tax expense:		
Current year	**64.0**	54.6
Prior years	**–**	0.4
Total current tax	**64.0**	55.0
Deferred tax expense:		
Current year	**(23.0)**	(18.7)
Prior years	**0.2**	(0.5)
Total deferred tax	**(22.8)**	(19.2)
	41.2	35.8

UK corporation tax is calculated at 25% (2023: 23.5%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The effective tax rate can be reconciled to the UK corporation tax rate of 25% (2023: 23.5%) as follows:

	2024			2023		
	Underlying £m	Non-underlying items (note 9) £m	Statutory £m	Underlying £m	Non-underlying items (note 9) £m	Statutory £m
Profit/(loss) before tax	**191.4**	**(7.5)**	**183.9**	153.4	(27.8)	125.6
UK corporation tax charge/(credit) at 25% (2023: 23.5%)	**47.9**	**(1.9)**	**46.0**	36.0	(6.5)	29.5
Tax charged at rates other than 25% (2023: 23.5%)	**5.0**	**–**	**5.0**	4.3	(0.2)	4.1
Tax losses and other deductible temporary differences not recognised	**2.7**	**–**	**2.7**	10.1	0.6	10.7
Utilisation of tax losses and other deductible temporary differences previously unrecognised	**(9.3)**	**–**	**(9.3)**	(7.4)	–	(7.4)
Permanent differences	**(3.6)**	**(0.8)**	**(4.4)**	(4.3)	3.1	(1.2)
Adjustments to tax charge in respect of previous periods	**0.2**	**–**	**0.2**	(0.1)	–	(0.1)
Other	**1.0**	**–**	**1.0**	0.2	–	0.2
Tax charge/(credit)	**43.9**	**(2.7)**	**41.2**	38.8	(3.0)	35.8
Effective tax rate	**22.9%**	**35.3%**	**22.4%**	25.3%	10.6%	28.5%

The decrease in the effective tax rate on underlying profits to 23% from the 2023 rate of 25% is largely due to increased profits in Australia where a limited deferred tax asset was previously booked for carry-forward losses.

The tax credit of £2.7m on non-underlying items has been calculated by assessing the tax impact of each component of the charge/(credit) to the income statement and applying the jurisdictional tax rate that applies to that item. The effective tax rate in 2024 on non-underlying items is higher than the effective tax rate on underlying items largely due to the credit resulting from the change in the fair value of contingent consideration, which is not subject to tax.

The Group is subject to taxation in over 40 countries worldwide and the risk of changes in tax legislation and interpretation from tax authorities in the jurisdictions in which it operates. The assessment of uncertain positions is subjective and subject to management's best judgement of the probability of the outcome in reaching agreement with the relevant tax authorities. Where tax positions are uncertain, provisions are made where necessary, based on interpretation of legislation, management experience and appropriate professional advice. Management do not expect the outcome of these estimates to be materially different from the position taken.

The UK government enacted Finance (No 2) Act 2023 on 11 July 2023, which includes the Pillar Two legislation introducing a multinational top-up tax and a domestic minimum top-up tax in line with the minimum 15% rate in the OECD's Pillar Two rules. The rules have applied to the Group from the beginning of the financial year commencing on 1 January 2024. The UK legislation has also adopted the OECD's transitional Pillar Two safe harbour rules which, if applicable, will deem the top-up tax for a jurisdiction to be nil based on available Country-by-Country Reporting data.

The Group has performed an assessment of the potential exposure to Pillar Two top-up taxes, based on the Country-by-Country Reporting data for 2024 for the constituent entities in the Group. Based on the assessment, the Pillar Two effective tax rates in most of the jurisdictions in which the Group operates are above 15%. There are however a limited number of jurisdictions where the transitional safe harbour relief may not apply and appropriate provision has been made for resultant top-up taxes. The Group does not expect a material exposure to Pillar Two top-up taxes for these jurisdictions.

The Group has applied the exemption in the amendments to IAS 12 (issued in May 2023) and has neither recognised nor disclosed information about deferred tax assets or liabilities relating to Pillar Two income taxes.

The following are the major deferred tax liabilities and assets recognised by the Group and the movements during the current and prior reporting periods:

	Unused tax losses £m	Accelerated capital allowances £m	Retirement benefit obligations £m	Other employee-related liabilities £m	Bad debts £m	Other[1] temporary differences £m	Total £m
At 1 January 2023	14.5	(10.9)	3.2	6.1	10.1	(13.2)	9.8
Credit/(charge) to the income statement	(3.1)	11.9	(0.7)	6.7	(2.8)	7.2	19.2
Charge to other comprehensive income	–	–	(0.1)	–	–	–	(0.1)
Exchange movements	(0.7)	–	(0.1)	(0.4)	(0.3)	1.6	0.1
At 31 December 2023	10.7	1.0	2.3	12.4	7.0	(4.4)	29.0
Credit/(charge) to the income statement	**2.5**	**21.2**	**(0.3)**	**(5.6)**	**4.5**	**0.5**	**22.8**
Charge to other comprehensive income	**–**	**–**	**(0.1)**	**–**	**–**	**–**	**(0.1)**
Exchange movements	**(0.1)**	**1.2**	**(0.1)**	**(0.1)**	**0.1**	**(0.2)**	**0.8**
Other reallocations/transfers	**–**	**(0.4)**	**–**	**–**	**–**	**–**	**(0.4)**
At 31 December 2024	**13.1**	**23.0**	**1.8**	**6.7**	**11.6**	**(4.1)**	**52.1**

1 Other temporary differences are mainly in respect of intangible assets and contract provisions.

The movement from a net deferred tax asset of £29.0m at 31 December 2023 to £52.1m at 31 December 2024 is largely as a result of the timing of the deductibility of R&D expenditure for US tax purposes. R&D expenditure is deferred for tax purposes and amortised over five years.

The following is the analysis of the deferred tax balances:

	2024 £m	2023 £m
Deferred tax assets	**61.5**	36.8
Deferred tax liabilities	**(9.4)**	(7.8)
	52.1	29.0

Deferred tax assets include amounts of £61.5m (2023: £36.8m) where recovery is based on forecasts of future taxable profits that are expected to be available to offset the reversal of the associated temporary differences. The deferred tax assets arise in the US (£51.2m), Australia (£6m), Canada (£2.1m), India (£1.4m) and the UK (£0.8m), with the assets recognised in Australia, Canada and the UK being partially in relation to tax losses carried forward. The amount of profits in each territory which are necessary to be realised over the forecast period to support these assets are £201m, £20m, £8m, £5.5m and £3.2m. Canadian tax rules currently allow tax losses to be carried forward up to 20 years. Australia and the UK allow losses to be carried forward indefinitely. The recovery of deferred tax assets has been assessed by reviewing the likely timing and level of future taxable profits. The period assessed for recovery of assets is appropriate for each territory having regard to the specific facts and circumstances and the probability of achieving forecast profitability. A 10% shortfall in expected profits would have a proportional impact on the value of the deferred tax assets recoverable.

At the balance sheet date, the Group had unused tax losses of £101.7m (2023: £137.6m), mainly arising in Canada, Spain, France, Saudi Arabia, Malaysia and the UK, available for offset against future profits, on which no deferred tax asset has been recognised. Of these losses, £59.1m (2023: £84.0m) may be carried forward indefinitely. Of the remaining losses, £17.3m expire in 2025, £1.4m expire in 2028 and £23.9m expire in 2035.

At the balance sheet date, the aggregate of other deductible temporary differences for which no deferred tax asset has been recognised was £18.1m (2023: £4.4m). These differences have no expiry term.

At the balance sheet date the aggregate of temporary differences associated with investments in subsidiaries, branches and joint ventures for which no deferred tax liability has been recognised is £457.9m (2023: £373.9m), on the basis that the Group can control the reversal of temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. The unprovided deferred tax liability in respect of these timing differences is £10.5m (2023: £10.0m).

Notes to the consolidated financial statements continued

13 Dividends payable to equity holders of the parent

Ordinary dividends on equity shares:

	2024 £m	2023 £m
Amounts recognised as distributions to equity holders in the year:		
Final dividend for the year ended 31 December 2023 of 31.3p (2022: 24.5p) per share	**22.6**	17.7
Interim dividend for the year ended 31 December 2024 of 16.6p (2023: 13.9p) per share	**12.0**	10.0
	34.6	27.7

The Board has recommended a final dividend for the year ended 31 December 2024 of £23.6m, representing 33.1p (2023: 31.3p) per share. The proposed dividend is subject to approval by shareholders at the Annual General Meeting on 14 May 2025 and has not been included as a liability in these financial statements.

14 Earnings per share

Basic earnings per share is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

When the Group makes a profit, diluted earnings per share equals the profit attributable to equity holders of the parent adjusted for the dilutive impact divided by the weighted average diluted number of shares. When the Group makes a loss, diluted earnings per share equals the loss attributable to the equity holders of the parent divided by the basic average number of shares. This ensures that earnings per share on losses is shown in full and not diluted by unexercised share awards.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

Basic and diluted earnings per share are calculated as follows:

	Underlying earnings attributable to the equity holders of the parent		Earnings attributable to the equity holders of the parent	
	2024	2023	2024	2023
Basic and diluted earnings (£m)	**147.1**	114.2	**142.3**	89.4
Weighted average number of ordinary shares (m)[1]				
Basic number of ordinary shares outstanding	**72.1**	72.8	**72.1**	72.8
Effect of dilution from:				
Share options and awards	**1.5**	1.4	**1.5**	1.4
Diluted number of ordinary shares outstanding	**73.6**	74.2	**73.6**	74.2
Earnings per share				
Basic earnings per share (p)	**204.0**	156.9	**197.4**	122.8
Diluted earnings per share (p)	**199.9**	153.9	**193.3**	120.5

1 The weighted average number of shares takes into account the weighted average effect of changes in treasury shares during the year. The weighted average number of shares excludes those held in the Employee Share Ownership Plan Trust and those held in treasury, which for the purpose of this calculation are treated as cancelled.

15 Goodwill and intangible assets

	Goodwill £m	Trade names £m	Customer contracts and relationships £m	Other intangibles £m	Total £m
Cost					
At 1 January 2023	248.2	34.8	47.9	27.1	358.0
Additions	–	–	–	0.2	0.2
Exchange movements	(9.6)	(2.0)	(2.7)	(0.2)	(14.5)
At 31 December 2023 and 1 January 2024	238.6	32.8	45.2	27.1	343.7
Disposed with businesses	**–**	**–**	**–**	**(2.1)**	**(2.1)**
Reclassification	**–**	**–**	**–**	**2.5**	**2.5**
Exchange movements	**(4.8)**	**(0.6)**	**(0.9)**	**(1.1)**	**(7.4)**
At 31 December 2024	**233.8**	**32.2**	**44.3**	**26.4**	**336.7**
Accumulated amortisation and impairment					
At 1 January 2023	122.9	29.0	41.7	26.5	220.1
Impairment charge for the year	12.1	–	–	–	12.1
Amortisation charge for the year	–	1.7	3.4	0.4	5.5
Exchange movements	(4.0)	(1.8)	(2.5)	(0.3)	(8.6)
At 31 December 2023 and 1 January 2024	131.0	28.9	42.6	26.6	229.1
Amortisation charge for the year	**–**	**2.1**	**1.2**	**0.1**	**3.4**
Disposed with businesses	**–**	**–**	**–**	**(2.1)**	**(2.1)**
Reclassification	**–**	**–**	**–**	**2.5**	**2.5**
Exchange movements	**(4.8)**	**(0.6)**	**(0.9)**	**(1.1)**	**(7.4)**
At 31 December 2024	**126.2**	**30.4**	**42.9**	**26.0**	**225.5**
Carrying amount					
At 1 January 2023	125.3	5.8	6.2	0.6	137.9
At 31 December 2023 and 1 January 2024	107.6	3.9	2.6	0.5	114.6
At 31 December 2024	**107.6**	**1.8**	**1.4**	**0.4**	**111.2**

Other intangibles represent internally developed software and licences. There are no indicators of impairment for assets relating to trade names, customer contracts and relationships or other intangibles as at 31 December 2024. Assets disposed of during 2024 related mainly to the South African business.

For the purposes of impairment testing, goodwill has been allocated to six (2023: seven) separate cash-generating units (CGUs). The carrying amount of goodwill allocated to the five CGUs with the largest goodwill balances is significant in comparison to the total carrying amount of goodwill and comprises 99% of the total (2023: 99%). The relevant CGUs and the carrying amount of the goodwill allocated to each are as set out below, together with the pre-tax discount rate and medium-term growth rate used in their value-in-use calculations:

		2024			2023		
CGU	Geographical segment	Carrying value £m	Pre-tax discount rate[1] %	Forecast growth rate %	Carrying value £m	Pre-tax discount rate[1] %	Forecast growth rate %
Keller US	North America	**50.1**	**14.9**	**2.0**	49.4	15.2	2.0
Suncoast	North America	**34.4**	**14.8**	**2.0**	33.9	15.2	2.0
Keller Canada	North America	**12.4**	**13.6**	**2.0**	13.2	13.8	2.0
Other	North America and Europe	**10.7**			11.1		
		107.6			107.6		

1 Pre-tax discount rates and forecast growth rates are defined by market.

Notes to the consolidated financial statements continued

15 Goodwill and intangible assets continued

The recoverable amount of the goodwill allocated to each CGU has been calculated on a value-in-use basis. The calculations use cash flow projections based on financial budgets and forecasts approved by management and cover a three-year period.

The Group's businesses operate in a diverse geographical set of markets, some of which are expected to continue to face uncertain conditions in future years. The most important factors in the value-in-use calculations are the forecast revenues and operating margins during the forecast period, the growth rates and discount rates applied to future cash flows. The key assumptions underlying the cash flow forecasts are revenue and operating margins assumed throughout the forecast period. Revenue and operating margins are prepared as part of the Group's three-year forecast in line with the Group's annual business planning process. The Group's budget for 2025 and financial projections for 2026 and 2027 were approved by the Board, and have been used as the basis for input into the value-in-use calculation.

Management considers all the forecast revenues, margins and profits to be reasonably achievable given recent performance and the historic trading results of the relevant CGUs. A margin for historical forecasting error has also been factored into the value-in-use model. Cash flows beyond 2027 which are deemed to be on a continuing basis have been extrapolated using the forecast growth rates above and do not exceed the long-term average growth rates for the markets in which the relevant CGUs operate. The growth rates used in the Group's value-in-use calculation into perpetuity are based on forecasted growth in the construction sector in each region where a CGU is located and adjusted for longer-term compound annual growth rates for each CGU as estimated by management. The discount rates used in the value-in-use calculations are based on the weighted average cost of capital of companies comparable to the relevant CGUs, adjusted as necessary to reflect the risk associated with the asset being tested.

