Remuneration Policy report

The Remuneration Policy (the 'Policy') is set out in this section

This Policy will be put to shareholders for approval at the AGM to be held on 15 May 2024. The Policy is intended to apply, subject to shareholder approval, for three years from 1 January 2024. Where a material change to this Policy is considered, the company will consult with major shareholders prior to submitting to all shareholders for approval. The Policy will be displayed on the company's website (www.keller.com) following the 2024 AGM.

Summary of decision-making process

As described in the Annual statement from the Chair of the Remuneration Committee, the committee engaged with its major shareholders in 2023 as part of its review of the executive remuneration policy. We wrote to 20 of our largest shareholders and the major shareholder representative bodies in October 2023 to consult on the development of our executive remuneration approach and, having considered the feedback, we wrote to them again in January 2024 to explain the outcome of the review, the changes proposed and associated rationale.

Shareholders were offered the opportunity to discuss the proposals with the Committee Chair and the Group Company Secretary and Legal Advisor on both occasions and overall we were encouraged by the number of shareholders who took the time to respond and engage and are satisfied that, having taken into account both supporting views and key concerns, we have developed an appropriate way forward.

In addition to the specific feedback received from our consultation with major shareholders, we also considered input from the management team and our independent advisers, as well as latest market practice and corporate governance developments. To manage any potential conflicts of interest arising, the committee ensured that no individual was involved in discussions on their own remuneration arrangements and all changes proposed aligned to the business' core strategy and values.

In reaching its decisions, the committee also considered the following principles as recommended in the 2018 UK Corporate Governance Code.

Clarity

The policy is designed to allow our remuneration arrangements to be structured such that they clearly support, in a sustainable way, the financial and strategic objectives of the company. The committee remains committed to reporting on its remuneration practices in a transparent, balanced and understandable way.

Predictability

The committee considers the impact of various performance outcomes on incentive levels when determining quantum. These can be seen in the charts on page 130.

Simplicity

The Policy consists of three main elements: fixed pay (salary, benefits and pension), an annual bonus and a long-term incentive award. The metrics used in our incentive plans directly link back to our key corporate objectives and provide a clear link to the shareholder experience. The committee may change measures for future years to ensure they continue to be aligned with our strategy

Proportionality

A substantial portion of the package comprises of performance-based reward, which is linked to our strategic priorities and underpinned by a robust target-setting process. This year, we have also been particularly mindful of the alignment with our workforce when considering the right and proportional approach to pay.

Risk

Remuneration policies are in line with our risk appetite. A robust malus and clawback policy is in place, and the committee has the discretion to reduce pay outcomes where these are not considered to represent overall company performance or the shareholder experience. Furthermore, our bonus deferral, post-cessation shareholding requirement, and PSP holding period ensure that Executive Directors are motivated to deliver sustainable performance.

Alignment to culture

When developing the Policy, the committee reviewed our approach to remuneration throughout the organisation to ensure that arrangements are appropriate in the context of the wider workforce. The themes considered include workforce demographics, engagement levels and diversity to ensure that executive remuneration is appropriate from a cultural perspective.

Remuneration Policy main changes

A number of changes were made to the Policy in 2021, bringing it in line with the UK Corporate Governance Code and the wider business environment. The 2021 Policy introduced a number of best practice governance features, some of which were already in operation, as summarised below:

- Introduction of a two-year post-employment shareholding requirement for Executive Directors.
- Discretion for the committee to override formulaic outcomes in the Performance Share Plan (PSP).
- Malus and Clawback Policy.
- Mitigation measures for Executive Director leavers written into current service contracts.
- Settlement of deferred bonus and dividend equivalents in shares and not cash.
- Alignment of Executive Director pensions to the general workforce.

We also took the opportunity to refresh the performance metrics in our PSP. The 2021 Policy was approved by 90.2% of shareholders.

In the context of evolving market practice since the approval of Keller's 2021 Remuneration Policy, the committee has reviewed its policy and proposes the following changes:

- Increasing the maximum opportunity available under the PSP from 150% to 200% of salary. The committee believes this increase is appropriate in the context of market practice and competitiveness and to ensure the Policy remains fit for purpose over the next three years.
- In 2023, the CEO received an LTIP award of 150% of base salary and the CFO received an LTIP award of 125% of base salary. The committee will not increase the quantum of award in 2024.
- Introducing an additional trigger of 'corporate failure' under Keller's malus and clawback policy, for good governance and in line with emerging market practice.

