

Keller Group plc
Preliminary Results for 2021

8 March 2022



Building the foundations for a sustainable future



Cautionary statements

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', '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 will 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 Principal risks and uncertainties section of the Strategic report in the Annual Report and Accounts.

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.

This document is not an offer to sell, exchange or transfer any securities of Keller Group plc or any of its subsidiaries and is not soliciting an offer to purchase, exchange or transfer such securities in any jurisdiction. Securities may not be offered, sold or transferred in the United States absent registration or an applicable exemption from the registration requirements of the US Securities Act of 1933 (as amended).

Agenda

01 **Summary**

02 **Financial results**

03 **Business performance**

04 **ESG**

05 **Strategic progress**

06 **Summary and Outlook**

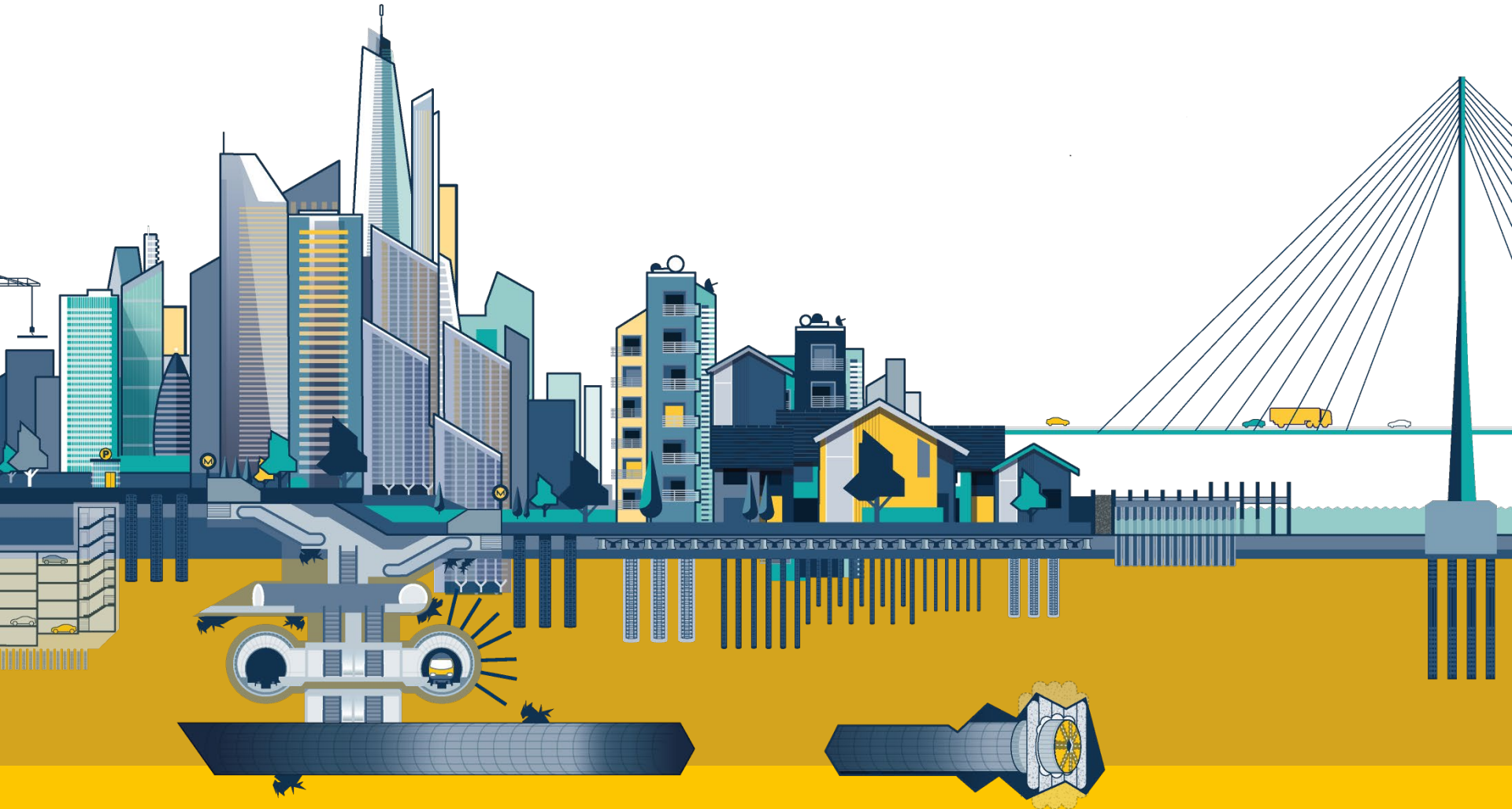
07 **Q&A**

Summary

Revenue	Underlying operating profit	Underlying operating margin	Underlying diluted EPS	Order book	2021 dividend
£2,224.4m	£92.8m	4.2%	88.4p	£1.3bn	35.9p
+8% (+13% CC)	-16% (-10% CC)	Down from 5.3%	- 8%	Up 30%	Flat YoY