Management's assessment for Keller Canada and Keller Norway (net book value of £4.2m presented in other CGUs in the table above) are sensitive to the future successful execution of each CGU's business plans to consistently meet forecasted margins (which assumes a continued improvement in operating performance) by improving project delivery and revenue growth. The estimated recoverable amounts for Keller Canada and Keller Norway exceed their carrying values by £22.3m and £0.4m respectively. For Keller Canada, the forecasted annual operating profit margin for 2025 to 2027 would need to decrease by 410 basis points in each respective year to result in a full impairment of the carrying value of the goodwill. For Keller Norway, the forecasted annual operating profit margin for 2025 to 2027 would need to decrease by 260 basis points in each respective year to result in a full impairment of the carrying value of the goodwill.

For the remaining CGUs, management believes that any reasonable possible change in the key assumptions on which the recoverable amounts of the CGUs are based would not cause any of their carrying amounts to exceed their recoverable amounts.

A number of sensitivities were run on the projections to identify the changes required in each of the key assumptions that, in isolation, would give rise to an impairment of the following goodwill balances.

CGU	Geographical segment	Increase in[1] discount rate %	Reduction in[1] future growth rate %	Reduction in final year cash flow %
Keller US	North America	66.7	n/a	111.9
Suncoast	North America	47.7	145.9	103.5
Keller Canada	North America	8.2	10.3	52.3

1 The increase in discount rate and reduction in future growth rate are presented as gross movements.

16 Property, plant and equipment

Property, plant and equipment comprises owned and leased assets.

	Note	2024 £m	2023 £m
Property, plant and equipment – owned assets	16a	**371.5**	394.9
Right-of-use assets – leased assets	16b	**89.9**	85.3
At 31 December		**461.4**	480.2

16 a) Property, plant and equipment – owned assets

	Land and buildings £m	Plant, machinery and vehicles £m	Capital work in progress £m	Total £m
Cost				
At 1 January 2023	76.2	1,018.1	11.2	1,105.5
Additions	4.3	85.3	4.7	94.3
Transfer from leased assets (note 16b)	–	0.8	–	0.8
Disposals	(0.6)	(69.8)	(0.1)	(70.5)
Net transfers to held for sale	–	(1.7)	–	(1.7)
Disposed with businesses	–	(0.8)	–	(0.8)
Reclassification	1.2	5.8	(7.0)	–
Exchange movements	(2.5)	(37.3)	(0.6)	(40.4)
At 31 December 2023 and 1 January 2024	78.6	1,000.4	8.2	1,087.2
Additions	**5.0**	**80.1**	**3.9**	**89.0**
Disposals	**(2.1)**	**(40.8)**	**–**	**(42.9)**
Net transfers to held for sale[1]	**(2.3)**	**(13.0)**	**–**	**(15.3)**
Disposed with businesses[2]	**(0.1)**	**(10.2)**	**–**	**(10.3)**
Reclassification	**–**	**2.7**	**(2.7)**	**–**
Exchange movements	**(1.5)**	**(20.6)**	**(0.2)**	**(22.3)**
At 31 December 2024	**77.6**	**998.6**	**9.2**	**1,085.4**
Accumulated depreciation and impairment				
At 1 January 2023	25.4	670.6	–	696.0
Charge for the year	3.1	78.7	–	81.8
Disposals	(0.2)	(57.3)	–	(57.5)
Net transfers to held for sale	–	(0.2)	–	(0.2)
Disposed with businesses	–	(0.4)	–	(0.4)
Exchange movements	(0.8)	(26.6)	–	(27.4)
At 31 December 2023 and 1 January 2024	27.5	664.8	–	692.3
Charge for the year	**2.0**	**76.8**	**–**	**78.8**
Disposals	**(1.6)**	**(27.5)**	**–**	**(29.1)**
Net transfers to held for sale[1]	**–**	**(2.4)**	**–**	**(2.4)**
Disposed with businesses[2]	**–**	**(9.5)**	**–**	**(9.5)**
Exchange movements	**(0.5)**	**(15.7)**	**–**	**(16.2)**
At 31 December 2024	**27.4**	**686.5**	**–**	**713.9**
Carrying amount				
At 1 January 2023	50.8	347.5	11.2	409.5
At 31 December 2023 and 1 January 2024	51.1	335.6	8.2	394.9
At 31 December 2024	**50.2**	**312.1**	**9.2**	**371.5**

1 The carrying amounts of assets held for sale at the balance sheet date are detailed in note 22.
2 Assets disposed with the South African business in 2024 and the Cyntech Tanks operation in Canada in 2023 as detailed in note 5.

The Group had contractual commitments for the acquisition of property, plant and equipment of £16.9m (2023: £12.0m) at the balance sheet date. These amounts were not included in the balance sheet at the year end.

Notes to the consolidated financial statements continued

16 Property, plant and equipment continued

16 b) Right-of-use assets – leased assets

The Group has lease contracts for various items of land and buildings, plant, machinery and vehicles used in its operations. Leases of land and buildings generally have lease terms between 3 and 15 years, while plant, machinery and vehicles generally have lease terms between two and eight years. The Group's obligations under its leases are secured by the lessor's title to the lease assets. Generally, the Group is restricted from assigning and sub-leasing its leased assets. There are several lease contracts that include extension and termination options.

The Group has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of the right-of-use assets recognised and the movements during the year:

	Land and buildings £m	Plant, machinery and vehicles £m	Total £m
At 1 January 2023	44.1	32.9	77.0
Additions	18.0	15.9	33.9
Acquired with businesses	–	(0.8)	(0.8)
Depreciation expense	(14.7)	(14.7)	(29.4)
Impairment expense	(0.6)	–	(0.6)
Contract modifications	7.3	1.4	8.7
Exchange movements	(2.1)	(1.4)	(3.5)
At 31 December 2023 and 1 January 2024	52.0	33.3	85.3
Additions	**7.6**	**18.8**	**26.4**
Depreciation expense	**(15.3)**	**(14.6)**	**(29.9)**
Contract modifications	**9.7**	**(0.9)**	**8.8**
Exchange movements	**(0.5)**	**(0.2)**	**(0.7)**
At 31 December 2024	**53.5**	**36.4**	**89.9**

The carrying amounts of lease liabilities (included within note 26 within loans and borrowings) and the movements during the year are set out in note 27.

17 Investments in joint ventures

The Group's investment in joint ventures relates to a 50% interest in the ordinary shares of KFS Finland Oy, an entity incorporated in Finland.

	2024 £m
At 1 January 2024	**4.5**
Share of underlying post-tax results	**0.5**
Share of non-underlying post-tax results (note 9)	**–**
Exchange movements	**(0.2)**
At 31 December 2024	**4.8**

	2023 £m
At 1 January 2023	4.4
Share of underlying post-tax results	0.8
Share of non-underlying post-tax results (note 9)	(0.6)
Exchange movements	(0.1)
At 31 December 2023	4.5

In 2024, KFS Finland Oy earned total revenue of £30.2m (2023: £19.0m) and a statutory profit after tax for the year of £0.5m (2023: £0.2m).

The joint venture had no contingent liabilities or commitments as at 31 December 2024 (2023: £nil).

Aggregate amounts relating to joint ventures:

	2024			2023		
	Underlying £m	Non-underlying items (note 9) £m	Statutory £m	Underlying £m	Non-underlying items (note 9) £m	Statutory £m
Revenue	**30.2**	**–**	**30.2**	19.0	–	19.0
Operating costs[1]	**(29.6)**	**–**	**(29.6)**	(18.0)	(0.6)	(18.6)
Operating profit/(loss)	**0.6**	**–**	**0.6**	1.0	(0.6)	0.4
Finance costs	**(0.1)**	**–**	**(0.1)**	(0.2)	–	(0.2)
Profit/(loss) before taxation	**0.5**	**–**	**0.5**	0.8	(0.6)	0.2
Taxation	**–**	**–**	**–**	(0.1)	0.1	–
Share of post-tax results	**0.5**	**–**	**0.5**	0.7	(0.5)	0.2

1 Included within operating costs is depreciation on owned assets of £0.9m (2023: £0.9m).

	KFS Finland Oy (100% of results)		Group's portion of the joint venture	
	2024 £m	2023 £m	2024 £m	2023 £m
Non-current assets	**15.4**	16.0	**7.7**	8.0
Cash and cash equivalents	**2.8**	3.2	**1.4**	1.6
Other current assets	**8.2**	3.0	**4.1**	1.5
Total assets	**26.4**	22.2	**13.2**	11.1
Other current liabilities	**(8.6)**	(3.8)	**(4.3)**	(1.9)
Non-current loans and borrowings	**(7.8)**	(9.0)	**(3.9)**	(4.5)
Other non-current liabilities	**(0.4)**	(0.4)	**(0.2)**	(0.2)
Total liabilities	**(16.8)**	(13.2)	**(8.4)**	(6.6)
Net assets	**9.6**	9.0	**4.8**	4.5

18 Other non-current assets

	2024 £m	2023 £m
Non-qualifying deferred compensation plan assets	**23.0**	20.5
Customer retentions	**33.7**	22.7
Other assets	**1.3**	1.6
Insurance receivables	**30.3**	22.0
	88.3	66.8

A non-qualifying deferred compensation plan (NQ) is available to US employees, whereby an element of eligible employee bonuses and salary is deferred over a period of four to six years. The plan allows participants to receive tax relief for contributions beyond the limits of the tax-free amounts allowed per the 401k defined contribution pension plan. The plan is administered by a professional investment provider with participants able to select their investments from an approved listing. An amount equal to each participant's compensation deferral is transferred into a trust and invested in various marketable securities. The related trust assets are not identical to investments held on behalf of the employee but are invested in similar funds with the objective that performance of the assets closely tracks the liabilities. The investments held in the trust are designated solely for the purpose of paying benefits under the non-qualified deferred compensation plan. The investments in the trust would however be available to all unsecured general creditors in the event of insolvency.

The value of both the employee investments and those held in trust by the company are measured using Level 1 inputs per IFRS 13 ('quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date') based on published market prices at the end of the period. Adjustments to the fair value are recorded within net finance costs in the consolidated income statement.

Invoiced amounts for customer retentions are balances typically payable at the end of a construction project, when all contractual performance obligations have been met, and are therefore received over a longer period of time.

At 31 December 2024, non-current assets in relation to the investments held in the trust were £23.0m (2023: £20.5m). The fair value movement on these assets was £2.1m (2023: £2.2m). During the period proceeds from the sale of NQ-related investments were £nil (2023: £nil). At 31 December 2024, non-current liabilities in relation to the participant investments were £15.6m (2023: £14.3m). These are accounted for as financial liabilities at fair value through profit or loss. The fair value movement on these liabilities was £2.1m (2023: £2.6m). During the year £1.2m (2023: £0.6m) of compensation was deferred.

Further details on insurance receivables are given in note 24.

Notes to the consolidated financial statements continued

19 Inventories

	2024 £m	2023 £m
Raw materials and consumables	**49.2**	58.9
Work in progress	**1.1**	1.0
Finished goods	**31.3**	33.4
	81.6	93.3

During 2024, £2.0m (2023: £1.3m) of inventory write-downs were recognised as an expense for inventories carried at net realisable value. This is recognised within operating costs in the consolidated income statement.

During 2024, inventory balances decreased by £11.7m (2023: £31.1m increase), which was made up of cash flow movements of £10.4m (2023: £26.8m), foreign exchange movements of £1.2m (2023: £4.2m) and other non-cash movements of £0.1m (2023: £0.1m).

20 Trade and other receivables

	2024 £m	2023 £m
Trade receivables	**575.1**	583.1
Contract assets	**119.2**	90.9
Other receivables	**23.7**	21.7
Prepayments	**41.0**	26.1
Fair value of derivative financial instruments	**0.1**	–
	759.1	721.8

During 2024, trade and other receivable balances increased by £37.3m (2023: £42.8m decrease), which was made up of cash flow movements of £(54.4)m (2023: £1.5m), foreign exchange movements of £5.9m (2023: £33.0m) and other non-cash movements of £11.2m (2023: £8.3m).

Further details on insurance receivables included within other receivables are given in note 24.

Trade receivables and contract assets included in the balance sheet are shown net of expected credit loss provisions as detailed in note 2.

The movement in the allowance for expected credit losses of trade receivables and contract assets is as follows:

	2024 £m	2023 £m
At 1 January	**45.1**	36.0
Used during the year	**(2.7)**	(10.8)
Additional provisions	**21.0**	29.4
Unused amounts reversed	**(9.0)**	(7.7)
Disposal of businesses	**(1.3)**	–
Exchange movements	**(0.8)**	(1.8)
At 31 December[1]	**52.3**	45.1

1 Of this amount £27.0m (2023: £16.8m) is subject to enforcement activity

Set out below is information about the credit risk exposure on the Group's trade receivables and contract assets, detailing past due but not impaired, based on agreed terms and conditions with the customer:

2024	Contract assets	Trade receivables and non-current customer retentions					
			Days past due				
	Total £m	Current £m	<30 days £m	31–90 days £m	>90 days £m	Total £m
Expected credit loss rate	**1%**	**1%**	**2%**	**1%**	**64%**	**8%**
Estimated total gross carrying amount at default	**120.8**	**461.0**	**80.1**	**52.6**	**65.9**	**659.6**
Allowance for expected credit loss	**(1.6)**	**(6.7)**	**(1.5)**	**(0.4)**	**(42.1)**	**(50.7)**
Carry amount as shown in the balance sheet	**119.2**	**454.3**	**78.6**	**52.2**	**23.8**	**608.9**

2023	Contract assets	Trade receivables and non-current customer retentions				
			Days past due			
	Total £m	Current £m	<30 days £m	31–90 days £m	>90 days £m	Total £m
Expected credit loss rate	1%	1%	1%	1%	46%	7%
Estimated total gross carrying amount at default	92.2	402.8	109.8	57.9	79.1	649.6
Allowance for expected credit loss	(1.3)	(5.9)	(1.0)	(0.3)	(36.6)	(43.8)
Carry amount as shown in the balance sheet	90.9	396.9	108.8	57.6	42.5	605.8

The Group's expected credit loss rate for trade receivables and non-current customer retentions that were more than 90 days past due increased from 46% in 2023 to 64% in 2024. This was as a result of specific provisions that were provided in relation to both customers struggling financially and contractual disputes leading to failure of recovery. The other expected credit loss rates were in line with the prior year.

21 Cash and cash equivalents

	2024 £m	2023 £m
Bank balances	**116.1**	105.2
Short-term deposits	**91.6**	46.2
Cash and cash equivalents in the balance sheet	**207.7**	151.4
Bank overdrafts	**–**	(2.4)
Cash and cash equivalents in the cash flow statement	**207.7**	149.0

Cash and cash equivalents include £5.0m (2023: £4.4m) of the Group's share of cash and cash equivalents held by joint operations, and £nil (2023: £1.1m) of restricted cash which is subject to local country restrictions as it is held as collateral in support of bank guarantees.

22 Assets held for sale

	2024 £m	2023 £m
Plant and machinery	**9.2**	1.6
	9.2	1.6

During 2024, £12.9m (2023: £1.5m) of assets were transferred from Property, plant and equipment to Assets held for sale. Of these, an asset in North America with £nil Net book value (2023: £1.1m) and £2.4m of the Austral assets in APAC were disposed of for a total cash consideration of £6.5m resulting in a gain from the disposal of assets of £4.1m, which is included in operating costs.