Summary of our Remuneration Policy

Base salary and benefits	Competitive fixed remuneration.
Annual bonus	Maximum: 150% of base salary. Reward for achievements against profit and working capital targets which are key financial metrics and individual objectives linked to strategic objectives.
Performance Share Plan	Maximum: 200% of base salary. Metrics reward for achievements against EPS, ROCE and operating margin targets which are key financial metrics and relative TSR which rewards outperformance of alternative investment.
Shareholder aligned	Shareholding guideline: 200% of base salary. Post-employment shareholding requirement: for two years following cessation of employment, with 100% of the in-employment shareholding guideline of 2 x salary (or actual shareholding if lower) to be held in year 1 and at least 50% in year 2. 25% of annual bonus deferred in shares for two years. PSP vested shares to be retained for a further two years. Malus and clawback policy applies to bonus, deferred bonus and PSP.
Internally consistent	The Remuneration Committee oversees the pay structure for senior managers who are eligible to bonus and PSP awards. The committee also receives information on broader employee pay and incentives across the Group.

Remuneration principles

Our remuneration principles underpinning Directors' remuneration and our Policy are:

- Support the delivery of Keller's strategy.
- Align Executive Directors' interests with those of our shareholders.
- Attract, retain and motivate high-calibre executives to lead and manage the business and ensure the long-term sustainable success of the company.
- Consider fairness and equity across the entirety of our workforce.

Directors' Remuneration Policy table

There are five main elements of the remuneration package for Executive Directors: base salary, benefits, pension, performance-related annual bonus, and Performance Share Plan. The table below summarises these elements, how they link to strategy and discourage excessive risk-taking and their operation and performance measures. The Group aims to balance the need to attract, retain and motivate Executive Directors and other senior executives of an appropriate calibre with the need to be cost effective, whilst at the same time rewarding exceptional performance. The Policy is designed to balance these factors, taking account of prevailing best practice, investor expectations and the level of remuneration and pay made generally to employees of the Group.

Fixed remuneration – base salary, benefits and pension

Base salary

Purpose and link to strategy	Reflects the individual's role, experience and contribution to the company. Set at sufficiently competitive levels to attract and retain high-calibre individuals needed to execute and deliver on the Group's strategic objectives.
Operation	Salaries are normally set in the home currency of the Executive Director and reviewed annually. Any salary increases are normally effective from 1 January. In making salary decisions the committee takes account of: • changes in the scope or responsibility of the role; • company and individual performance; • periodically, salary levels for comparable roles at relevant international comparators; and • general increases across the Group.
Performance	None
Opportunity	Determined having considered market practice for relevant roles in companies of a similar size and complexity. Whilst there is no prescribed maximum level of salary, increases are typically not expected to exceed average increases for the wider workforce taking into account relevant geography. Larger increases could be awarded in circumstances where there is a significant increase in the complexity, scope or responsibility of the role, an increase in the size and complexity of the company, or in the case of appointment at a level lower than a predecessor and/or typical market level with a view to increase over time as the Executive Director gains experience.

Benefits

Purpose and link to strategy	To be market competitive for the purpose of attracting and retaining high-calibre individuals needed to execute and deliver the strategic objectives.
Operation	Benefits typically include: • a company car or a car allowance; • private health care; and • life assurance, and long-term disability insurance. Other benefits may be provided from time to time if considered reasonable and appropriate by the committee. Where applicable, relocation costs may be provided, which may include, but which are not limited to: removal costs, housing allowance, immigration assistance, relocation and cost of living allowance, school fees and tax equalisation. Executive Directors would also be eligible to participate in any all-employee share plans on the same basis as other eligible employees, should such plans be implemented by the company.
Performance	None
Opportunity	There is no formal maximum as the cost of benefit provision can fluctuate depending on changes in provider cost, location and individual circumstances.

Fixed remuneration – base salary, benefits and pension continued

Pension	
Purpose and link to strategy	To provide a market-competitive level of retirement benefit.
Operation	Executive Directors participate in the company pension schemes that apply in their home country. Current UK Directors can elect to receive either a contribution to a UK defined contribution (DC) scheme or a salary cash supplement in lieu of pension benefits.
Performance	None
Opportunity	The maximum annual pension contribution/cash supplement is currently 7% of base salary unless the contribution rates are determined by the rules of a specific country pension plan. The level of contribution for Executive Directors will remain in line with the level of pension contribution received by the general workforce.