- Revenue +13% to £2.2bn, as a result of increased trading activity, particularly in H2, and bolt-on acquisitions
- Record order book at £1.3bn; well positioned for future growth
- Underlying operating profit £92.8m, ahead of market expectations, but -10%, reflecting the adverse effect of COVID-19 on market pricing and operational performance, and unrecovered steel price increases at Suncoast
- Underlying EPS of 88.4p, -8%, decline mitigated by lower finance costs and a R&D tax credit
- After funding acquisitions, net debt (IAS 17 covenant basis) down marginally £119.4m, equating to net debt / EBITDA leverage ratio of 0.8x (2020: 0.7x)
- Further progress in operational safety: 42% improvement in our Accident Frequency Rate
- Net zero targets set across all three emission scopes by 2050 (Scope 2 by 2030)
- Further execution of strategy with portfolio refinement and several acquisitions that build our share in our chosen markets, most notably RECON Services Inc. in North America
- Recommended final dividend continues uninterrupted track record of increasing or maintaining dividends every year since flotation in 1994, and reflecting the continued confidence in the financial strength of the Group

Financial results



Summary income statement

	2021			2020		
	Underlying	Non-underlying	Total	Underlying	Non-underlying	Total
Revenue	2,224.4	-	2,224.4	2,062.5	-	2,062.5
Operating costs	(2,132.0)	(9.6)	(2,141.6)	(1,953.2)	(29.6)	(1,982.8)
Amortisation of acquired intangibles	-	(2.8)	(2.8)	-	(4.2)	(4.2)
Other operating income	-	0.7	0.7	-	0.7	0.7
Share of post-tax profits from JVs	0.4	(0.6)	(0.2)	0.8	-	0.8
Operating profit	92.8	(12.3)	80.5	110.1	(33.1)	77.0
Operating profit margin (%)	4.2%	-	3.6%	5.3%	-	3.7%
Net finance costs	(8.9)	-	(8.9)	(13.2)	-	(13.2)
Profit/(loss) before tax	83.9	(12.3)	71.6	96.9	(33.1)	63.8
Taxation	(20.1)	10.6	(9.5)	(28.3)	5.6	(22.7)
Profit/(loss) for the period	63.8	(1.7)	62.1	68.6	(27.5)	41.1
Diluted earnings per share (p)	88.4	-	86.1	96.3	-	58.5
Full year dividend per share (p)	35.9	-	-	35.9	-	-

Summary income statement – underlying

	2021	2020
	Underlying	Underlying
Revenue	2,224.4	2,062.5
Operating costs	(2,132.0)	(1,953.2)
Amortisation of acquired intangibles	-	-
Other operating income	-	-
Share of post-tax profits from JVs	0.4	0.8
Operating profit	92.8	110.1
Operating profit margin (%)	4.2%	5.3%
Net finance costs	(8.9)	(13.2)
Profit before tax	83.9	96.9
Taxation	(20.1)	(28.3)
Profit for the period	63.8	68.6
Diluted earnings per share (p)	88.4	96.3
Full year dividend per share (p)	35.9	35.9

Revenue		£m
FY 2020		2,062.5
FX		(101.0)
North America		176.3
Europe		27.0
AMEA		59.6
FY 2021		2,224.4