At 31 December 2024, assets held for sale comprised of drilling rigs in Saudi Arabia costing £4.2m, a cargo ship in Australia costing £2.8m, other assets in Saudi Arabia costing £1.3m and other assets in Australia costing £0.2m, all of which were added during the period and an electric crane in Australia costing £0.6m.

Notes to the consolidated financial statements continued

23 Trade and other payables

	2024 £m	2023 £m
Trade payables	**168.0**	155.5
Other taxes and social security payable	**17.2**	16.8
Other payables	**164.7**	153.0
Contract liabilities	**115.2**	90.9
Accruals	**142.9**	137.1
Fair value of derivative financial instruments	**0.7**	0.3
	608.7	553.6

Other payables includes contingent and deferred consideration of £0.6m (2023: £1.7m), interest payable of £6.0m (2023: £6.1m), non-qualifying compensation plan liabilities of £1.4m (2023: £3.3m) and contract specific accruals of £131.3m (2023: £119.1m).

During 2024, trade and other payable balances increased by £55.1m (2023: £32.0m decrease), which was made up of cash flow movements of £71.7m (2023: £25.6m), foreign exchange movements of £(9.5)m (2023: £22.0m) and other non-cash movements of £(7.1)m (2023: £(15.6)m).

24 Provisions

	Employee provisions £m	Restructuring provisions £m	Contract provisions £m	Insurance and legal provisions £m	Other provisions £m	Total £m
As at 31 December 2023	9.6	6.1	41.2	73.4	2.5	132.8
Charge for the year	3.4	2.2	43.4	28.2	0.7	77.9
Used during the year	(1.8)	(3.5)	(11.6)	(7.3)	(0.6)	(24.8)
Unused amounts reversed	(0.1)	(0.1)	(5.9)	(4.1)	–	(10.2)
Unwinding of discount	–	–	–	0.6	–	0.6
Exchange movements	(0.1)	(0.7)	(0.8)	(0.2)	–	(1.8)
At 31 December 2024	**11.0**	**4.0**	**66.3**	**90.6**	**2.6**	**174.5**
Current	4.2	3.6	52.5	22.6	2.3	85.2
Non-current	6.8	0.4	13.8	68.0	0.3	89.3
At 31 December 2024	**11.0**	**4.0**	**66.3**	**90.6**	**2.6**	**174.5**

Employee provisions

Employee provisions relate to various liabilities in respect of employee rights and benefits, including the workers' compensation scheme in North America and long service leave benefits in Australia.

At 31 December 2024, the provision in respect of workers' compensation was £7.2m (2023: £6.5m). A provision is recognised when an employee informs the company of a workers' compensation claim. The provision is measured based on information provided by the workers' compensation insurer. The actual costs that may be incurred in respect of these claims are dependent on the assessment of an employee's claim and potential medical expenses, with timing of outflows variable depending on the claim.

At 31 December 2024, the provision in respect of long service leave was £2.1m (2023: £2.0m). A provision is recognised at the point an employee joins the company, with an adjustment made to factor the likelihood that the employee will remain in continuous service with the company to meet the threshold to receive the benefits. It is measured on an IAS 19 basis, at the present value of expected future benefit for services provided by employees up to the reporting date. The actual costs that may be incurred are dependent on the length of service for employees and amended for any starters and leavers. The provision is utilised when the leave is taken by the employee or when unused leave is paid on termination of employment.

Employee provisions also includes an amount of £1.7m (2023: £0.8m) in respect of social security contributions on share options. This provision is utilised as the options are exercised by employees, which occurs when the awards vest. The provision covers three years of open share options and will be utilised each year as the options vest.

Restructuring provisions

A restructuring provision is recognised when the Group has developed a detailed formal plan for the restructuring, has raised a valid expectation in those individuals affected and liabilities have been identified. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring. The provisions comprise mainly amounts for redundancy costs. Estimates may differ from the actual charges depending on the finalisation of redundancy amounts. These provisions are expected to be utilised within the next 12 months.

The restructuring provisions in 2024 included amounts provided in the year for senior management changes, the majority of which have been utilised by year end.

The restructuring provisions in 2023 included amounts provided in the year for the exit from the Egypt business, as well as amounts not yet settled from restructuring projects provided in the prior year.

Contract provisions

Contract provisions include onerous contracts where the forecast costs of completing the contract exceed the revenue and provision for potential remediation costs that we believe are probable to incur.

Provision for onerous contracts is made in full when such losses are foreseen, based on the estimated unavoidable costs of meeting the obligations of the contract, where these exceed the economic benefits expected to be received. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The actual loss incurred is uncertain until the project has been completed, and the actual costs incurred to complete the contract could be higher or lower than estimated in the calculation of the provision. The majority of this balance is expected to be utilised in the next 12 months, given the general short-term nature of contracts.

Provision for potential remediation costs typically arises after the completion of a project through a customer claim or dispute. The provision reflects our estimate of costs to be incurred in relation to the dispute; some disputes can take a long period of time to resolve and the actual amount incurred could be higher or lower than our provision, so there is uncertainty over both the amount and the timing of the expected cash outflows. The non-current element of the provision relates to disputes we expect will take longer than a year to resolve.

Insurance and legal provisions

Insurance and legal provisions comprises the liability for legal claims against the Group, including those that are retained within the Group's captive insurer (the 'captive'). The captive covers both public liability and professional indemnity claims for the Group. The captive covers liabilities below an upper limit above which third-party insurance applies. The provision also includes matters relating to separate legal issues which are not covered by the captive, including claims arising from civil matters which could result in penalties and legal costs. By their nature the amounts and timings of any outflows are difficult to predict.

Provisions for insurance and legal claims are made based on the best estimate of the likely total settlement value of a claim against the Group. Management seek specialist input from legal advisers and the Group's insurance claims handler to estimate the most likely legal outcome. The outcome of legal negotiations is inherently uncertain; as a result, there can be no guarantee that the assumptions used to estimate the provision will result in an accurate prediction of the actual costs that may be incurred.

A provision is recognised when it is judged likely that a legal claim will result in a payment to the claimant and the amount of the claim can be reliably estimated. Provisions are utilised as insurance or other legal claims are settled, which may take a number of years. A separate insurance receivable is recognised to the extent that confirmed third-party insurance is expected to cover any element of an estimated claim value and is virtually certain to be recovered. The asset is recognised within other non-current assets (refer to note 18) and trade and other receivables (refer to note 20). Management considers that there are no instances of reimbursable assets which are probable in nature.

Other provisions

Other provisions are in respect of property dilapidation arising from lease obligations and other operational provisions. Where a lease includes a 'make-good' requirement, provision for the cost is recognised as the obligation is incurred, either at the commencement of the lease or as a consequence of using the asset, and the cost of the expected work required can be reliably estimated. These are expected to be utilised over the relevant lease term which ranges from three to 15 years across the Group.

Notes to the consolidated financial statements continued

25 Other non-current liabilities

	2024 £m	2023 £m
Non-qualifying compensation plan liabilities	**15.6**	14.3
Other liabilities	**3.0**	8.9
	18.6	23.2

Other liabilities include deferred and contingent consideration of £2.6m (2023: £8.9m).

Refer to note 18 for further information on the non-qualifying deferred compensation plan.

26 Financial instruments

Exposure to credit, interest rate and currency risks arise in the normal course of the Group's business and have been identified as risks for the Group. Derivative financial instruments are used to hedge exposure to fluctuations in foreign exchange and interest rates.

The Group does not trade in financial instruments nor does it engage in speculative derivative transactions.

Currency risk

The Group faces currency risk principally on its net assets, most of which are in currencies other than sterling. The Group aims to reduce the impact that retranslation of these net assets might have on the consolidated balance sheet by matching the currency of its borrowings, where possible, with the currency of its assets. The majority of the Group's borrowings are held in sterling and US dollars.

The Group manages its currency flows to minimise transaction exchange risk. Forward contracts are used to hedge significant individual transactions. The majority of such currency flows within the Group relate to the repatriation of profits, intra-group loan repayments and any foreign currency cash flows associated with acquisitions. The Group's treasury risk management is performed at the Group's head office.

As at 31 December 2024, the fair value of outstanding foreign exchange forward contracts was £0.7m (2023: £0.3m) included in current liabilities.

Interest rate risk

Our objectives are to add stability to the interest expense and to manage our exposure to interest rate movements. To accomplish these objectives, we primarily use fixed rate external debt and have previously used interest rate swaps as part of our interest rate risk management strategy.

Interest rate risk is managed by either fixed or floating rate borrowings dependent upon the purpose and term of the financing.

As at 31 December 2024, 100% (2023: 99%) of the Group's third-party borrowings were at fixed interest rates.

Hedging currency risk and interest rate risk

The Group currently uses hedge accounting to manage currency risk only. Where hedging instruments are used to hedge significant individual transactions, the Group ensures that the critical terms, including dates, currencies, nominal amounts, interest rates and lengths of interest periods, are matched. The Group uses both qualitative and quantitative methods to confirm this and to assess the effectiveness of the hedge.

There are no derivatives or other hedging instruments in place at the balance sheet date held for the purpose of hedging interest rate risk.

Credit risk

The Group's principal financial assets are trade and other receivables, bank and cash balances and a limited number of investments and derivatives held to hedge certain Group exposures. These represent the Group's maximum exposure to credit risk in relation to financial assets.

The Group has procedures to manage counterparty risk and the assessment of customer credit risk is embedded in the contract tendering processes. The counterparty risk on bank and cash balances is managed by limiting the aggregate amount of exposure to any one institution by reference to their credit rating and by regular review of these ratings.

Customer credit risk is mitigated by the Group's relatively small average contract size and diversity, both geographically and in terms of end markets. No individual customer represented more than 4% of revenue in 2024 (2023: 4%). The ageing of trade receivables that were past due but not impaired is shown in note 20.

The Group evaluates each new customer and assesses their creditworthiness before any contract is undertaken.

The Group reviews customer receivables (including contract assets) on an ageing basis and provides against expected unrecoverable amounts. Experience has shown the level of historical provision required to be relatively low. Credit loss provisioning reflects past experience, economic factors and specific conditions.

The Group's estimated exposure to credit risk for trade receivables and contract assets is disclosed in note 20. This amount is the accumulation of several years of provisions for known or expected credit losses.

Liquidity risk and capital management

The Group's capital structure is kept under constant review, taking into account the need for availability and cost of various sources of funding. The capital structure of the Group consists of net debt and equity as shown in the consolidated balance sheet. The Group maintains a balance between the certainty of funding and a flexible, cost-effective financing structure, with all main borrowings being from committed facilities. The Group's policy ensures that its capital structure is appropriate to support this balance and the Group's operations.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group's debt and committed facilities mainly comprise a $120m private placement repayable in August 2030, a $180m private placement repayable in August 2033 and a £400m syndicated revolving credit facility expiring in June 2029.

In June 2024, the Group completed the refinancing of its core £375m revolving credit facility, which was set to expire in November 2025, replacing it with a new £400m facility that will expire in June 2029 (the 'RCF'). The RCF has an extension option for two further years to June 2030 and June 2031, with the agreement of the lending banks, and its terms and conditions are materially the same as the prior facility. The RCF remained undrawn at 31 December 2024.

The private placement debt and RCF are subject to certain covenants linked to the Group's financing structure, specifically regarding the ratios of net debt and interest to profit. The covenants are calculated on an IAS 17 basis, EBITDA to net debt leverage must be below three times and EBITDA interest cover must be above four times. The covenants are tested at the half year and year end reporting dates. The liability for the private placement debt has been presented as a non-current liability as it is not due to be repaid until 2030 and 2033, and we do not anticipate having any difficulty in complying with the covenants. The Group has complied with these covenants throughout the year, and the going concern assessment detailed in note 1 indicated that the covenants would not be breached in our most extreme downside scenario incorporating an aggregation of all risks considered.

At the year end, the Group also had other borrowing facilities available of £47.4m (2023: £50.2m).

Private placements

In August 2023, $120m and $180m were raised through a private placement with US institutions. The US private placement notes are accounted for on an amortised cost basis and are retranslated at the exchange rate at each period end. The carrying value of the $120m and $180m private placement liabilities at 31 December 2024 were £95.7m and £143.6m, respectively.

In December 2024, the Group repaid $75m of US private placement notes as they fell due. The repayment was funded from the proceeds of the 2023 US private placement notes.

Hedging

The Group entered into a Treasury lock on 28 April 2023 designated as a cash flow hedge against the highly probable cash outflows for the interest payments on the US private placement notes issued in August 2023. A Treasury lock is a synthetic forward sale of a US Treasury note, which is settled in cash based upon the difference between an agreed-upon treasury rate and the prevailing treasury rate at settlement. Such Treasury locks are entered into to effectively fix the underlying treasury rate component of an upcoming debt issuance. The Treasury lock was settled on 26 May 2023. The gain from the proceeds of the hedging instrument was recognised in the hedging reserve and an amount is transferred to the income statement as the cash flows are realised.

All hedges are tested for effectiveness every six months. All hedging relationships remained effective during the year while they were in place.

Accounting classifications

	2024 £m	2023 £m
Financial assets measured at fair value through profit or loss		
Non-qualifying deferred compensation plan	**23.2**	20.5
Financial assets measured at amortised cost		
Trade receivables	**575.1**	583.1
Contract assets	**119.2**	90.9
Cash and cash equivalents	**207.7**	151.4
Financial liabilities at fair value through profit or loss		
Contingent consideration payable	**(3.2)**	(10.0)
Forward contracts	**(0.7)**	(0.3)
Financial liabilities measured at amortised cost		
Trade payables	**(168.0)**	(155.5)
Contract liabilities	**(115.2)**	(90.9)
Bank and other loans	**(236.6)**	(297.1)
Lease liabilities	**(98.0)**	(91.6)
Deferred consideration payable	**–**	(0.7)

Notes to the consolidated financial statements continued

26 Financial instruments continued

Effective interest rates and maturity analysis

In respect of financial liabilities, the following table indicates their effective interest rates and undiscounted contractual cash flows at the balance sheet date:

	2024						
	Effective interest rate %	Due within 1 year £m	Due within 1–2 years £m	Due within 2–5 years £m	Due after more than 5 years £m	Total £m	Carrying amount as shown in the balance sheet £m
Bank loans and overdrafts	**1.4**	**(0.3)**	**(0.1)**	**–**	**–**	**(0.4)**	**(0.4)**
Other loans and private placements	**6.4**	**(15.4)**	**(15.4)**	**(46.1)**	**(277.1)**	**(354.0)**	**(236.2)**
Lease liabilities	**–**	**(33.1)**	**(27.0)**	**(40.8)**	**(13.6)**	**(114.5)**	**(98.0)**
Contract liabilities	**–**	**(115.2)**	**–**	**–**	**–**	**(115.2)**	**(115.2)**
Trade payables	**–**	**(168.0)**	**–**	**–**	**–**	**(168.0)**	**(168.0)**
Contingent consideration	**–**	**(0.6)**	**(1.0)**	**(2.0)**	**–**	**(3.6)**	**(3.2)**
		(332.6)	**(43.5)**	**(88.9)**	**(290.7)**	**(755.7)**	**(621.0)**

	2023						
	Effective interest rate %	Due within 1 year £m	Due within 1–2 years £m	Due within 2–5 years £m	Due after more than 5 years £m	Total £m	Carrying amount as shown in the balance sheet £m
Bank loans and overdrafts	2.5	(2.8)	(0.4)	(0.1)	–	(3.3)	(3.2)
Other loans and private placements	6.0	(76.5)	(15.1)	(45.4)	(287.9)	(424.9)	(293.9)
Lease liabilities	–	(31.0)	(24.4)	(36.7)	(16.3)	(108.4)	(91.6)
Contract liabilities	–	(90.9)	–	–	–	(90.9)	(90.9)
Trade payables	–	(155.5)	–	–	–	(155.5)	(155.5)
Contingent consideration	–	(1.7)	(3.0)	(7.4)	–	(12.1)	(10.7)
		(358.4)	(42.9)	(89.6)	(304.2)	(795.1)	(645.8)

Loans and borrowings analysis

	2024 £m	2023 £m
$75m private placement (due December 2024)	**–**	(59.0)
$120m private placement (due August 2030)	**(95.7)**	(94.2)
$180m private placement (due August 2033)	**(143.6)**	(141.2)
Deferred financing costs	**3.1**	0.5
Bank overdrafts	**–**	(2.4)
Other bank borrowings	**(0.4)**	(0.8)
Lease liabilities (note 27)	**(98.0)**	(91.6)
Total loans and borrowings	**(334.6)**	(388.7)

The Group has substantial borrowing facilities available to it. The undrawn committed facilities available at 31 December 2024 amounted to £400.0m (2023: £377.8m), this is the Group's unutilised £400m revolving credit facility, which expires on 4 June 2029. In addition, the Group had undrawn uncommitted borrowing facilities totalling £47.4m at 31 December 2024 (2023: £47.4m). Other uncommitted bank borrowing facilities are normally reaffirmed by the banks annually, although they can theoretically be withdrawn at any time. Facilities totalling £nil (2023: £nil) are secured against certain assets. Future obligations under finance leases on a former IAS 17 basis totalled £0.6m (2023: £0.5m), including interest of £0.1m (2023: £0.1m).