Short-term variable remuneration

Annual Bonus Plan	
Purpose and link to strategy	Rewards achievement of the short-term financial and strategic targets of the company.
Operation	At the start of each financial year, performance measures and weightings are determined and annual financial targets and personal strategic objectives are set by the committee. Bonus outcomes are determined based on performance against those targets. 25% of any bonus earned is normally deferred into company shares for two years. Deferred bonus shares are eligible for dividend equivalents over the period from the date the deferred award is granted, to the date of its vesting. Dividend equivalents are settled in shares. The company's malus and clawback policy may operate in respect of the Annual Bonus Plan (including deferred bonuses). The policy could take effect in the event of corporate failure, financial misstatement, serious reputational damage, or material misconduct in individual cases. The committee may apply judgement and shall have discretion to make appropriate adjustments to an individual's annual bonus payout (including, if appropriate, reduction to nil) or to recover the relevant value. Clawback will apply to the cash bonus and deferred bonus for a period of two years following the end of the performance period.
Performance	The annual bonus is predominantly based on delivering financial performance (majority weighting). This may include, for example, financial measures such as profit before tax (PBT) and working capital management. The remainder of the bonus is based on personal strategic objectives (minority weighting) which are linked to Keller's strategy and assessed by the committee. The committee agrees targets annually for threshold, target and maximum payouts, ensuring targets are achievable but stretching. No more than 50% of maximum is payable for target performance. Payouts between threshold and target, and target and maximum, are normally determined on a straight-line basis. The measures are reviewed by the committee each year and will be explained in the Annual report on remuneration. The committee retains full discretion to adjust the performance measures/targets/weightings on an annual basis for future years to reflect the prevailing strategic objectives of the business. The committee also has discretion to adjust the bonus outcomes (cash bonus and deferred bonus) if it determines this is needed to achieve an appropriate outcome having considered the broader performance of the company and/or the individual. This could, for example, take into account factors such as a material deterioration in safety performance, events impacting the reputation of the company, or failure to achieve a minimum level of financial performance impacting the scope for payout under personal strategic objectives.
Opportunity	The maximum annual bonus potential for Executive Directors is up to 150% of base salary.

Long-term variable remuneration

Performance Share Plan (PSP)

Purpose and link to strategy	Focuses on delivering value creation for shareholders and sustainable financial performance for the company over the long term.	
Operation	Typically subject to a performance period of at least three years with a subsequent two-year holding period, making it a five-year plan. Awards are normally granted every year. Award levels are determined annually by the committee and set within the policy maximum. Subject to stretching performance conditions. The performance measures and targets are determined at the start of each performance period in line with the company's financial and strategic objectives. Dividend equivalents may accrue over the five-year period.	The company's malus and clawback policy may operate in respect of the PSP (including deferred bonuses). The policy could take effect in the event of financial misstatement, serious reputational damage, or material misconduct in individual cases. The committee may apply judgement and shall have discretion to make appropriate adjustments to an individual's annual bonus payout (including, if appropriate, reduction to nil) or to recover the relevant value. Clawback will apply to the PSP for a period of two years following the end of the performance period.
Performance	The performance measures and targets are determined at the start of each performance period in line with the company's financial and strategic objectives. Vesting of PSP awards is subject to performance against relevant financial and/or non-financial performance measures as determined by the committee.	For 2024, the PSP awards are based on: • earnings per share (EPS) with a weighting of 25%; • total shareholder return (TSR) with a weighting of 25%; • return on capital employed (ROCE) with a weighting of 25%; and • operating margin with a weighting of 25%. The committee may amend performance measures and weightings to reflect the prevailing strategic objectives of the company. The committee will engage with investors, to the extent it considers necessary, if any significant changes are made to the performance measures.
Opportunity	The maximum award limit in each financial year is 200% of base salary. Individual award levels may vary and will be set out in the relevant Annual remuneration report. For 2024, the CEO will receive an award of 150% of base salary and the CFO will receive an award of 125% of base salary.	For threshold performance, typically 25% of the award will vest. For maximum performance, 100% will vest. Vesting will normally operate on a straight-line basis.