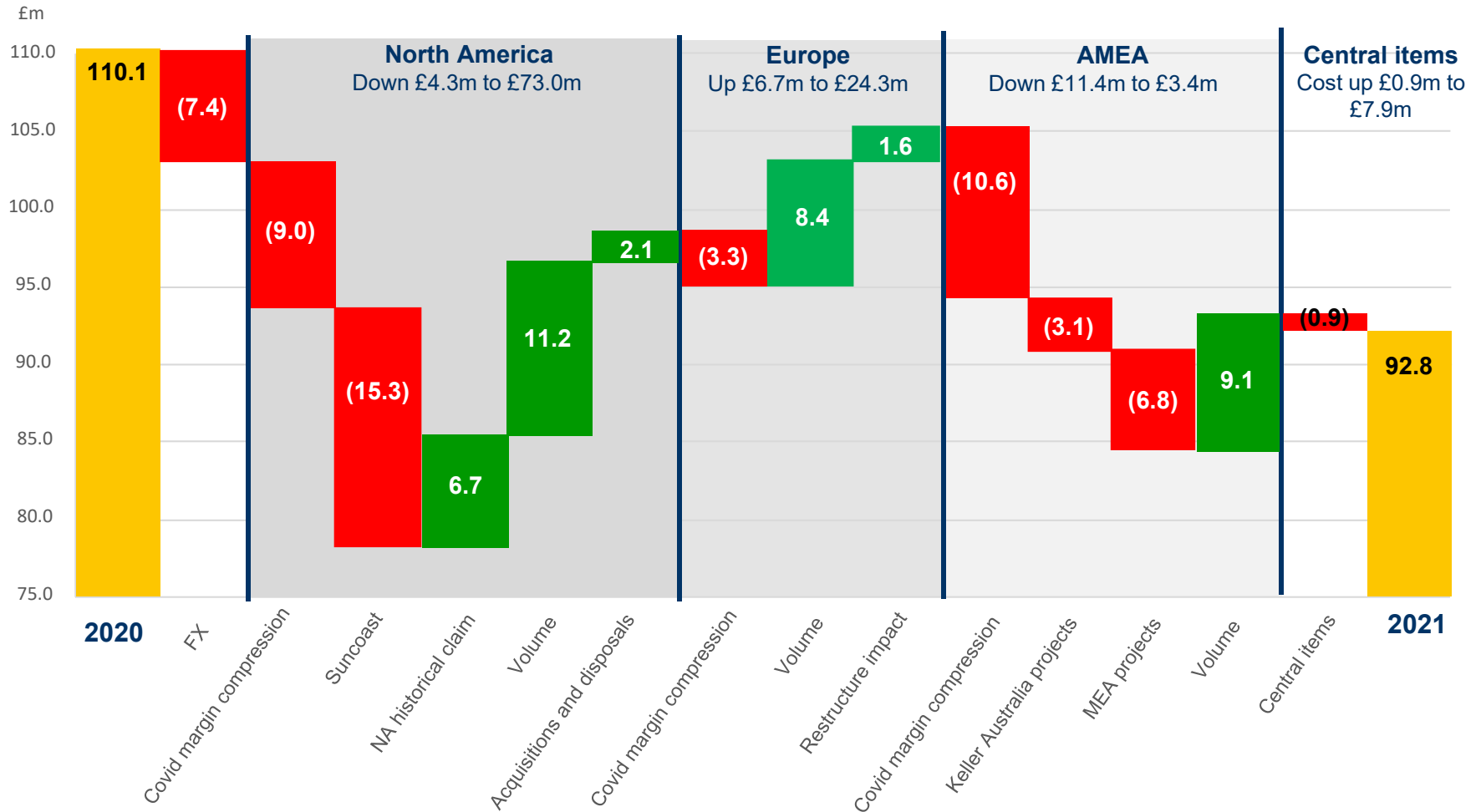
Operating profit	
FX	-6.0%
Organic / constant currency	-9.7%
Total	-15.7%

Net financing costs	
£4.3m decrease on prior year due to reduction in level of borrowings and lower interest rates	

Taxation	
Effective tax rate for 2021 24% (2020: 29%)	

Dividend	
Board recommendation	35.9p
Earnings cover	2.5x

Underlying operating profit bridge 2020 to 2021



Summary income statement – non-underlying

	2021		
	Underlying	Non-underlying	Total
Revenue	2,224.4	-	2,224.4
Operating costs	(2,132.0)	(9.6)	(2,141.6)
Amortisation of acquired intangibles	-	(2.8)	(2.8)
Other operating income	-	0.7	0.7
Share of post-tax profits from JVs	0.4	(0.6)	(0.2)
Operating profit	92.8	(12.3)	80.5
Operating profit margin (%)	4.2%	-	3.6%
Net finance costs	(8.9)	-	(8.9)
Profit/(loss) before tax	83.9	(12.3)	71.6
Taxation	(20.1)	10.6	(9.5)
Profit/(loss) for the period	63.8	(1.7)	62.1
Diluted earnings per share (p)	88.4	-	86.1
Full year dividend per share (p)	35.9	-	-