Changes in loans and borrowings were as follows:

	2023 £m	Cash flows £m	Other[1] £m	New leases £m	Foreign exchange movements £m	Fair value changes £m	2024 £m
Bank overdrafts	(2.4)	**2.4**	**–**	**–**	**–**	**–**	**–**
Bank loans	(0.8)	**0.4**	**–**	**–**	**–**	**–**	**(0.4)**
Private placements	(294.4)	**58.6**	**(0.2)**	**–**	**(3.3)**	**–**	**(239.3)**
Deferred financing costs	0.5	**3.5**	**(0.9)**	**–**	**–**	**–**	**3.1**
Lease liabilities (note 27)	(91.6)	**34.2**	**(15.0)**	**(26.4)**	**0.8**	**–**	**(98.0)**
Total loans and borrowings	**(388.7)**	**99.1**	**(16.1)**	**(26.4)**	**(2.5)**	**–**	**(334.6)**

1 Other comprises disposals and contract modifications and interest accretion on lease liabilities and the amortisation of deferred financing costs on bank loans.

Changes in loans and borrowings in the prior year were as follows:

	2022 £m	Cash flows £m	Other[1] £m	New leases £m	Foreign exchange movements £m	Fair value changes £m	2023 £m
Bank overdrafts	(6.9)	4.5	–	–	–	–	**(2.4)**
Bank loans	(249.5)	244.5	(1.1)	–	5.3	–	**(0.8)**
Private placements	(62.0)	(241.2)	0.6	–	8.7	–	**(293.9)**
Other loans	(0.6)	0.6	–	–	–	–	**–**
Lease liabilities (note 27)	(81.0)	33.9	(14.3)	(33.9)	3.7	–	**(91.6)**
Total loans and borrowings	**(400.0)**	**42.3**	**(14.8)**	**(33.9)**	**17.7**	**–**	**(388.7)**

1 Other comprises disposals and contract modifications and interest accretion on lease liabilities and the amortisation of deferred financing costs on bank loans.

Cash flow hedges

At 31 December 2024, the Group held foreign exchange forward contracts to hedge exposures to changes in foreign currency rates. The net value of instruments held was £0.7m (2023: £0.3m).

	2024							
	Maturity				Carrying amount			
	<1 year £m	1–2 years £m	2–5 years £m	>5 years £m	Asset £m	Liability £m	Change in fair value used for calculating hedge ineffectiveness £m	Nominal amount £m
Forward exchange forwards	**(0.7)**	**–**	**–**	**–**	**–**	**(0.7)**	**–**	**(0.7)**

	2023							
	Maturity				Carrying amount			
	<1 year £m	1–2 years £m	2–5 years £m	>5 years £m	Asset[1] £m	Liability £m	Change in fair value used for calculating hedge ineffectiveness £m	Nominal amount £m
Forward exchange forwards	(0.3)	–	–	–	–	(0.3)	–	(0.3)

Notes to the consolidated financial statements continued

26 Financial instruments continued

Fair value hedges

At 31 December 2024, the Group held no instruments to hedge exposures to changes in interest rates (2023: £nil).

Fair values

The fair values of the Group's financial assets and liabilities are not materially different from their carrying values. The following summarises the major methods and assumptions used in estimating the fair values of financial instruments; being derivatives, interest-bearing loans and borrowings, contingent and deferred consideration and payables, receivables and contract assets, cash and cash equivalents.

Derivatives

The fair values of foreign currency forward contracts are calculated based on achieved contract rates compared to the prevailing market rates at the balance sheet date. The valuation methods of all of the Group's derivative financial instruments carried at fair value are categorised as Level 2. Level 2 assets are financial assets and liabilities that do not have regular market pricing, but whose fair value can be determined based on other data values or market prices.

Interest-bearing loans and borrowings

Fair value is calculated based on expected future principal and interest cash flows discounted using appropriate discount rates prevailing at the balance sheet date.

Contingent and deferred consideration

Fair value is calculated based on the amounts expected to be paid, determined by reference to forecasts of future performance of the acquired businesses, discounted using appropriate discount rates prevailing at the balance sheet date and the probability of contingent events and targets being achieved.

The valuation methods of the Group's contingent consideration carried at fair value are categorised as Level 3. Level 3 assets are financial assets and liabilities that are considered to be the most illiquid. Their values have been estimated using available management information, including subjective assumptions. The individually significant unobservable inputs used in the fair value measurement of the Group's contingent consideration as at 31 December 2024 are the estimation of future profits at Keller Arabia in order to determine the expected outcome of the earnout arrangement.

The following table shows a reconciliation from the opening to closing balances for contingent and deferred consideration:

	2024 £m	2023 £m
At 1 January	**10.7**	1.9
Non-controlling interest (note 34)	**–**	9.3
Paid during the period	**(0.9)**	(0.2)
Fair value in the income statement during the period (note 9)	**(6.4)**	–
Exchange movements	**(0.2)**	(0.3)
At 31 December	**3.2**	10.7

On 29 August 2023, the Group acquired the 35% interest in the voting shares of Keller Company Limited (formerly Keller Turki Company Limited). A contingent consideration is payable annually between the years 2023 and 2027, dependent on the qualifying revenue generated by the business for each of those years. The fair value of the contingent consideration as at 31 December 2024 was £3.2m (SAR 15.1m).

On 1 May 2022, the Group acquired GKM Consultants Inc. Contingent consideration was payable dependent on the cumulative EBITDA in the three-year period post acquisition. There was no contingent consideration remaining as at 31 December 2024. On 15 November 2022, the Group acquired Nordwest Fundamentering AS and the fair value of the remaining deferred contingent consideration payable relating to this acquisition was also £nil as at 31 December 2024.

Total contingent and deferred consideration of £0.9m was paid during the period. £0.7m was paid in respect of the acquisition of the 35% interest in the voting shares of Keller Company Limited in 2023 and £0.2m was paid in respect of the Voges Drilling acquisition in 2021.

In 2024, fair value movements of £6.4m related to a fair value adjustment of £5.2m related to Keller Company Limited, £0.8m related to GKM and £0.4m related to Nordwest Fundamentering AS. There were no fair value movements during 2023.

Payables, receivables and contract assets

For payables, receivables and contract assets with an expected maturity of one year or less, the carrying amount is deemed to reflect the fair value.

Non-qualifying deferred compensation plan assets and liabilities

The value of both the employee investments and those held in trust by the company are measured using Level 1 inputs per IFRS 13 ('quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date') based on published market prices at the end of the period. Adjustments to the fair value of the assets and related liabilities are recorded within net finance costs in the consolidated income statement.

Refer to note 18 for further information on the non-qualifying deferred compensation plan.

Interest rate and currency profile

The profile of the Group's financial assets and financial liabilities after taking account of the impact of hedging instruments was as follows:

2024	GBP	USD	EUR	CAD	AUD	Other	Total
Weighted average fixed debt interest rate (%)	**–**	**6.4**	**1.4**	**–**	**–**	**–**	**6.4**
Weighted average fixed debt period (years)	**–**	**7.4**	**1.7**	**–**	**–**	**–**	**7.4**

2024	GBP £m	USD £m	EUR £m	CAD £m	AUD £m	Other £m	Total £m
Fixed rate financial liabilities	**–**	**(236.2)**	**(0.4)**	**–**	**–**	**–**	**(236.6)**
Floating rate financial liabilities	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Lease liabilities	**(5.7)**	**(66.1)**	**(7.6)**	**(4.2)**	**(4.3)**	**(10.1)**	**(98.0)**
Cash and cash equivalents	**93.8**	**6.0**	**16.7**	**6.8**	**27.9**	**56.5**	**207.7**
Net debt	**88.1**	**(296.3)**	**8.7**	**2.6**	**23.6**	**46.4**	**(126.9)**
Trade receivables	**8.2**	**371.5**	**39.6**	**60.2**	**19.6**	**76.0**	**575.1**
Trade payables	**(6.9)**	**(82.9)**	**(27.2)**	**(5.6)**	**(3.7)**	**(41.7)**	**(168.0)**

2023	GBP	USD	EUR	CAD	AUD	Other	Total
Weighted average fixed debt interest rate (%)	–	6.0	1.4	–	–	–	5.9
Weighted average fixed debt period (years)	–	6.7	1.3	–	–	–	6.9

2023	GBP £m	USD £m	EUR £m	CAD £m	AUD £m	Other £m	Total £m
Fixed rate financial liabilities	–	(293.9)	(0.8)	–	–	–	(294.7)
Floating rate financial liabilities	–	(1.4)	(1.0)	–	–	–	(2.4)
Lease liabilities	(2.1)	(57.8)	(10.2)	(5.6)	(3.7)	(12.2)	(91.6)
Cash and cash equivalents	59.7	14.6	17.5	6.2	6.7	46.7	151.4
Net debt	57.6	(338.5)	5.5	0.6	3.0	34.5	(237.3)
Trade receivables	6.8	375.7	38.1	46.0	26.0	90.5	583.1
Trade payables	(4.6)	(71.2)	(24.4)	(3.3)	(4.0)	(48.0)	(155.5)

Sensitivity analysis

At 31 December 2024, all borrowings are at fixed rate, therefore the only interest rate exposure is on the rate of interest earned on cash and cash equivalents. it is estimated that an increase of one percentage point in interest rates would have increased the Group's profit before taxation by approximately £0.1m (2023: £nil).

It is estimated that a general increase of 10 percentage points in the value of sterling against other principal foreign currencies would have decreased the Group's profit before taxation and non-underlying items by approximately £21m for the year ended 31 December 2024 (2023: £14m). The estimated impact of a 10 percentage point decrease in the value of sterling is an increase of £26m (2023: £17m) in the Group's profit before taxation and non-underlying items. This sensitivity relates to the impact of retranslation of foreign earnings only. The impact on the Group's earnings of currency transaction exchange risk is not significant. These sensitivities assume all other factors remain constant.

Notes to the consolidated financial statements continued

27 Lease liabilities

Set out below are the carrying amounts of lease liabilities (included within note 26 within loans and borrowings) and the movements during the year:

	2024 £m	2023 £m
At 1 January	**91.6**	81.0
Additions	**26.4**	33.9
Contract modifications	**8.8**	8.7
Interest expense	**6.2**	5.6
Payments	**(34.2)**	(33.9)
Exchange movements	**(0.8)**	(3.7)
At 31 December	**98.0**	91.6
Current	**27.5**	25.9
Non-current	**70.5**	65.7

28 Share capital and reserves

	2024 £m	2023 £m
Allotted, called up and fully paid equity share capital: 73,099,735 ordinary shares of 10p each (2023: 73,099,735)	**7.3**	7.3

The company has one class of ordinary shares, which carries no rights to fixed income. There are no restrictions on the transfer of these shares.

The capital redemption reserve of £7.6m is a non-distributable reserve created when the company's shares were redeemed or purchased other than from the proceeds of a fresh issue of shares.

The other reserve of £56.9m is a non-distributable reserve created when merger relief was applied to an issue of shares under section 612 of the Companies Act 2006 to part-fund the acquisition of Keller Canada. The reserve becomes distributable should Keller Canada be disposed of.

As at 31 December 2024, the total number of shares held in treasury was 123,153 (2023: 323,133).

During the year to 31 December 2024, 1,454,195 ordinary shares were purchased by the Keller Group Employee Benefit Trust (2023: 500,000 purchased) to be used to satisfy future obligations of the company under the Keller Group plc Long-Term Incentive Plan and 426,686 shares were utilised to satisfy the obligation in the year (2023: 515,119). This brings the total ordinary shares held by the Employee Benefit Trust to 1,564,680 (2023: 537,171). The cost of the market purchases was £20.1m (2023: £3.4m).

There is a dividend waiver in place for both shares held in treasury and by the Keller Group Employee Benefit Trust.

29 Related party transactions

Transactions between the parent, its subsidiaries and joint operations, which are related parties, have been eliminated on consolidation. Other related party transactions are disclosed below:

Compensation of key management personnel

The remuneration of the Board and Executive Committee, who are the key management personnel, comprised:

	2024 £m	2023 £m
Short-term employee benefits	**8.5**	8.2
Post-employment benefits	**0.3**	0.3
	8.8	8.5

Other related party transactions

As at 31 December 2024, there was a net balance of £nil (2023: £0.1m) owed by the joint venture. These amounts are unsecured, have no fixed date of repayment and are repayable on demand.

30 Commitments

Capital commitments

Capital expenditure contracted for at the end of the reporting period but not yet incurred was £16.9m (2023: £12.0m) and relates to property, plant and equipment purchases.

31 Guarantees, contingent liabilities and contingent assets

Claims and disputes arise, both in the normal course of business and in relation to the historic construction activities of the Group, some of which lead to litigation or arbitration procedures. Such claims are predominantly covered by the Group's insurance arrangements. The Group recognises provisions for liabilities when it is more likely than not that a settlement will be required and the value of such a payment can be reliably estimated.