Shareholding guidelines

Purpose: aligns interests of Executive Directors with those of shareholders.

Executive Directors are expected to retain 50% net of tax of shares following the vesting of share awards until the guideline is attained. The committee encourages the Directors to buy shares on the market.

Minimum shareholding guideline for Executive Directors is 200% of (pre-tax) base salary.

Post-employment shareholding requirement

Executive Directors are required to hold their shares in the company for a period of two years after they have ceased to be employed by the company with 100% of the in-employment shareholding guideline of 2 times salary (or actual shareholding if lower) to be held in year 1 and at least 50% in year 2.

Notes to the Policy table:

Annual Bonus and Deferred Bonus Plans

- Profit-related measures are chosen by the committee as they support the strategic objectives of 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; personal strategic objectives allow Executive Directors to focus on strategic initiatives which support delivery of the annual business plan in any relevant year as well as laying foundations for delivery of the longer-term Group strategy.
- To reinforce alignment with shareholder interests, 25% of any bonus will be deferred into the Deferred Bonus Plan (DBP). There are no further performance conditions applicable to the deferred bonus and it is released in the form of shares after a deferral period of two years along with any dividend shares accrued over the deferral period.

Performance Share Plan

- The committee believes that the measures for 2024 (TSR, EPS, ROCE and operating margin) provide a balance of performance measures aligned with strategic delivery. The committee also has flexibility to adopt different measures if there are good reasons to do so and amend the weightings to support the strategic focus in any award year.
- Relative TSR performance is measured by ranking against FTSE 250 companies (excluding investment trusts and financial services). Under a ranked approach, threshold vesting will be for median performance against the comparator group; maximum vesting for upper quartile performance (or above) against the comparator group. Vesting will be determined on a straight-line basis between these points. For relative TSR, we measure and rank growth based on the data points at the end of the performance period compared with those at the beginning of the period.
- Underlying EPS is considered as an important indicator of revenue growth and profitability and is a simple and well-understood measure. Strong EPS provides the foundation for maintaining our progressive dividend policy. Targets are set by the committee taking into account internal forecasts of performance, any guidance provided to the market and market expectations, as well as historical performance.
- ROCE is one of our key performance indicators. It is well-understood by participants and used internally to drive profitability. Targets are set taking into account our aspirations of ROCE improvement, as well as historical performance. ROCE remains an excellent measure of the efficiency of key resources and directly drives responsible working capital and capital expenditure decisions.
- Operating margin reinforces management's focus on the quality of earnings to ensure that value generated is sustainable and is aligned to the long-term success of the business.

Awards under previous remuneration policies

The committee reserves the right to make any remuneration payments and/or payments for loss of office (including the exercise of any discretions available to it in connection with such payments) notwithstanding that they are not in line with the Policy where the terms of the payment were (i) agreed before the 2014 AGM (when the company's first shareholder-approved Directors' Remuneration Policy came into effect); (ii) before the Policy came into effect, provided that the terms of the payment were consistent with the shareholder-approved Directors' Remuneration Policy in force at the time they were agreed; (iii) at a time when the individual to whom the payment is made was not a Director of the company and, in the opinion of the committee, the payment was not in consideration for the individual becoming a Director of the company.

For these purposes, 'payments' include the committee satisfying awards of variable remuneration and, in relation to an award over shares, the terms of the payment are agreed at the time the award is granted.

Any awards or remuneration-related commitments made to Directors under previous remuneration policies will continue to be honoured.

Committee's discretion

- If an event occurs which causes the committee to consider that an outstanding PSP award or bonus would not achieve its original purpose without alteration, the committee has discretion to amend the targets, provided the new conditions are not materially less challenging than the original conditions. The committee also has discretion, both upwards and downwards, to override formulaic outcomes in the LTIP.
- Such discretion could be used to adjust appropriately for the impact of material acquisitions or disposals, or for exceptional and unforeseen events outside the control of the management team. The application of any such discretion would have regard to the committee's practice of ensuring the stability of measures and targets throughout the business cycle.
- Awards may also be adjusted in the event of any variation of the company's share capital or any demerger, capital distribution or other event that may materially impact the company's share price.