Non-underlying operating costs		£m
Europe and KGS restructuring		(6.0)
AMEA restructuring		(2.5)
North America restructuring		1.2
Contingent consideration payment		(1.3)
Disposal of operations		(0.5)
Acquisition costs		(0.5)
Total		(9.6)

Amortisation of acquired intangibles		£m
RECON		(2.0)
Moretrench Industrial		(0.6)
Other		(0.2)
Total		(2.8)

Other operating income		£m
Contingent receipt from PY disposal		0.7

Taxation	
Tax credit on deductible losses or where a deferred tax asset can be recognised	

Statutory profit		£m
Underlying profit		63.8
Non-underlying items		(1.7)
Statutory profit		62.1

Net debt flow

£m	2021	2020
Underlying operating profit	92.8	110.1
Depreciation, amortisation and impairment	97.4	94.9
Underlying EBITDA	190.2	205.0
Non-cash items	-	1.9
Dividends from joint ventures	-	0.4
(Increase)/decrease in working capital	(3.1)	38.2
(Decrease)/increase in provisions and retirement benefit liabilities	(7.8)	13.9
Net capital expenditure	(74.6)	(65.6)
Additions to right-of-use assets	(23.4)	(22.7)
Free cash flow before interest and tax	81.3	171.1
Free cash flow before interest and tax to underlying operating profit	88%	155%
Net interest paid	(5.3)	(12.0)
Cash tax paid	(15.9)	(24.9)
Free cash flow	60.1	134.2
Dividends paid to shareholders	(25.9)	(25.9)
Purchase of own shares for ESOP Trust	(3.7)	—
Acquisitions	(31.3)	—
Business disposals	7.1	2.2
Non-underlying items	(2.0)	(11.0)
Right-of-use assets / lease liability modifications	(4.0)	(1.1)
Foreign exchange movements	(1.1)	(1.1)
Movement in net debt	(0.8)	97.3
Opening net debt	(192.5)	(289.8)
Closing net debt	(193.3)	(192.5)

Depreciation/capex	2021	2020
Net capex/dep & imp	101%	93%
Gross capex/dep & imp	110%	100%

Working capital	£m
(Increase) in receivables	(104.4)
Increase in payables	119.6
(Increase) in inventories	(18.3)
(Increase) in working capital	(3.1)

Provisions & retirement benefits	£m
(Decrease) in retirement benefits	(6.3)
(Decrease) in provisions and other	(1.5)
(Dec) in provns & retirement benefits	(7.8)

Net interest paid
Average net debt down 20% vs 2020 and interest rates decreased during the year

Cash tax
Reduction in effective tax rate from 29% to 24% in 2021

Free cash flow
Reduction in free cash flow due to increased working capital and CAPEX requirement as activity levels increase

Net debt	£m
Reported net debt	193.3
Lease liability (excl legacy leases)	(73.9)
IAS 17 Covenant basis	119.4
Leverage ratio	0.8x

Balance sheet

£m	2021	2020
Intangibles incl. goodwill	141.5	118.8
Managed assets		
Tangible fixed assets	443.4	434.9
Debtors and inventory	664.1	562.0
Other non-current assets	108.9	83.7
Total managed assets	1,216.4	1,080.6
Other liabilities	(721.9)	(596.9)
	636.0	602.5
Funded by		
Net debt	193.3	192.5
Shareholders' funds	442.7	410.0
Total	636.0	602.5

Intangibles inc goodwill	£m
Opening	118.8
Additions	0.4
Acquisition	24.9
Amortisation acquired	(2.8)
Amortisation other	(0.6)
FX	0.8
Closing	141.5