At 31 December 2024, the Group had outstanding standby letters of credit and surety bonds for the Group's captive and other global insurance arrangements totalling £34.8m (2023: £24.5m). The Group enters into performance and advance payment bonds and other undertakings in the ordinary course of business, using guarantee facilities with financial institutions to provide these bonds to customers. At 31 December 2024, the Group has £167.1m outstanding related to performance and advanced payment bonds (2023: £182.7m). These are treated as a contingent liability until such time it becomes probable that payment will be required under the individual terms of each arrangement. It is judged to be a remote possibility that a payment will be required under any of the current performance or advance payment bonds.

At 31 December 2024, the Group had no contingent assets (2023: £nil).

32 Share-based payments

The Group operates a Long-Term Incentive Plan (the 'Plan'). Under the Plan, Executive Directors and certain members of senior management are granted nil-cost share options with a vesting period of three years. The awards are exercised automatically on vesting, in addition the Executive Directors are subject to a two-year post-vesting holding period.

Performance share awards are granted to Executive Directors and key management personnel which are subject to performance conditions including total shareholder return, earnings per share, return on capital employed and operating profit margin. Conditional awards are granted under which senior management receive shares subject only to service conditions, ie the requirement for participants to remain in employment with the Group over the vesting period. Participants are entitled to receive dividend equivalents on these awards.

Outstanding awards are as follows:

	Number
Outstanding at 1 January 2023	1,977,177
Granted during 2023	840,572
Lapsed during 2023	(208,543)
Exercised during 2023	(520,940)
Outstanding at 31 December 2023 and 1 January 2024	**2,088,266**
Granted during 2024	**681,046**
Lapsed during 2024	**(122,387)**
Exercised during 2024	**(652,419)**
Outstanding at 31 December 2024	**1,994,506**
Exercisable at 1 January 2023	–
Exercisable at 31 December 2023 and 1 January 2024	–
Exercisable at 31 December 2024	**–**

The average share price during the year was 1,298.7p (2023: 756.5p).

Under IFRS 2, the fair value of services received in return for share awards granted is measured by reference to the fair value of share options granted. The estimate of the fair value of share awards granted is measured based on a stochastic model. The contractual life of the award is used as an input into this model, with expectations of early exercise being incorporated into the model.

The inputs into the stochastic model are as follows:

	2024	2023
Share price at grant	**1,006.0p**	660.0p
Weighted average exercise price	**0.0p**	0.0p
Expected volatility	**31.5%**	39.6%
Expected life	**3 years**	3 years
Risk-free rate	**4.2%**	3.22%
Expected dividend yield	**0.00%**	0.00%

Expected volatility was determined by calculating the historical volatility of the Group's share price over the previous three years, adjusted for any expected changes to future volatility due to publicly available information.

The Group recognised total expenses (included in operating costs) of £4.2m (2023: £4.5m) related to equity-settled, share-based payment transactions.

The weighted average fair value of options granted in the year was 1,298.7p (2023: 756.5p). Options outstanding at the year end have a weighted average remaining contractual life of 1.2 years (2023: 1.2 years).

The awards, which are taken as shares, are intended to be satisfied from shares held under the Keller Group Employee Benefit Trust (the 'Trust') or from treasury shares held. The shares held by the Trust are accounted for as a deduction from equity in retained earnings. At 31 December 2024, 1,564,680 (2023: 537,171) ordinary shares were held by the Trust with a value of £20.5m (2023: £3.9m).

Notes to the consolidated financial statements continued

33 Retirement benefit liabilities

The Group operates pension schemes in the UK and overseas.

In the UK, the Group operates the Keller Group Pension Scheme (the 'Scheme'), a defined benefit scheme, which has been closed to new members since 1999 and was closed to all future benefit accrual with effect from 31 March 2006. Under the Scheme, employees are normally entitled to retirement benefits on attainment of a retirement age of 65. The Scheme is subject to UK pensions legislation which, inter alia, provides for the regulation of work-based pension schemes by The Pensions Regulator. The trustees are aware of and adhere to the Codes of Practice issued by The Pensions Regulator. The Scheme trustees currently comprise one member-nominated trustee and two employer-nominated trustees. An employer-nominated trustee is also the Chair of the trustees. The Scheme exposes the Group to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk, which are managed through the investment strategy to acceptable levels established by the trustees. The Scheme can invest in a wide range of asset classes including equities, bonds, cash, property, alternatives (including private equity, commodities, hedge funds, infrastructure, currency, high yield debt and derivatives) and annuity policies. Any investment in derivative instruments is only made to contribute to a reduction in the overall level of risk in the portfolio or for the purposes of efficient portfolio management. With effect from the most recent actuarial valuation date (5 April 2023), the Group agreed to pay a contribution of £1.7m in total, paid in monthly instalments from January to August 2024. Contributions have now ceased, subject to a review of the level of employer contributions at the next actuarial review in 2026.

In June 2023, the UK High Court (Virgin Media Limited v NTL Pension Trustees II Limited) ruled that certain historical amendments for contracted-out defined benefit schemes were invalid if they were not accompanied by the correct actuarial confirmation notice. The case was subsequently reviewed by the Court of Appeal in July 2024 which upheld the High Court's decision. The Keller Group Pension Scheme was contracted out of the additional state pension between 1997 and 2016. Following a review of the scheme amendments during the relevant period, the Group has not identified any amendments where further investigation is required as a result of that Court of Appeal judgment.

The Group has two UK defined contribution retirement benefit schemes. There were no contributions outstanding in respect of these schemes at 31 December 2024 (2023: £nil). The total UK defined contribution pension charge for the year was £1.7m (2023: £1.8m).

The Group has defined benefit retirement obligations in Germany and Austria. Under these schemes, employees are entitled to retirement benefits on attainment of a retirement age of 65, provided they have either five or ten years of employment with the Group, depending on the area or field they are working in. The amount of benefit payable depends on the grade of the employee and the number of years of service. Benefits under these schemes only apply to employees who joined the Group prior to 1997. These defined benefit retirement obligations are funded on the Group's balance sheet and obligations are met as and when required by the Group.

The Group has a number of end of service schemes in the Middle East as required by local laws and regulations. The amount of benefit payable depends on the current salary of the employee and the number of years of service. These retirement obligations are funded on the Group's balance sheet and obligations are met as and when required by the Group.

The Group operates a defined contribution scheme for employees in North America, where the Group is required to match employee contributions up to a certain level in accordance with the scheme rules. The total North America pension charge for the year was £9.0m (2023: £8.6m).

In Australia, there is a defined contribution scheme where the Group is required to ensure that a prescribed level of superannuation support of an employee's notional base earnings is made. This prescribed level of support is currently 11.5% (2023: 11.0%). The total Australian pension charge for the year was £5.1m (2023: £4.8m).

Details of the Group's defined benefit schemes are as follows:

	The Keller Group Pension Scheme (UK) 2024 £m	The Keller Group Pension Scheme (UK) 2023 £m	German[1], Austrian and other schemes 2024 £m	German[1], Austrian and other schemes 2023 £m
Present value of the scheme liabilities	**(37.0)**	(41.8)	**(15.2)**	(16.2)
Fair value of assets	**43.3**	46.0	**–**	–
Surplus/(deficit) in the scheme	**6.3**	4.2	**(15.2)**	(16.2)
Irrecoverable surplus	**(6.3)**	(5.7)	**–**	–
Net defined benefit liability	**–**	(1.5)	**(15.2)**	(16.2)

1 Included in this balance is £3.7m (2023: £3.6m) in relation to the end of service schemes in the Middle East.

For the Keller Group Pension Scheme, based on the net deficit of the Scheme as at 31 December 2024 and the committed payments under the Schedule of Contributions agreed on 15 December 2023, there is an irrecoverable surplus of £6.3m (2023: £5.7m). Management is of the view that, based on the Scheme rules, it does not have an unconditional right to a refund of a surplus under IFRIC 14. The minimum funding requirement is equal to the IAS 19 surplus as there are no further employer contributions to be paid under the current Schedule of Contributions. The contributions will be reviewed following the next actuarial review to be prepared as at 5 April 2026.

The value of the scheme liabilities has been determined by the actuary using the following assumptions:

	The Keller Group Pension Scheme (UK) 2024 %	The Keller Group Pension Scheme (UK) 2023 %	German and Austrian schemes 2024 %	German and Austrian schemes 2023 %
Discount rate	**5.6**	4.6	**3.3**	3.4
Interest on assets	**5.6**	4.6	**–**	–
Rate of increase in pensions in payment	**3.6**	3.5	**2.5**	2.5
Rate of increase in pensions in deferment	**2.8**	2.8	**2.6**	6.9
Rate of inflation	**3.5**	3.4	**2.6**	6.9

The mortality rate assumptions are based on published statistics. The average remaining life expectancy, in years, of a pensioner retiring at the age of 65 at the balance sheet date is:

	The Keller Group Pension Scheme (UK) 2024	The Keller Group Pension Scheme (UK) 2023	German and Austrian schemes 2024	German and Austrian schemes 2023
Male currently aged 65	**21.3**	21.2	**22.5**	22.4
Female currently aged 65	**24.1**	24.0	**25.4**	25.3

The assets of the schemes were as follows:

	The Keller Group Pension Scheme (UK) 2024 £m	The Keller Group Pension Scheme (UK) 2023 £m	German, Austrian and other schemes 2024 £m	German, Austrian and other schemes 2023 £m
Equities	**2.2**	6.6	**–**	–
Target return funds[1]	**14.0**	6.0	**–**	–
Bonds	**20.4**	18.7	**–**	–
Liability driven investing (LDI) portfolios[2]	**6.4**	14.0	**–**	–
Cash	**0.3**	0.7	**–**	–
	43.3	46.0	**–**	–

1 A diversified growth fund split between mainly UK listed equities, bonds and alternative investments which are capped at 20% of the total fund.

2 A portfolio of gilt and swap contracts, backed by investment-grade credit instruments, that is designed to hedge the majority of the interest rate and inflation risks associated with the Schemes' obligations.

Notes to the consolidated financial statements continued

33 Retirement benefit liabilities continued

	The Keller Group Pension Scheme (UK) 2024 £m	The Keller Group Pension Scheme (UK) 2023 £m	German[1], Austrian and other schemes 2024 £m	German[1], Austrian and other schemes 2023 £m
Changes in scheme liabilities				
Opening balance	**(41.8)**	(39.0)	**(16.2)**	(16.7)
Current service cost	**–**	–	**(0.7)**	(1.2)
Interest cost	**(1.8)**	(1.8)	**(0.4)**	(0.5)
Benefits paid	**2.3**	2.1	**1.2**	1.7
Exchange movements	**–**	–	**0.6**	0.5
Experience loss on defined benefit obligation	**(0.1)**	(1.0)	**–**	–
Changes to demographic assumptions	**–**	(0.7)	**–**	–
Changes to financial assumptions	**4.4**	(1.4)	**0.3**	–
Closing balance	**(37.0)**	(41.8)	**(15.2)**	(16.2)
Changes in scheme assets				
Opening balance	**46.0**	42.2	**–**	–
Interest on assets	**2.0**	2.0	**–**	–
Administration costs	**(0.2)**	(0.3)	**–**	–
Employer contributions	**1.6**	2.9	**–**	–
Benefits paid	**(2.3)**	(2.1)	**–**	–
Return on plan assets less interest	**(3.8)**	1.3	**–**	–
Closing balance	**43.3**	46.0	**–**	–
Actual return on scheme assets	**(1.8)**	3.3	**–**	–
Statement of comprehensive income				
Return on plan assets less interest	**(3.8)**	1.3	**–**	–
Experience loss on defined benefit obligation	**(0.1)**	(1.0)	**–**	–
Changes to demographic assumptions	**–**	(0.7)	**–**	–
Changes to financial assumptions	**4.4**	(1.4)	**0.3**	–
Change in irrecoverable surplus	**(0.6)**	1.6	**–**	–
Remeasurements of defined benefit plans	**(0.1)**	(0.2)	**0.3**	–
Cumulative remeasurements of defined benefit plans	**(25.9)**	(25.8)	**(6.1)**	(6.4)
Expense recognised in the income statement				
Current service cost	**–**	–	**(0.7)**	(1.2)
Administration costs	**(0.2)**	(0.3)	**–**	–
Operating costs	**(0.2)**	(0.3)	**(0.7)**	(1.2)
Net pension interest cost	**0.2**	0.2	**(0.4)**	(0.5)
Expense recognised in the income statement	**–**	(0.1)	**(1.1)**	(1.7)
Movements in the balance sheet liability				
Net liability at start of year	**1.5**	4.1	**16.2**	16.7
Expense recognised in the income statement	**–**	0.1	**1.1**	1.7
Employer contributions	**(1.6)**	(2.9)	**–**	–
Benefits paid	**–**	–	**(1.2)**	(1.7)
Exchange movements	**–**	–	**(0.6)**	(0.5)
Remeasurements of defined benefit plans	**0.1**	0.2	**(0.3)**	–
Net liability at end of year	**–**	1.5	**15.2**	16.2

1 Other comprises end of service schemes in the Middle East of £3.7m (2023: £3.6m).

A reduction in the discount rate of 0.5% would increase the deficit in the schemes by £2.0m (2023: £2.6m), whilst a reduction in the inflation assumption of 0.5%, including its impact on the revaluation in deferment and pension increases in payment, would decrease the deficit by £1.1m (2023: £1.3m). A decrease in the mortality rate by one year would decrease the deficit in the schemes by £1.6m. Note that these sensitivities do not include end of service schemes in the Middle East as these are not material to the Group.

The weighted average duration of the defined benefit obligation is approximately 13 years for the UK scheme and 12 years for the German and Austrian schemes. The history of experience adjustments on scheme assets and liabilities for all the Group's defined benefit pension schemes, including the end of service schemes in the Middle East, are as follows:

	2024 £m	2023 £m	2022 £m	2021 £m	2020 £m
Present value of defined benefit obligation	**(52.4)**	(58.0)	(55.7)	(77.2)	(86.9)
Fair value of scheme assets	**43.5**	46.0	42.2	63.7	58.0
Deficit in the schemes	**(8.9)**	(12.0)	(13.5)	(13.5)	(28.9)
Irrecoverable surplus	**(6.3)**	(5.7)	(7.3)	(12.2)	(2.2)
Net defined benefit liability	**(15.2)**	(17.7)	(20.8)	(25.7)	(31.1)
Experience adjustments on scheme liabilities	**4.3**	(3.1)	21.1	6.6	(7.9)
Experience adjustments on scheme assets	**3.8**	1.3	(23.2)	4.6	6.1

34 Non-controlling interests

Financial information of subsidiaries that have a material non-controlling interest is provided below:

Name	Country of incorporation	2024	2023
Keller Fondations Speciales SPA	Algeria	**49%**	49%

Profit/(loss) attributable to non-controlling interests:

	2024 £m	2023 £m
Keller Fondations Speciales SPA	**0.3**	(0.2)
Keller Company Limited	**–**	0.4
Other interests	**0.1**	0.2
	0.4	0.4

Share of net assets of non-controlling interests:

	2024 £m	2023 £m
Keller Fondations Speciales SPA	**2.7**	2.4
Other interests	**0.3**	0.3
	3.0	2.7

Aggregate amounts relating to material non-controlling interests:

	2024 £m	2023 £m	
	Keller Fondations Speciales SPA	Keller Fondations Speciales SPA	Keller Company Limited
Revenue	**1.5**	0.9	14.3
Operating costs	**(1.1)**	(1.0)	(13.9)
Operating loss	**0.4**	(0.1)	0.4
Finance costs	**–**	–	–
Loss before taxation	**0.4**	(0.1)	0.4
Taxation	**(0.1)**	(0.1)	–
Profit/(loss) attributable to non-controlling interests	**0.3**	(0.2)	0.4

Notes to the consolidated financial statements continued

34 Non-controlling interests continued

	2024 £m	2023 £m	
	Keller Fondations Speciales SPA	Keller Fondations Speciales SPA	Keller Company Limited
Non-current assets	**0.5**	0.6	–
Current assets	**2.9**	2.4	–
Current liabilities	**(0.7)**	(0.6)	–
Non-current liabilities	**–**	–	–
Share of net assets	**2.7**	2.4	–

On 29 August 2023, the Group acquired the 35% interest in the voting shares of Keller Company Limited (formerly Keller Turki Company Limited), increasing its ownership interest to 100%. An initial cash consideration of £6.4m (SAR 30m) was paid to the non-controlling shareholders. In addition, a contingent consideration has been agreed as part of the purchase agreement and is payable annually between the years 2023 and 2027, dependent on the qualifying revenue generated by the business for each of those years. The fair value of the contingent consideration was £9.3m (SAR 43.2m) based on expected revenue generated by the business over that period, which is the maximum amount of contingent consideration payable. Subsequent to this, during 2024, the fair value of this contingent consideration has been reduced by £5.2m (SAR 24.8m).