The committee has discretion in several areas of policy as set out in this report. The committee may also exercise operational and administrative discretions under relevant plan rules approved by shareholders as set out in those rules. In addition, the committee has the discretion to amend the Policy with regard to minor or administrative matters where it would be, in the opinion of the committee, disproportionate to seek or await shareholder approval.

Pay for performance scenarios

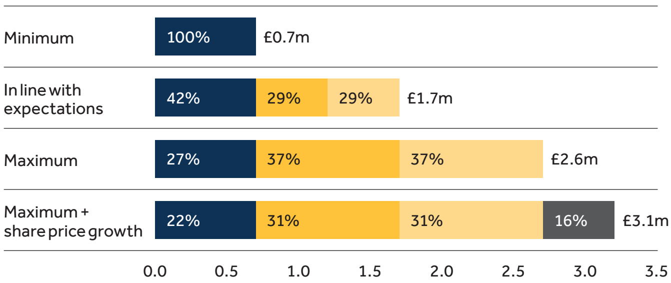
The charts below provide an illustration of the potential future reward opportunities for the Executive Directors and the potential split between the different elements of remuneration under four performance scenarios: 'Minimum', 'On-target', 'Maximum' and 'Maximum + share price growth'. Illustrations are intended to provide further information to shareholders regarding the pay for performance relationship.

Potential reward opportunities are based on Keller's Remuneration Policy, applied from 1 January 2024, excluding the impact of any share price movement and dividend accrual during the performance period.

The 'Minimum' scenario reflects base salary, pension and benefits (ie fixed remuneration). Benefit levels are assumed to be the same as the last financial year. No annual bonus payable and threshold performance under PSP is not achieved. The 'On-target' scenario reflects fixed remuneration as above, plus bonus payout of 50% of maximum and PSP vesting at 50% of normal maximum award. The 'Maximum' scenario reflects fixed remuneration, plus full payout of all incentives. The 'Maximum + share price growth' scenario reflects fixed remuneration plus full payout of all incentives, with a 50% increase in share price applied to the PSP award.

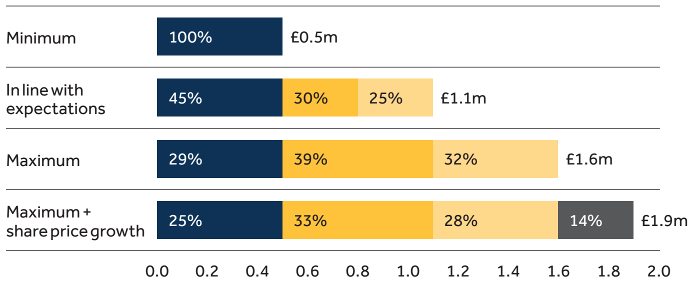
Chief Executive Officer

Remuneration (£m)



Chief Financial Officer

Remuneration (£m)



● Fixed remuneration ● Long-term variable remuneration ● Annual variable remuneration ● Share price growth

Approach to recruitment remuneration

The committee's approach to remuneration for newly appointed Directors (both internal and external) is consistent with that for existing Directors. However, where the company is considering an internal promotion to the Board, the committee may, at its discretion, decide that any remuneration commitment agreed or entered into prior to the promotion will continue to be honoured even though that commitment may not be consistent with the prevailing policy.

In determining appropriate remuneration, the committee will take into consideration all relevant factors to ensure that arrangements are in the best interests of both Keller and its shareholders and will seek not to pay more than is necessary for this purpose.

The table below summarises the committee's approach on recruitment/promotion:

Component	Approach	Maximum
Base salary	The base salaries of new appointees will be determined by reference to relevant market data, experience and skills of the individual, internal relativities and their current base salary. Where new appointees have initial basic salaries set below market, phased increases may be awarded over a period of two to three years subject to the individual's development in the role.	
Benefits	New appointees may be eligible to receive benefits in line with the Policy.	
Pension	New appointees may be eligible to receive pension contributions or an equivalent cash supplement in lieu of pension in line with the Policy.	7% of salary
Annual bonus	The structure described in the Policy table will apply to new appointees with the relevant maximum being pro-rated to reflect the proportion of employment over the year. Targets for the individual element will be tailored to each executive.	150% of salary
Performance Share Plan	New appointees may be granted awards under the PSP on the same terms as other executives, as described in the Policy table.	200% of salary

In addition, the committee may offer a 'buyout' payment where the committee considers it reasonable to do so in order to recruit a particular individual. The committee may offer compensation on a like-for-like basis, for any amounts of variable remuneration being forfeited on leaving a previous employer. In doing so, the committee will consider relevant factors such as expected values, any performance conditions attached to these awards and the likelihood of those conditions being met, time horizons, delivery mechanism and the terms of the forfeited remuneration.