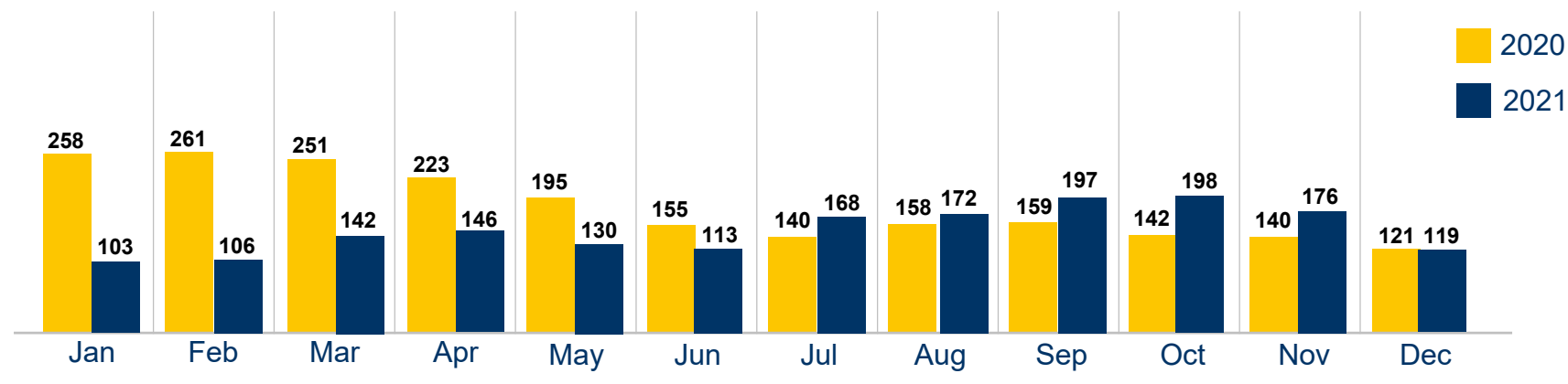
Tangible fixed assets	£m
Opening	434.9
Capital expenditure	84.0
Right-of-use additions	23.4
Acquisition	10.8
Disposals/transfers	(4.2)
Dep/imp of fixed assets	(67.5)
Dep/imp of ROU assets	(30.9)
FX	(7.1)
Closing	443.4

Debtors and inventory	£m
Opening	562.0
Volume / performance	93.7
Acquisition	25.2
Business disposal	(17.1)
FX	0.3
Total	664.1

Other liabilities	£m
Opening	(596.9)
Volume / performance	(113.4)
Acquisition	(27.8)
Business disposal	11.7
FX	4.5
Total	(721.9)

Net debt	£m
Net debt (IAS 17 covenant basis)	119.4
Lease liability (ex legacy leases)	73.9
Total	193.3

Net debt profile (£m) (IAS 17 covenant basis)

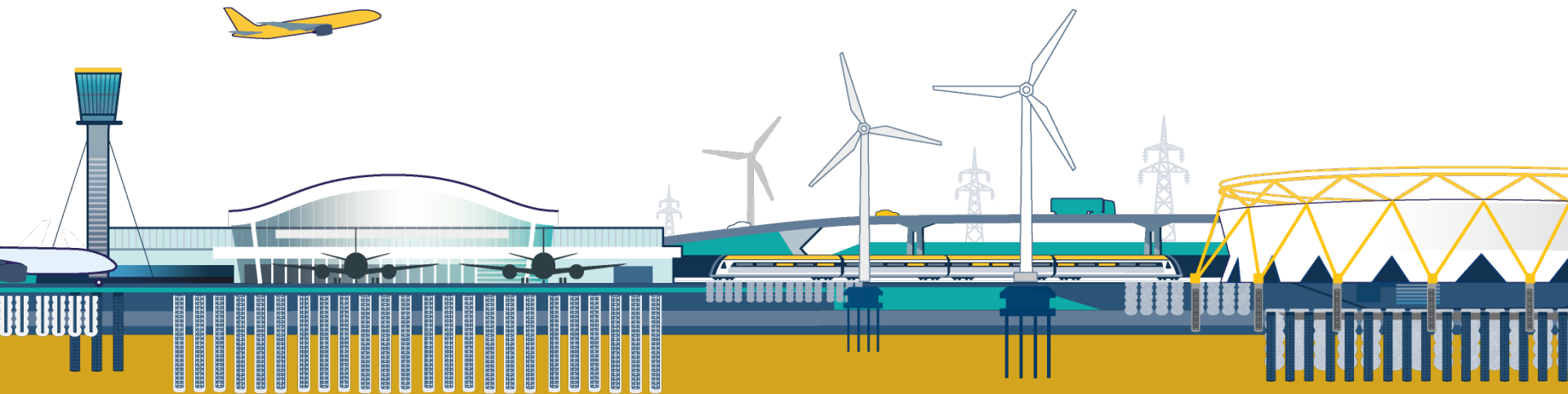


- Net debt (IAS 17 covenant basis) of £119.4m decreased by £1.5m (1%) from 2020
- Average month end net debt (IAS 17 covenant basis) of £147.6m down 20% (2020: £183.5m)
- Minimum headroom on the primary banking facility in the period £164.2m (the cash balance at that time was £92.0m)
- The Group operated well within all covenant limits:
 - Leverage (net debt to EBITDA) at year end was 0.8x, well within the limit of 3.0x and leverage target of 0.5x-1.5x
 - Interest Cover (EBITDA to net finance charges) at year end was 30.5x, well above the minimum of 4.0x
- Committed funding facilities comprise the £375m syndicated revolving credit facility expiring November 2025 and a \$75m private placement repayable in December 2024. We repaid \$50m of US private placement when it expired in October 2021
- At 31 December 2021 the Group had undrawn borrowing facilities of £291.9m comprising £235.5m committed and £56.4m uncommitted, as well as cash and cash equivalents of £82.7m
- The Group had no material discounting or factoring in place during the year