The carrying value of the net assets of Keller Company Limited was £0.2m (SAR 0.8m). The following is a schedule of additional interest acquired in Keller Company Limited in 2023.

	£m
Cash consideration paid to non-controlling shareholders	6.4
Contingent consideration	9.3
Group loan	(0.7)
Carrying value of the additional interest in Keller Company Limited	0.2
Difference recognised in retained earnings in 2023	15.2

As at 31 December 2024, the fair value of the contingent consideration was £3.2m (SAR 15.1m). Refer to note 26 for further information.

35 Post balance sheet events

There were no material post balance sheet events between the balance sheet date and the date of this report.

Company balance sheet

As at 31 December 2024

	Note	2024 £m	2023 £m
Assets			
Investments	2	**615.3**	515.9
Other assets	3	**0.3**	0.2
Fixed assets		**615.6**	516.1
Amounts owed by subsidiary undertakings:			
– Amounts falling due within one year	4	**12.0**	74.5
Current tax assets		**–**	4.6
Trade and other debtors	5	**11.5**	5.0
Cash and bank balances		**12.3**	17.6
Current assets		**35.8**	101.7
Liabilities			
Trade and other creditors	6	**(20.5)**	(20.5)
Amounts owed to subsidiary undertakings		**(0.5)**	(0.9)
Loans and other borrowings	8	**–**	(58.5)
Creditors: amounts falling due within one year		**(21.0)**	(79.9)
Net current assets		**14.8**	21.8
Total assets less current liabilities		**630.4**	537.9
Pension liabilities	9	**–**	(0.4)
Creditors: amounts falling due after one year		**–**	(0.4)
Net assets		**630.4**	537.5
Capital and reserves			
Called up share capital		**7.3**	7.3
Share premium account		**38.1**	38.1
Capital redemption reserve		**7.6**	7.6
Other reserve		**56.9**	56.9
Retained earnings		**520.5**	427.6
Shareholders' funds		**630.4**	537.5

The company's profit for the year was £143.4m (2023: £95.7m).

These financial statements were approved by the Board of Directors and authorised for issue on 3 March 2025.

They were signed on its behalf by:

Michael Speakman
Chief Executive Officer

David Burke
Chief Financial Officer

Company statement of changes in equity

For the year ended 31 December 2024

	Share capital £m	Share premium account £m	Capital redemption reserve £m	Other reserve £m	Retained earnings £m	Total equity £m
At 1 January 2023	**7.3**	**38.1**	**7.6**	**56.9**	**358.9**	**468.8**
Profit for the year	–	–	–	–	95.7	**95.7**
Remeasurement of defined benefit pension schemes	–	–	–	–	–	**–**
Total comprehensive income for the year	–	–	–	–	95.7	**95.7**
Dividends	–	–	–	–	(27.7)	**(27.7)**
Purchase of own shares for ESOP trust	–	–	–	–	(3.4)	**(3.4)**
Share-based payments	–	–	–	–	4.1	**4.1**
At 31 December 2023 and 1 January 2024	**7.3**	**38.1**	**7.6**	**56.9**	**427.6**	**537.5**
Profit for the year	**–**	**–**	**–**	**–**	143.4	**143.4**
Remeasurement of defined benefit pension schemes	**–**	**–**	**–**	**–**	–	**–**
Total comprehensive income for the year	**–**	**–**	**–**	**–**	143.4	**143.4**
Dividends	**–**	**–**	**–**	**–**	(34.6)	**(34.6)**
Purchase of own shares for ESOP trust	**–**	**–**	**–**	**–**	(20.1)	**(20.1)**
Share-based payments	–	–	–	–	4.2	**4.2**
At 31 December 2024	**7.3**	**38.1**	**7.6**	**56.9**	**520.5**	**630.4**

Details of the capital redemption reserve and the other reserve are included in note 28 of the consolidated financial statements.

Details of the shares held by the Keller Group Employee Benefit Trust and the share-based payment scheme are included in note 32 to the consolidated financial statements.

Of the retained earnings, an amount of £236.8m (2023: £236.8m) attributable to profits arising on an intra-group reorganisation is not distributable.

Notes to the company financial statements

1 Principal accounting policies

Basis of preparation

The separate financial statements of the company are presented as required by the Companies Act 2006 (the 'Act'). The company meets the definition of a qualifying entity under FRS 100 ('Financial Reporting Standard 100') issued by the Financial Reporting Council and reports under FRS 101.

Except as noted below, the company's accounting policies are consistent with those described in the consolidated financial statements of Keller Group plc. As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payments, financial instruments, capital management, presentation of a cash flow statement, related party transactions and comparative information. Where required, equivalent disclosures are given in the consolidated financial statements. In addition, disclosures in relation to share capital (note 28) and dividends (note 13) have not been repeated here as there are no differences to those provided in the consolidated financial statements.

These company financial statements have been prepared on the going concern basis and under the historical cost convention. The financial statements are presented in pounds sterling, which is the company's functional currency, and all values are rounded to the nearest hundred thousand, expressed in millions to one decimal point, except when otherwise indicated.

Profit of the parent company

The company has taken advantage of section 408 of the Act and consequently the statement of comprehensive income (including the profit and loss account) of the parent company is not presented as part of these accounts. The profit after tax of the parent company for the financial year amounted to £143.4m (2023: £95.7m).

Amounts owed by subsidiary undertakings

The company held inter-company loans with subsidiary undertakings with repayment dates being a mixture of repayable on demand or repayable on a fixed contractual date. These inter-company loans were disclosed on the face of the balance sheet. None were past due nor impaired. The carrying value of these loans approximated their fair value. The expected credit loss on these loans with subsidiary undertakings was immaterial, both on initial recognition and subsequently.

Financial instruments

Details of the company's risk management processes and hedge accounting are included in the disclosures in note 26 to the consolidated financial statements.

Investments

Investments in subsidiaries are stated at cost less, where appropriate, provisions for impairment.

Audit fees

The company has taken the exemption granted under SI 2008/489 not to disclose non-audit fees paid to its auditors as these are disclosed in the consolidated financial statements.

Employees

The company has no employees other than the Directors. The remuneration of the Executive Directors is disclosed in the audited section of the Remuneration policy report on pages 132 to 141. Fees payable to Non-executive Directors totalled £0.6m (2023: £0.5m).

Financial guarantees

Where the company provides guarantees relating to bank borrowings and other liabilities of other Group companies, under IFRS 9 such contracts are initially recognised in the financial statements at fair value at the time the guarantee is issued. The company estimates the fair value of the financial guarantee as being the difference between the net present value of the contractual cash flows required under a debt instrument and the net present value of the contractual cash flows that would have been required without the guarantee. Subsequent to initial recognition, the company's liability under each guarantee is measured at the higher of the amount initially recognised less the cumulative amount of income recognised in accordance with the principles of IFRS 15 'Revenue from Contracts with Customers' and the loss allowance that would be recorded on the exposure. A financial guarantee liability is derecognised when the liability underlying the guarantee is discharged or cancelled or expires if the guarantees are withdrawn or cancelled.

2 Investments

	2024 £m	2023 £m
Shares at cost		
At 1 January	**515.9**	513.9
Additions	**116.6**	3.0
Disposals	**(17.2)**	–
Allowances for impairment	**–**	(1.0)
At 31 December	**615.3**	515.9

Investment movements during the year are related to the increase of investment in Keller Holdings Limited and the reduction of investment in Keller Investments LLP as a result of Group re-structuring. Allowances for impairment are a result of the annual investment impairment assessment, where the carrying amount was higher than the recoverable amount of the investment. The company's investments are included in note 10.

Notes to the company financial statements continued

3 Other assets

	2024 £m	2023 £m
Rent deposit	**0.3**	0.2
	0.3	0.2

4 Amounts owed by subsidiary undertakings

	2024 £m	2023 £m
Amounts falling due within one year	**12.0**	74.5
Amounts falling due after one year	**–**	–
	12.0	74.5

Amounts owed by Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

5 Trade and other debtors

	2024 £m	2023 £m
Other receivables	**3.5**	0.5
Prepayments	**8.0**	4.5
	11.5	5.0

6 Trade and other creditors

	2024 £m	2023 £m
Trade creditors and accruals	**13.7**	13.6
Other creditors	**6.8**	6.8
Accrued interest	**–**	0.1
	20.5	20.5

7 Financial guarantees

The company and certain of its subsidiary undertakings have entered a number of guarantees in the ordinary course of business, the effects of which are to guarantee or cross-guarantee certain bank borrowings and other liabilities of other Group companies. At 31 December 2024, the company's liability in respect of the guarantees against bank borrowings amounted to £nil (2023: £nil). In respect of one subsidiary, which is dormant and does not have the funds to pay its liabilities, the company has recognised a liability for the present value of the estimated cash shortfall that will arise if the subsidiary is wound up, which is presented as other creditors in note 6.

In addition, as set out in note 10, the company has provided a guarantee of certain subsidiaries' liabilities to apply the exemption from having to prepare individual accounts under section 394A and section 394C of the Companies Act 2006 and the exemption from having their financial statements audited under sections 479A to 479C of the Companies Act 2006.

8 Loans and other borrowings

	2024 £m	2023 £m
$75m private placement (due December 2024)	**–**	(58.5)
	–	(58.5)

In December 2024, the company repaid $75m of US private placement notes as they fell due.

9 Pension liabilities

In the UK, the company participates in the Keller Group Pension Scheme (the 'Scheme'), a defined benefit scheme, details of which are given in note 33 to the consolidated financial statements. The company's share of the present value of the assets of the Scheme at the date of the last actuarial valuation on 5 April 2023 was £13.1m and the actuarial valuation showed a funding level of 98%.

Details of the actuarial methods and assumptions, as well as steps taken to address the deficit in the Scheme, are given in note 33 to the consolidated financial statements. The policy for determining the allocation of each participating company's pension liability is based on where each Scheme member was employed.

In respect of Guaranteed Minimum Pension, the estimated increase in the Scheme's liabilities was £0.2m. This was recognised as a past service cost in 2018. An allowance has been made for an irrecoverable surplus of £1.9m (2023: £1.7m), representing the company's allocation as a result of the Group not having an unconditional right to refund of a surplus under IFRIC 14. These items are explained further in note 33 to the consolidated financial statements.

In June 2023, the UK High Court (Virgin Media Limited v NTL Pension Trustees II Limited) ruled that certain historical amendments for contracted out defined benefit schemes were invalid if they were not accompanied by the correct actuarial confirmation notice. The case was subsequently reviewed by the Court of Appeal in July 2024 which upheld the High Court's decision. The Keller Group Pension Scheme was contracted out of the additional state pension between 1997 and 2016. Following a review of the scheme amendments during the relevant period, the Group has not identified any amendments where further investigation is required as a result of that Court of Appeal judgement.

Details of the company's share of the Scheme are as follows:

	2024 £m	2023 £m
Present value of the Scheme liabilities	**(10.6)**	(12.0)
Present value of assets	**12.5**	13.3
Surplus in the Scheme	**1.9**	1.3
Irrecoverable surplus	**(1.9)**	(1.7)
Net defined benefit liability	**–**	(0.4)

The assets of the Scheme were as follows:

	2024 £m	2023 £m
Equities	**0.6**	1.9
Target return funds[1]	**4.0**	1.7
Bonds	**5.9**	5.5
Liability driven investing (LDI) portfolios[2]	**1.9**	4.0
Cash	**0.1**	0.2
	12.5	13.3

1 A diversified growth fund split between mainly UK listed equities, bonds and alternative investments which are capped at 20% of the total fund.

2 A portfolio of gilt and swap contracts, backed by investment-grade credit instruments, that is designed to hedge the majority of the interest rate and inflation risks associated with the Scheme's obligations.

Notes to the company financial statements continued

	2024 £m	2023 £m
Changes in scheme liabilities		
Opening balance	**(12.0)**	(12.0)
Interest cost	**(0.5)**	(0.5)
Benefits paid	**0.7**	0.6
Experience loss on defined benefit obligation	**–**	(0.3)
Changes to demographic assumptions	**–**	0.6
Changes to financial assumptions	**1.2**	(0.4)
Closing balance	**(10.6)**	(12.0)
Changes in scheme assets		
Opening balance	**13.3**	13.0
Interest on assets	**0.6**	0.6
Administrative costs	**–**	(0.1)
Employer contributions	**0.4**	0.9
Benefits paid	**(0.7)**	(0.6)
Return on plan assets less interest	**(1.1)**	(0.5)
Closing balance	**12.5**	13.3
Actual return on scheme assets	**(0.5)**	0.1
Statement of comprehensive income		
Return on plan assets less interest	**(1.1)**	(0.5)
Experience loss on defined benefit obligation	**–**	(0.3)
Changes to demographic assumptions	**–**	0.6
Changes to financial assumptions	**1.2**	(0.4)
Change in irrecoverable surplus	**(0.2)**	0.6
Remeasurements of defined benefit plans	**(0.1)**	–
Cumulative remeasurements of defined benefit plans	**(3.6)**	(3.5)
Expense recognised in the income statement		
Administration costs	**–**	(0.1)
Net pension interest costs	**–**	0.1
Expense recognised in the income statement	**–**	–
Movements in the balance sheet liability		
Net liability at start of year	**(0.4)**	(1.3)
Expense recognised in the income statement	**(0.1)**	–
Employer contributions	**0.4**	0.9
Remeasurements of defined benefit plans	**0.1**	–
Net liability at end of year	**–**	(0.4)

The contributions expected to be paid during 2025 are £nil.