To facilitate such compensation, the committee may also rely on exemptions, procedures or provisions contained in the Listing Rules that permit awards to be granted in exceptional circumstances. To ensure alignment from the outset with shareholders, malus and clawback provisions may also apply where appropriate and the committee may require new Directors to acquire company shares up to a pre-agreed level. Shareholders will be informed of any buyout arrangements at the time of appointment.

In making any decision on the remuneration of a new Director, the committee would balance shareholder expectations, current best practice and the circumstances of any new Director. It would strive not to pay more than is necessary to recruit the right candidate and would give details in the next remuneration report.

The committee may offer to pay reasonable relocation expenses for the new Executive Director in line with the policies described in this report.

Service contracts

Executive Directors' contracts are for an indefinite term with one year's notice. Service contracts between the company (or other companies in the Group) and current Executive Directors are summarised below. Executive Directors' service contracts are available to view at the company's registered office.

Director	Date of service contract	Notice period	Termination payment
Michael Speakman[1]	6 August 2018	12 months' notice by either the company or the Director	Maximum of basic annual salary plus pension and benefits for the unexpired portion of the notice period, subject to mitigation.
David Burke	12 October 2020		

1 Michael Speakman was appointed Chief Financial Officer in August 2018, Interim Chief Executive Officer in October 2019 and Permanent Chief Executive Officer in December 2019.

Mitigation measures are written into current Executive Director service contracts and will be written into future Executive Director service contracts.

Payment for loss of office

When considering exit payments, the committee reviews all potential incentive outcomes to ensure they are fair to both shareholders and participants.

In a departure event, the committee will typically consider:

- Whether any element of annual bonus should be paid for the financial year. Any bonus paid will be limited to the period served during the financial year in which the departure occurs. The default position is that a deferred bonus awarded in prior years will be preserved in full, unless the committee, in its discretion, chooses to apply malus or clawback.
- Whether any awards under the PSP should be preserved either in full or in part.

The rules of the share plans set out the treatment of specific categories of leavers as set out below. In other cases where an executive leaves employment, the committee will consider the specific details of each case before determining whether to award good leaver status.

Good leaver status (including ill-health, injury or disability): deferred bonus share awards will vest in full. To the extent that performance conditions are met, PSP awards are pro-rated for service during the performance period and released at the normal vesting date.

Death, or sale of employing entity out of the Group: deferred bonus share awards vest in full on death or on sale. Performance conditions with regard to PSPs may be waived, awards may be pro-rated for service during the performance period and awards may be released early.

The default position is that an unvested PSP award or entitlement lapses on cessation of employment, unless the committee applies discretion to preserve some or all of the awards. This provides the committee with the maximum flexibility to review the facts and circumstances of each case, allowing differentiation between good and bad leavers and avoiding 'payment for failure'.

For good leavers, deferred bonus awards will normally vest in full at the normal vesting date and PSP awards will normally continue until the normal vesting date or the end of the holding period although the committee may allow awards to vest (and be released from any holding period) as soon as practicable after leaving where appropriate. The award will vest taking into account the extent to which performance conditions have been satisfied and, unless the committee determines otherwise, the period of service during the performance period.

The committee maintains a discretionary approach to the treatment of leavers, on the basis that the facts and circumstances of each case are unique. In an exit situation, the committee will consider: the individual circumstances; any mitigating factors that might be relevant; the appropriate statutory and contractual position; the position under the relevant plan documentation; and the requirements of the business for speed of change.

The committee reserves the right to make any other payments in connection with a Director's cessation of office or employment where the payments are made in good faith in discharge of an existing legal obligation (or by way of damages for breach of such an obligation) or by way of settlement of any claim arising in connection with the cessation of a Director's office or employment or for any fees for outplacement assistance and/or the Director's legal and/or professional advice fees in connection with his cessation of office or employment.

In certain circumstances, the committee may approve new contractual arrangements with departing Executive Directors including (but not limited to) settlement or consultancy arrangements. These will be used sparingly and are only entered into where the committee believes that it is in the best interests of the company and its shareholders to do so.