Financial modelling considerations

2021 experience		2022 considerations
Trading/profit		
Suncoast margin	Impacted by cost of steel	Impact of steel cost expected to gradually unwind in 2022 (macro dependent)
Large projects	NA: Hampton Rd; Europe: HS2, SMS2 AMEA: Cape Lambert	NA: RECON contract, Hampton Rd Europe: HS2, SMS2
M&A	RECON, Nordpile, Subterranean, Voges	Disciplined pursuit of suitable bolt-ons
Operating profit %	Decline versus 2020	Improving versus 2021
OP phasing	Usual H2 bias	Usual H2 bias
Interest	Lower rate on lower net debt versus 2020	In line with 2021
Tax rate	24%, lower due to NA R&D tax credit	+/- 26%
FX (USD/EUR/SGD)	Actual (average) 1.38 / 1.16 / 1.85	Macro dependent
Cash/debt		
Net capex	Controlled broadly aligns depreciation	Controlled broadly aligns depreciation
Working capital	Outflow following activity ramp-up	Outflow as activity ramps-up
Tax cash	Benefit from North America R&D tax credit	Tracks P&L
Leverage (IAS 17)	0.8x	Within target range of 0.5x–1.5x

Business performance



Order book increased to a record £1.3bn

Geographic mix (Full order book)

North America¹

£787.0m +32.5%

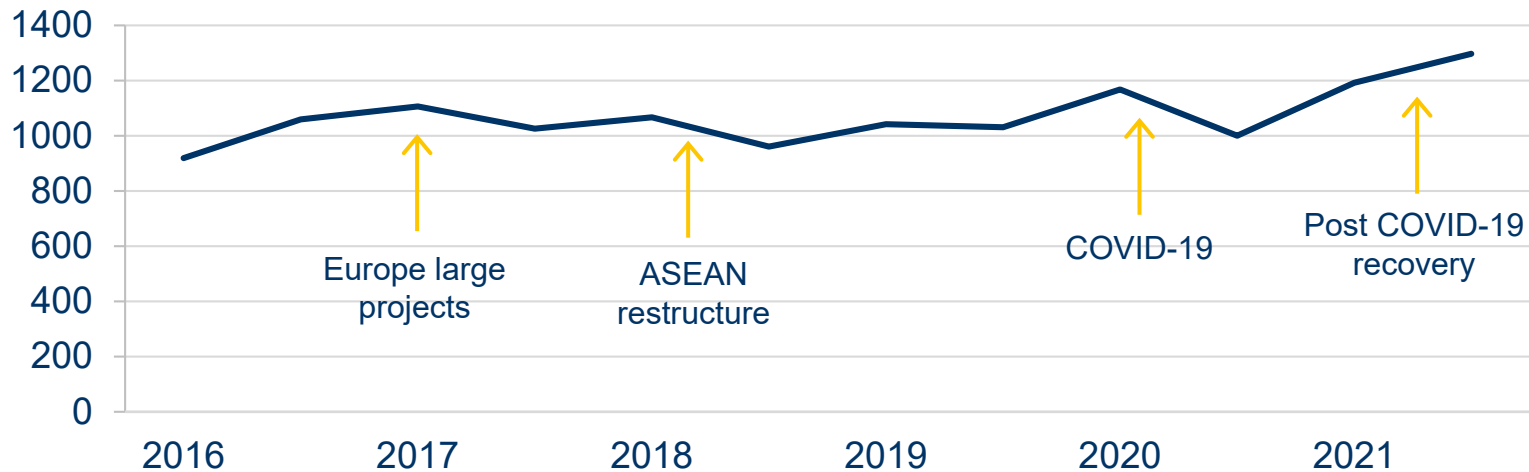
Europe¹

£332.7m +51.0%

AMEA¹

£177.3m -2.7%

Order book (£m)



Order book at year end includes RECON LNG c£120m (over two years) and various HS2 orders c£100m (over two to three years)