The history of experience adjustments on Scheme assets and liabilities is as follows:

	2024 £m	2023 £m	2022 £m	2021 £m	2020 £m
Present value of defined benefit obligations	**(10.6)**	(12.0)	(12.0)	(8.1)	(9.1)
Fair value of Scheme assets	**12.5**	13.3	13.0	9.0	8.2
Surplus/(deficit) in the Scheme	**1.9**	1.3	1.0	0.9	(0.9)
Irrecoverable surplus	**(1.9)**	(1.7)	(2.3)	(1.7)	(0.2)
Net defined benefit liability	**–**	(0.4)	(1.3)	(0.8)	(1.1)
Experience adjustments on Scheme liabilities	**1.2**	(0.1)	5.0	0.8	(0.4)
Experience adjustments on Scheme assets	**(1.1)**	(0.5)	(4.4)	0.7	0.3

The company contributes to a defined contribution scheme; there were no contributions outstanding in respect of the Scheme at 31 December 2024 (2023: £nil).

10 Group companies

In accordance with section 409 of the Companies Act 2006, a full list of subsidiaries and joint ventures as at 31 December 2024 is disclosed below. Unless otherwise stated, each of the subsidiary undertakings is wholly owned through ordinary shares by intermediate subsidiary undertakings.

All of the subsidiary undertakings are included within the consolidated financial statements.

All trading companies are engaged in the principal activities of the Group, as defined in the Directors' report.

Name	Address
A.C.N. 000 120 936 Pty Ltd	Suite G01, 2–4 Lyonpark Road, Macquarie Park, NSW, 2113, Australia
A.C.N. 008 673 167 Pty Ltd	Suite G01, 2–4 Lyonpark Road, Macquarie Park, NSW, 2113, Australia
Accrete Industrial Flooring Limited	2 Kingdom Street, London, W2 6BD, United Kingdom
Accrete Limited	2 Kingdom Street, London, W2 6BD, United Kingdom
Ansah Asia Sdn Bhd	8A, Jalan Vivekananda, Off Jalan Tun Sambanthan, Brickfields, Kuala Lumpur, 50470, Malaysia
Austral Construction Pty Ltd	The Cloisters Building, Level 11, 200 St Georges Terrace, Perth, WA, 6000, Australia
Austral Group Holdings Pty Ltd	The Cloisters Building, Level 11, 200 St Georges Terrace, Perth, WA, 6000, Australia
Austral Investors Pty Ltd	The Cloisters Building, Level 11, 200 St Georges Terrace, Perth, WA, 6000, Australia
Austral Plant Services Pty Ltd	The Cloisters Building, Level 11, 200 St Georges Terrace, Perth, WA, 6000, Australia
Capital Insurance Limited	1st Floor Goldie House, 1–4 Goldie Terrace, Upper Church Street, Douglas, IM1 1EB, Isle of Man
Case Foundation Company	2405 York Road, Suite 201, Lutherville Timonium, Maryland, 21093, United States
Cyntech Construction Ltd	Suite 2600, Three Bentall Centre, 595 Burrard Street, P.O. Box 49314, Vancouver, BC V7X 1L3
Fondedile Foundations UK Ltd	Oxford Road, Ryton-on-Dunsmore, Coventry, West Midlands, CV8 3EG, United Kingdom
Frankipile Botswana (Pty) Limited	First floor, Plot 64518, Fairgrounds Office Park, Gaborone, Botswana
Frankipile Ghana Limited	Plot LI/13/86, Bethlehem Street, Thema, Ghana
Frankipile International Projects Limited	C/O DTOS Ltd, 10th floor, Standard Chartered Tower, 19 Cybercity, Ebene, Mauritius
Frankipile Mauritius International (Seychelles) Limited	Ocean Gate House, Ground Floor, Room 12, Victoria, Mahe, Seychelles
Frankipile Swaziland (Pty) Limited	Tenant Office 204, 2nd floor, Inyatsi House, 760 Dr David Hynd Road, Trelwany Park, Manzini, Eswatini
GENCO Geotechnical Engineering Contractors Limited[1]	Sheraton Buildings-Plot 10, Block 1161, El Nozha, Cairo, Egypt
GEO Instruments Polska Sp. z o.o.	Lysakow Drugi nr 47, 28–300 Jedrzejow, Poland
Geo-Instruments Sarl	8 Allee des Ginkgos, Parc d'Activites du Chene, Activillage, 69673 Bron Cedex, France
GEO-Instruments, Inc.	2405 York Road, Suite 201, Lutherville Timonium, Maryland, 21093, United States
GKM Consultants Inc.	101 – 2141 rue Nobel, Sainte-Julie, Québec, J3E1Z9, Canada
Keller (M) Sdn Bhd	8A, Jalan Vivekananda, Off Jalan Tun Sambanthan, Brickfields, Kuala Lumpur, 50470, Malaysia
Keller AMEA Hub Investment L.L.C.	Unit 302, Level 103, Arenco Tower, Sheikh Zayed Road, Dubai Media City, Al Sufouh 2, Dubai, United Arab Emirates
Keller Arabia Contracting Holdings Limited	KGAF6755, 6755 Prince Sultan Bin Abdulaziz road, 3357 Ulaia District, Tabuk 47911, Kingdom of Saudi Arabia
Keller Australia Pty Limited[2]	Suite G01, 2–4 Lyonpark Road, Macquarie Park, NSW, 2113, Australia
Keller Canada Holdings Ltd	Suite 2600, Three Bentall Centre, P.O. Box 49314, 595 Burrard Street, Vancouver BC, V7X 1 L3, Canada
Keller Canada Services Ltd	Suite 2600, Three Bentall Centre, P.O. Box 49314, 595 Burrard Street, Vancouver BC, V7X 1 L3, Canada
Keller Central Asia LLP	Aiteke Bi Street 55, Atyrau City, 060011, Kazakhstan
Keller Cimentaciones Chile, SpA	Avenida De Apoquindo 3885, piso 18 la Comuna de las Condes, Santiago, Chile
Keller Cimentaciones de Latinoamerica SA de CV	Av. Presidente Masaryk 101, Int. 402, Bosque de Chapultepec I Seccion Delegacion Miguel Hidalgo, 11580 CDMX, Mexico
Keller Cimentaciones, S.L.U.	Calle de la Argentina, 15, 28806 Alcala de Henares, Madrid, Spain
Keller Company Limited	PO Box 718, Dammam, 31421, Saudi Arabia
Keller Drilling, Inc.	330 North Brand Blvd., Suite 700, Glendale, California, United States
Keller Egypt LLC	Sheraton Buildings, Plot 10, Block 1161, El Nozha, Cairo, Egypt
Keller Engineering Inc.	7550 Teague Road, Suite 300, Hanover, 21076, United States
Keller Finance Australia Limited	2 Kingdom Street, London, W2 6BD, United Kingdom
Keller Finance Limited	2 Kingdom Street, London, W2 6BD, United Kingdom
Keller Financial Services Sp. z o.o.	ul. Przyokopowa 31, Warsaw, 01-208, Poland
Keller Fondations Speciales SAS	2 rue Denis Papin, 67120, Duttlenheim, France
Keller Fondations Speciales SPA[3]	No. 35, Route de Khmiss El Khechna, Sbâat, 16012 Rouiba, w. Alger, Algeria

Notes to the company financial statements continued

10 Group companies continued

Name	Address
Keller Fondazioni S.r.l	Via Isarco 1, Varna, I-39040, Italy
Keller Foundations (S E Asia) Pte Ltd	18 Boon Lay Way, #04–104, Tradehub 21, 609966, Singapore
Keller Foundations Contracting LLC	2503, Palace Towers T1, Dubai Silicon Oasis, United Arab Emirates
Keller Foundations Ltd	Suite 2600, Three Bentall Centre, P.O. Box 49314, 595 Burrard Street, Vancouver BC, V7X 1 L3, Canada
Keller Foundations Vietnam Company Limited	24 Dang Thai Mai Street, Ward 7, Phu Nhuan District, Ho Chi Minh City, Vietnam
Keller Funderingstechnieken B.V.	Europalaan 16, 2408 BG, Alphen aan den Rijn, Netherlands
Keller Funderingstechnieken Belgie BV	17A, Ringlaan, 2960, Brecht, Belgium
Keller Geotechnics (Mauritius) Ltd	Geoffrey Road, Bambous, Mauritius
Keller Geotechnics Namibia (Pty) Limited	2nd floor, LA Chambers, Ausspann Plaza, Dr Agostinho Neto Road, Windhoek, Namibia
Keller Geotechnics Tanzania Ltd[4]	1127 Amverton Tower, Chole Road, Dar es Salaam, Tanzania
Keller Geotehnica Srl	Bucuresti Sectorul 1, Str., Uruguay, Nr. 27, Etaj 1, Ap. 2, 011444 Bucuresti, Romania
Keller Geoteknikk AS	Hovfaret 13, Oslo, 0275, Norway
Keller Ground Engineering Bangladesh Limited	661/3 Ashkona Bazar, Hazi Camp, Dhakinkhan, Dhaka-1230, Bangladesh, Dhaka, Bangladesh
Keller Ground Engineering India Private Limited	7th Floor, Eastern Wing, Centennial Square 6A, Dr Ambedkar Road, Kodambakkam, Chennai, 600024, India
Keller Ground Engineering LLC[5]	Office # 14, Building # 700 Boushar Street 51, Oman
Keller Grundbau Ges.m.b.H.	Guglgasse 15, BT4a/3.OG, Vienna, 1110, Austria
Keller Grundbau GmbH	Kaiserleistraße 8, Offenbach am Main, 63067, Germany
Keller Grundlaggning AB	Östra Lindomev 50, 437 34, Lindome, Sweden
Keller Holding GmbH	Kaiserleistraße 8, Offenbach am Main, 63067, Germany
Keller Holdings Limited	2 Kingdom Street, London, W2 6BD, United Kingdom
Keller Holdings, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware, 19801, United States
Keller Industrial, Inc.	820 Bear Tavern Road, West Trenton, New Jersey, 08628, United States
Keller Investments LLP	2 Kingdom Street, London, W2 6BD, United Kingdom
Keller Limited	Oxford Road, Ryton-on-Dunsmore, Coventry, West Midlands, CV8 3EG, United Kingdom
Keller Management Services, LLC	The Corporation Trust Company, 1209 Orange Street, Wilmington, DE, 19801, United States
Keller Mélyépítő Korlátolt Felelősségű Társaság	1124 Budapest, Csörsz utca 41. 6. em., Hungary
Keller Mocambique, Limitada	Bairro da Matola D, Estrada Nacional N4, Avenida Samora Machel nr. 393, Matola, Mozambique
Keller New Zealand Limited	C/-GazeBurt, 1 Nelson Street, Auckland, 1010, New Zealand
Keller North America, Inc.	The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware, 19801, United States
Keller Polska Sp. z o.o.	ul. Poznanska172, Ozarow Mazowiecki, PL-05850, Poland
Keller Pty Ltd	Suite G01, 2–4 Lyonpark Road, Macquarie Park, NSW, 2113, Australia
Keller Puerto Rico, LLC	The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware, 19801, United States
Keller Qatar L.L.C[6]	Office No 273 Al Jazeera Complex-B Satwa Road, Wholesale Market, Doha, Qatar
Keller Regional Headquarters Co.	5245, King Khaled Street, PO Box 8113, Muhammed Ibn Saud, Dammam, Saudi Arabia
Keller speciálne zakladani spol. s r.o.	Na Pankraci 1618/30, 14000 Praha 4, Czech Republic
Keller specialne zakladanie spol.s.r.o.	Galvaniho 15/A, Bratislava, 82701, Slovakia
Keller Ukraine LLC	30, Vasylkivska Street, Kiev, 03022, Ukraine
Keller US Finance Limited	2 Kingdom Street, London, W2 6BD, United Kingdom
Keller West Africa S.A.	BP 1238 Abidjan-Marcory, Zone 4C, Rue Clement Ader, Côte d'Ivoire
Keller-MTS AG	Allmendstrasse 5, Regensdorf, 8105, Switzerland
KFS Finland Oy[7]	Haarakaari 42, TUUSULA, 04360, Finland
KGS Keller Gerate & Service GmbH	Kaiserleistraße 8, Offenbach am Main, 63067, Germany
Makers Holdings Limited	2 Kingdom Street, London, W2 6BD, United Kingdom
Makers Management Services Limited	2 Kingdom Street, London, W2 6BD, United Kingdom
Makers Services Limited	2 Kingdom Street, London, W2 6BD, United Kingdom
Makers UK Limited	2 Kingdom Street, London, W2 6BD, United Kingdom
Moretrench Industrial Inc.	820, Bear Tavern Road, West Trenton, New Jersey, 08628, United States
North American Foundation Engineering Inc.	5393 Steels Ave West, Milton, Ontario, LPT 2Z1, Canada
PHI Group Limited	Oxford Road, Ryton-on-Dunsmore, Coventry, West Midlands, CV8 3EG, United Kingdom
Piling Contractors Pty Limited	Suite G01, 2–4 Lyonpark Road, Macquarie Park, NSW, 2113, Australia

Name	Address
PT. Keller Ground Indonesia[8]	Gedung Graha Kencana Lantai 7 Unit B-I, Jalan Raya Perjuangan No. 88, Kebon Jeruk, Jakarta Barat, 11530, Indonesia
Recon Europe Holding, LLC	251 Little Falls Drive, Wilmington, Delaware, 19808 United States
Recon GP, LLC	251 Little Falls Drive, Wilmington, Delaware, 19808 United States
Recon Holdings II, Inc.	251 Little Falls Drive, Wilmington, Delaware, 19808 United States
Recon Holdings III, Inc	251 Little Falls Drive, Wilmington, Delaware, 19808 United States
Recon Services Inc. (Canada)	199 Bay Street, 5300 Commerce Court West, Toronto, ON M5L 1B9 Canada
Recon Services, Inc.	251 Little Falls Drive, Wilmington, Delaware, 19808, United States
Remedial Construction Services, L.P	211 E. 7th Street, Suite 620, Austin, Texas, 78701, United States
Resource Piling (M) Sdn. Bhd.	8A, Jalan Vivekananda, Off Jalan Tun Sambanthan, Brickfields, Kuala Lumpur, 50470, Malaysia
Suncoast Post-Tension, Ltd	The Corporation Trust Company, 1209 Orange Street, Wilmington, Delaware, 19801, United States
Waterway Constructions Group Pty Limited	The Cloisters Building, Level 11, 200 St Georges Terrace, Perth, WA, 6000, Australia
Waterway Constructions Pty Ltd	The Cloisters Building, Level 11, 200 St Georges Terrace, Perth, WA, 6000, Australia

1 100% owned by two trustees.
2 Share capital consists of 99% ordinary shares. The remaining 1% consists of ordinary A, ordinary B and ordinary C shares.
3 51% owned by Keller Fondations Speciales SAS, <1% owned by Keller Grundbau GmbH, Keller Holding GmbH and Keller Holdings Limited respectively.
4 > 99% owned by Keller Holdings Limited.
5 70% owned by Keller Holdings Limited.
6 49% owned by Keller Holdings Limited.
7 50% owned by Keller Holdings Limited.
8 Share capital consists of 56% Class A shares and 44% Class B shares. Keller Foundations (SE Asia) Pte Limited owns 100% of the Class A shares and 25% of the Class B shares.