Change of control

In the event of a change of control, the committee will determine the extent to which unvested awards will vest after taking into account all relevant factors at the time including the extent to which any performance conditions have been achieved and the period of time that has elapsed from the award date to the date of the relevant event.

External appointments

The Board may allow Executive Directors to accept external appointments and retain the fees; however, in accordance with the Code, the Board will not agree to a full-time executive taking on more than one Non-executive Directorship, or the chairmanship of any company. None of the Executive Directors held external appointments during 2023.

Remuneration policy for other employees

Keller's approach to remuneration is broadly consistent across the Group. Consideration is given to the experience, performance and responsibilities of individuals. Senior managers are eligible to participate in the annual bonus scheme with similar performance measures to those used for the Executive Directors. Maximum opportunities vary by seniority, with business-specific measures applied where appropriate.

Members of the Executive Committee are also eligible to participate in the PSP with the same performance conditions as Executive Directors. Senior managers (approximately 60) are eligible to participate in the LTIP and receive shares conditional on continued employment with the company for two years. The award sizes vary according to seniority. Pensions and benefits provision follows local country practice.

Considerations of conditions elsewhere in the Group

When reviewing and setting executive remuneration, the committee takes into account the relevant pay and employment conditions elsewhere in the Group. Specifically, the level of salary increases across the Group are reviewed annually. In addition, the designated Non-executive Director with responsibility for workforce engagement at Keller, is a member of the committee and invited to contribute to discussions in this regard.

All senior managers are set annual objectives at the beginning of each year which support the execution of our strategic levers through delivering specific objectives relevant to their business unit. Annual bonuses payable to senior managers across the Group depend on the satisfactory completion of these objectives as well as performance against local business unit financial targets.

It should be noted that the workforce employed across the Group's geographically diverse businesses is not a homogeneous group and pay and conditions are designed to be competitive in, and appropriate to, the local employment market.

Non-executive Director remuneration

The remuneration of the Non-executive Directors is determined by the Board annually within the limits set out in the Articles of Association. When setting the fee levels consideration is given to market practice for companies of similar size and complexity. The Chairman receives an all-inclusive fee. Non-executive Directors receive a basic fee and additional fees may be payable for chairing a committee or performing the role of Senior Independent Director. The Non-executive Directors' fees are non-pensionable and Non-executive Directors are not eligible to participate in any incentive plans.

The Chairman and Non-executive Directors will be reimbursed by the company for all reasonable expenses incurred in performing their duties. This may include costs associated with travel where required and any tax liabilities payable.

All Non-executive Directors have specific terms of engagement, the dates of which are set out below. All appointments are for an initial three-year period, and thereafter are 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.

Fees for a new Non-executive Director will be set according the principles set out above.

Fees paid to Non-executive Directors with effect from 1 January 2024 are set out in the table below.

Non-executive Director	Appointment date, renewal date, renewal due	Fees
Peter Hill CBE	24 May 2016 (and 26 July 2016 as Chairman) (renewed 24 May 2019 and 24 May 2022)	£235,000 pa
Eva Lindqvist[1]	1 June 2017 (renewed 1 June 2020 and 1 June 2023)	£60,000 pa Plus £11,500 pa (Chair of Remuneration Committee)
Paula Bell	1 September 2018 (renewed 1 September 2021) Renewal due: 1 September 2024	£60,000 pa Plus £11,500 pa (Chair of Audit and Risk Committee)
Baroness Kate Rock	1 September 2018 (renewed 1 September 2021) Renewal due: 1 September 2024	£60,000 pa Plus £11,500 pa (Senior Independent Director) Plus £5,500 pa (Workforce Engagement)
Juan G. Hernández Abrams	1 February 2022 Renewal due: 1 February 2025	£60,000 pa Plus £11,500 pa (Chair of Sustainability Committee) Plus £11,000 pa (intercontinental travel)
Annette Kelleher	1 December 2023 Renewal due: 1 December 2026	£60,000 pa

1 Eva Lindqvist will retire from the Board and as Chair of the Remuneration Committee following the 2024 AGM. Annette Kelleher will be appointed Chair of the Remuneration Committee.

In recruiting a new Non-executive Director, the committee will utilise this Policy.