¹Prepared on a constant currency basis

North America

Operating review

£m	2021 £m	2020 £m	Constant currency
Revenue	1,323.1	1,227.5	+15.4%
Underlying operating profit	73.0	83.2	-5.6%
Underlying operating margin	5.5%	6.8%	
Order book ¹	787.0	593.9	+32.5%

¹Comparative order book stated at constant currency

- Revenue +15.4% with improved market momentum and addition of RECON
- Operating profit -5.6% driven by adverse effect of COVID-19 on market pricing and operational performance, and unrecovered steel price increases at Suncoast
- Operating margin 5.5%
- Acquisitions and restructuring:
 - Acquired RECON: specialist geotechnical environmental remediation and industrial services contractor, based in Texas
 - Moretrench Industrial and RECON to be developed into new environmental, geotechnical and industrial services business
 - Acquired Voges Drilling: a geotechnical foundation company, based in Texas
- Disposed of Cyntech Anchors: non-core asset based in Canada
- Order book £787m, up 32.5%, driven by newly signed RECON contract worth £120m (\$160m) over a two-year period



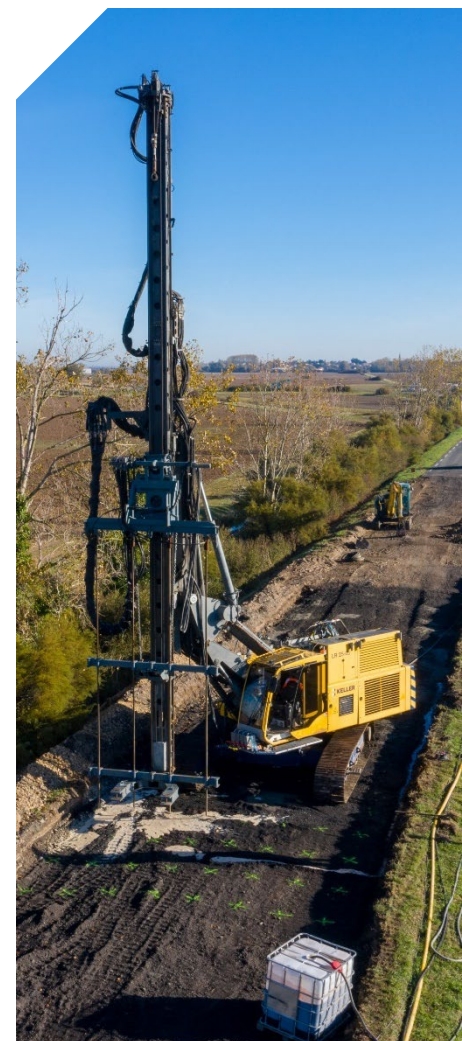
Europe

Operating review

£m	2021	2020	Constant currency
Revenue	549.2	538.5	+5.2%
Underlying operating profit	24.3	18.4	+38.2%
Underlying operating margin	4.4%	3.4%	
Order book ¹	332.7	220.3	+51.0%

¹Comparative order book stated at constant currency

- Revenue +5.2% as markets recovered from COVID-19 shutdowns and restrictions
- Operating profit +38.2% reflecting higher level of activity, improved efficiencies, enhanced contract profitability and cost savings following prior year restructuring
- Operating margin increased to 4.4%
- Good revenue growth in UK driven by HS2 contract awards C1 and C2/3
- Acquisition and restructuring:
 - KFS Finland Oy (JV in Finland) acquired NordPile, a driven and drilling piling contractor
 - New South-West Europe Business Unit formed following merger of FSC with Iberia and Latin America
 - Divisional overhead reduced with a more focused portfolio following exit from South America and disposal of non-core businesses
- Order book was £332.7m +51%, largely due to the HS2 contracts (c£100m)



AMEA

Operating review

£m	2021	2020	Constant currency
Revenue	352.1	296.5	+20.4%
Underlying operating profit	3.4	15.5	-77.1%
Underlying operating margin	1.0%	5.2%	
Order book ¹	177.3	182.2	-2.7%

¹Comparative order book stated at constant currency

- Revenue +20.4% driven by Austral and India, partly offset by decline in Middle East Africa business that transferred into the division in 2021
- Operating profit -77.1%, driven by, in relative terms, the most material COVID-19 operational disruption in the Group and extremely challenging trading in MEA
- Operating margin down to 1.0%
- Notable safety achievement with no significant accidents and a zero AFR
- ASEAN: trading levels improved in H2. Continues to benefit from restructuring in 2019
- Austral: strong performance as it nears completion of Cape Lambert. Strong pipeline of projects incl. other mining and port related projects in the Pilbara
- Keller Australia: Difficult year with operational challenges posed by COVID-19 especially travel and state border restrictions
- Mozambique LNG project: Signed substantial agreement largely reversing contract loss in the year and protecting Group in event that the contract does not resume
- Order book stable at £177.3m -2.7%