Keller Group plc has guaranteed the liabilities of the following subsidiary in order that they qualify for the exemption from having to prepare individual accounts under section 394A and section 394C of the Companies Act 2006 in respect of the year ended 31 December 2024:

Company	Registered number
Keller Finance Australia Limited	06768174

Keller Group plc has guaranteed the liabilities of the following subsidiaries in order that they qualify for the exemption from audit under sections 479A to 479C of the Companies Act 2006 in respect of the year ended 31 December 2024:

Company	Registered number
Keller Holdings Limited	02499601
Keller Finance Limited	02922459
Keller Investments LLP	OC412294
Makers UK Limited	01250640

Adjusted performance measures

The Group's results as reported under International Financial Reporting Standards (IFRS) and presented in the consolidated financial statements (the 'statutory results') are significantly impacted by movements in exchange rates relative to sterling, as well as by exceptional items and non-trading amounts relating to acquisitions.

As a result, adjusted performance measures have been used throughout the Annual Report and Accounts to describe the Group's underlying performance. The Board and Executive Committee use these adjusted measures to assess the performance of the business because they consider them more representative of the underlying ongoing trading result and allow more meaningful comparison to prior year.

Underlying measures

The term 'underlying' excludes the impact of items which are exceptional by their size and/or are non-trading in nature, including amortisation of acquired intangible assets and other non-trading amounts relating to acquisitions and disposals (collectively 'non-underlying items'), net of any associated tax. Underlying measures allow management and investors to compare performance without the potentially distorting effects of one-off items or non-trading items. Non-underlying items are disclosed separately in the consolidated financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group.

Constant currency measures

The constant currency basis ('constant currency') adjusts the comparative to exclude the impact of movements in exchange rates relative to sterling. This is achieved by retranslating the 2023 results of overseas operations into sterling at the 2024 average exchange rates.

A reconciliation between the underlying results and the reported statutory results is shown on the face of the consolidated income statement, with non-underlying items detailed in note 9 to the consolidated financial statements. A reconciliation between the 2023 underlying result and the 2023 constant currency result is shown below and compared to the underlying 2024 performance:

Revenue by segment

	2024	2023[1]				
	Statutory £m	Statutory £m	Impact of exchange movements £m	Constant currency £m	Statutory change %	Constant currency change %
North America	**1,785.8**	1,770.0	(56.5)	1,713.5	**+0.9**	**+4.2**
Europe and Middle East	**835.1**	808.0	(16.2)	791.8	**+3.3**	**+5.5**
Asia-Pacific	**365.8**	388.0	(14.2)	373.8	**-5.7**	**-2.1**
Group	**2,986.7**	2,966.0	(86.9)	2,879.1	**+0.7**	**+3.7**

Underlying operating profit by segment

	2024	2023[1]				
	Underlying £m	Underlying £m	Impact of exchange movements £m	Constant currency £m	Underlying change %	Constant currency change %
North America	**190.0**	169.6	(5.9)	163.7	**+12.0**	**+16.1**
Europe and Middle East	**7.9**	9.8	(0.2)	9.6	**-19.4**	**-17.7**
Asia-Pacific	**28.7**	14.6	(0.5)	14.1	**+96.6**	**+103.5**
Central items	**(14.0)**	(13.1)	–	(13.1)	**+6.9**	**+6.9**
Group	**212.6**	180.9	(6.6)	174.3	**+17.5**	**+22.0**

1 From 1 January 2024, the Middle East and Africa (MEA) business was transferred to the Europe Division, creating the Europe and Middle East Division, and the remaining Asia-Pacific, Middle East and Africa Division became the Asia-Pacific Division. The 2023 comparative segmental information has been updated to reflect this change as it is consistent with the information reviewed by the Chief Operating Decision Maker.

Underlying operating margin

Underlying operating margin is underlying operating profit as a percentage of revenue.

Other adjusted measures

Where not presented and reconciled on the face of the consolidated income statement, consolidated balance sheet or consolidated cash flow statement, the adjusted measures are reconciled to the IFRS statutory numbers below:

EBITDA (statutory)

	2024 £m	2023 £m
Underlying operating profit	**212.6**	180.9
Depreciation and impairment of owned property, plant and equipment	**78.8**	81.8
Depreciation and impairment of right-of-use assets	**29.9**	30.0
Amortisation of intangible assets	**0.1**	0.4
Underlying EBITDA	**321.4**	293.1
Non-underlying items in operating costs (excluding goodwill impairment)	**(10.6)**	(10.8)
Non-underlying items in other operating income	**6.4**	0.8
EBITDA	**317.2**	283.1

EBITDA (IAS 17 covenant basis)

	2024 £m	2023 £m
Underlying operating profit	**212.6**	180.9
Depreciation and impairment of owned property, plant and equipment	**78.8**	81.8
Depreciation and impairment of right-of-use assets	**29.9**	30.0
Legacy IAS 17 operating lease charges	**(34.3)**	(33.8)
Amortisation of intangible assets	**0.1**	0.4
Underlying EBITDA	**287.1**	259.3
Non-underlying items in operating costs (excluding goodwill impairment)	**(10.6)**	(10.8)
Non-underlying items in other operating income	**6.4**	0.8
EBITDA	**282.9**	249.3

Net finance costs

	2024 £m	2023 £m
Finance income	**(6.6)**	(1.8)
Underlying finance costs	**27.8**	29.3
Net finance costs (statutory)	**21.2**	27.5
Exclude: Finance charge on lease liabilities[1]	**(6.2)**	(5.6)
Lender covenant adjustments	**(0.8)**	(0.8)
Net finance costs (IAS 17 covenant basis)	**14.2**	21.1

1 Excluding legacy IAS 17 finance leases.

Net capital expenditure

	2024 £m	2023 £m
Acquisition of property, plant and equipment	**89.0**	94.3
Acquisition of other intangible assets	**–**	0.2
Proceeds from sale of property, plant and equipment	**(29.0)**	(20.9)
Net capital expenditure	**60.0**	73.6

Adjusted performance measures continued

Net debt

	2024 £m	2023 £m
Current loans and borrowings	**27.5**	86.8
Non-current loans and borrowings	**307.1**	301.9
Cash and cash equivalents	**(207.7)**	(151.4)
Net debt (statutory)	**126.9**	237.3
Lease liabilities[1]	**(97.4)**	(91.1)
Net debt (IAS 17 covenant basis)	**29.5**	146.2

1 Excluding legacy IAS 17 finance leases.

Leverage ratio

The leverage ratio is calculated as net debt to underlying EBITDA.

Statutory

	2024 £m	2023 £m
Net debt	**126.9**	237.3
Underlying EBITDA	**321.4**	293.1
Leverage ratio (x)	**0.4**	0.8

IAS 17 covenant basis

	2024 £m	2023 £m
Net debt	**29.5**	146.2
Underlying EBITDA	**287.1**	259.3
Leverage ratio (x)	**0.1**	0.6

Order book

The Group's disclosure of its order book is aimed to provide insight into its backlog of work and future performance. The Group's order book is not a measure of past performance and therefore cannot be derived from its consolidated financial statements. The Group's order book comprises the unexecuted elements of orders on contracts that have been awarded. Where a contract is subject to variations, only secured variations are included in the reported order book.

Free cash flow

The calculation of free cash flow is set out in the CFO section of the Strategic report and is reconciled to movements in the consolidated cash flow statement and other movements in net debt as set out below.

	2024 £m	2023 £m
Net cash inflow from operating activities	**265.9**	197.0
Net cash outflow from investing activities	**(57.7)**	(70.7)
Exclude:		
Cash inflows from non-underlying items – historic claims	**(1.4)**	–
Cash outflows from non-underlying items – ERP costs	**4.9**	7.5
Cash outflows from non-underlying items – restructuring costs	**4.9**	1.2
Cash outflows from non-underlying items – contract dispute	**–**	3.7
Acquisition of subsidiaries, net of cash acquired	**0.9**	0.2
Disposal of subsidiaries	**2.6**	(1.3)
Include:		
Increase in net debt from new leases	**(26.4)**	(33.9)
Increase in net debt from amortisation of deferred finance costs	**(1.1)**	(0.5)
Free cash flow	**192.6**	103.2

Financial record

	2015 £m	2016 £m	2017 £m	2018 £m	2019 £m	2020 £m	2021 £m	2022 £m	2023 £m	2024 £m
Consolidated income statement										
Continuing operations										
Revenue	1,562.4	1,780.0	2,070.6	2,224.5	2,300.5	2,062.5	2,222.5	2,944.6	2,966.0	**2,986.7**
Underlying EBITDA	155.5	158.6	177.2	167.5	198.4	205.0	185.9	205.6	293.1	**321.4**
Underlying operating profit	103.4	95.3	108.7	96.6	103.8	110.1	88.5	108.6	180.9	**212.6**
Underlying net finance costs	(7.7)	(10.2)	(10.0)	(16.1)	(22.5)	(13.2)	(8.9)	(15.1)	(27.5)	**(21.2)**
Underlying profit before taxation	95.7	85.1	98.7	80.5	81.3	96.9	79.6	93.5	153.4	**191.4**
Underlying taxation	(33.0)	(29.8)	(24.7)	(22.5)	(22.4)	(28.3)	(18.9)	(20.3)	(38.8)	**(43.9)**
Underlying profit for the year	62.7	55.3	74.0	58.0	58.9	68.6	60.7	73.2	114.6	**147.5**
Non-underlying items[1]	(36.4)	(7.3)	13.5	(71.8)	(37.2)	(27.5)	(5.1)	(28.2)	(24.8)	**(4.8)**
Profit/(loss) for the year	26.3	48.0	87.5	(13.8)	21.7	41.1	55.6	45.0	89.8	**142.7**
Underlying EBITDA (IAS 17 covenant basis)	155.5	158.6	177.2	167.5	170.8	175.0	153.2	177.7	259.3	**287.1**
Consolidated balance sheet										
Working capital	97.1	152.5	181.3	225.4	200.9	180.3	149.6	303.4	261.5	**232.0**
Property, plant and equipment	331.8	405.6	399.2	422.0	460.6	434.9	443.4	486.5	480.2	**461.4**
Intangible and other non-current assets	183.0	218.2	198.3	179.5	192.3	183.5	232.0	203.1	185.9	**204.3**
Net debt (statutory)	(183.0)	(305.6)	(229.5)	(286.2)	(289.8)	(192.5)	(193.3)	(298.9)	(237.3)	**(126.9)**
Other net assets/liabilities	(94.9)	(41.1)	(77.1)	(114.2)	(166.5)	(196.2)	(203.7)	(197.3)	(172.3)	**(174.1)**
Net assets	334.0	429.6	472.2	426.5	397.5	410.0	428.0	496.8	518.0	**596.7**
Net debt (IAS 17 covenant basis)	(183.0)	(305.6)	(229.5)	(286.2)	(213.1)	(120.9)	(119.4)	(218.8)	(146.2)	**(29.5)**
Underlying key performance indicators										
Diluted earnings per share from continuing operations (p)	85.4	74.8	101.8	79.1	81.3	96.3	84.2	100.7	153.9	**199.9**
Dividend per share (p)	27.1	28.5	34.2	35.9	35.9	35.9	35.9	37.7	45.2	**49.7**
Operating margin	6.6%	5.4%	5.2%	4.3%	4.5%	5.3%	4.0%	3.7%	6.1%	**7.1%**
Return on capital employed[2]	20.5%	15.3%	15.1%	13.2%	14.4%	16.4%	13.9%	14.9%	22.8%	**28.2%**
Net debt: EBITDA (statutory)	1.2x	1.9x	1.3x	1.7x	1.5x	0.9x	1.0x	1.5x	0.8x	**0.4x**
Net debt: EBITDA (IAS 17 covenant basis)	1.2x	1.9x	1.3x	1.7x	1.2x	0.7x	0.8x	1.2x	0.6x	**0.1x**

1 Non-underlying items are items which are exceptional by their size and/or are non-trading in nature and are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial position of the Group.

2 Calculated as underlying operating profit expressed as a percentage of average capital employed. 'Capital employed' is net assets before non-controlling interests plus net debt and net defined benefit retirement liabilities.

Shareholder information

Registrars
Keller has appointed Equiniti Limited (Equiniti) to administer its shareholder register and make dividend payments. Should you have any queries relating to your Keller Group shareholding, Equiniti can be contacted as follows:

Online: help.shareview.co.uk

Telephone: +44 (0)371 384 2264

Accessibility: For deaf and speech impaired customers, Equiniti welcomes calls via Relay UK, please see relayuk.bt.com for more information.

Mail: Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom.

When contacting Equiniti, please include your shareholder reference number and details of your query.

Website and shareholder communications
Our corporate website contains a wealth of material for shareholders, including the current share price, the latest results, reports and press releases and information on dividends. The website can be accessed at keller.com

Keller encourages its shareholders to receive shareholder communications electronically. This enables shareholders to receive information quickly and securely as well as in a more environmentally friendly and cost-effective manner.

Further information can be obtained from Shareview or the Shareholder Helpline.

Financial calendar

14 May 2025	Annual General Meeting
23 May 2025	Final dividend record date
20 June 2025	Final dividend payment date
5 August 2025	Interim results

Dividends
Keller dividends can be paid directly into your bank or building society account instead of being despatched to you by cheque. More information about the benefits of having dividends paid directly into your bank or building society account, and the mandate form to set this up, can be obtained from Equiniti.

Fraud warning
Shareholders are advised to be vigilant in regard to share fraud, which includes telephone calls offering free investment advice or offers to buy and sell shares at discounted or highly inflated prices. If it sounds too good to be true, it often is. Further information can be found on the Financial Conduct Authority's website fca.org.uk/scams or by calling the FCA Consumer Helpline on 0800 111 6768.

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Cautionary statement

This document contains certain forward-looking statements with respect to Keller's financial condition, results of operations and business, and certain of Keller's plans and objectives with respect to these items.

Forward-looking statements are sometimes, but not always, identified by their use of a date in the future or such words as 'anticipates', 'aims', 'due', 'will', 'could', 'may', 'should', 'expects', 'believes', 'intends', 'plans', 'potential', 'reasonably possible', 'targets', 'goal' or 'estimates'. By their very nature forward-looking statements are inherently unpredictable, speculative and involve risk and uncertainty because they relate to events and depend on circumstances that may occur in the future.

There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.

These factors include, but are not limited to, changes in the economies and markets in which the Group operates; changes in the regulatory and competition frameworks in which the Group operates; the impact of legal or other proceedings against or which affect the Group; and changes in interest and exchange rates. For a more detailed description of these risks, uncertainties and other factors, please see the risk management approach and principal risks section of the strategic report.

All written or verbal forward-looking statements, made in this document or made subsequently, which are attributable to Keller or any other member of the Group or persons acting on their behalf are expressly qualified in their entirety by the factors referred to above. Keller does not intend to update these forward-looking statements.

Nothing in this document should be regarded as a profits forecast.

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