ESG



Safety performance

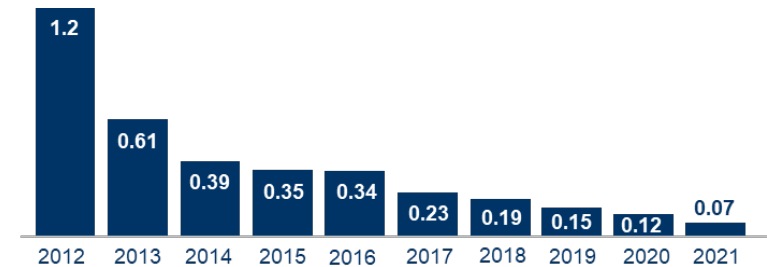
Safety

- AFR improved by 42%
- TRIR improved by 32%
- One fatality in Salzburg, Austria
 - A long serving and valued employee
 - While investigation determined Keller was not at fault, we have actively used the event to further advance our safety programme
- Increasing focus on ‘near miss’ reporting and proactive measures
- Launched our first ever wellbeing maturity framework

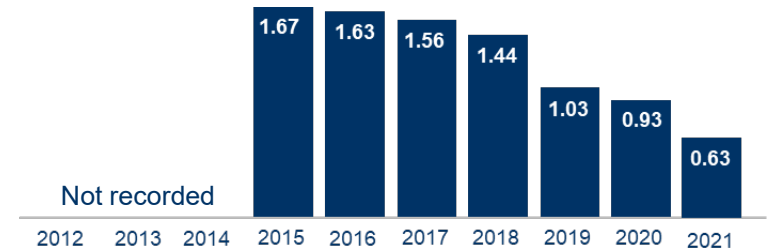
COVID-19

- Continued to provide guidance and support to employees
- During the pandemic, we have lost eight colleagues due to COVID-19 related illnesses (death in service)
- Actively encouraged and supported employees to become vaccinated
- Donated £300,000 to UNICEF, in support of the COVAX initiative

Accident Frequency Rate



Total Recordable Incident Rate



Ukraine conflict

No material impact, but still affected

People

- Two employees based in Ukraine, more than 20 Ukrainian nationals working with us in North-East Europe Business Unit and many colleagues with Ukrainian family connections
- Support includes:
 - Offering immediate leave for employees
 - Housing for three families that have chosen to leave Ukraine
 - Helping at the border with transport, accommodation and medical supplies
 - Ongoing humanitarian support



Projects

- No projects in Ukraine or Russia
- There may be some shortages of steel supply in Europe and price implications for cost of fuel globally

We are monitoring the situation closely and taking appropriate action

International Women’s Day

8 March 2022

Our inclusion commitments

- Conscious leadership
- Listen
- Empower
- Partner
- Evolve
- Celebrate

#breakthebias

- Challenging gender bias and stereotypes, celebrating and valuing differences and making our environment at work and home a more diverse, equitable and inclusive place



Diversity, equity and inclusion: Recent progress

Established Keller Women in Construction in every division



Partnered with conscious and inclusive resourcing firms

Established a Race Advisory Committee in North America

Developed a DEI best practice toolkit



Delivered an extensive DEI communications based on our Inclusion Commitments



Launched the Pitcairn Geotechnical Engineering Scholarship

Continued to celebrate cultural events through the year that are important to our teams

Launched reverse mentoring programme for our senior leadership team

Businesses are building localised DEI actions plans with progress built into quarterly reporting

The National Centre for Diversity awarded Keller UK Senior Leadership Team of the Year



Keller India partnering with Bhumi to educate disadvantaged children including educational sessions at schools for girls

Took active part in Construction Inclusion Week



Keller UK started six-month pilot programme to develop their DEI approach.

Partnered with the 30% Club



Held listening sessions to understand the benefits, barriers and opportunities of working on site as an underrepresented minority

Embedding our talent development programme further into the organisation to gain deeper visibility on our female talent pipeline

Mandated diverse candidate slates for leadership vacancies and an internal recruitment process to advertise vacancies globally



Built visibility of our female talent pipeline through our talent development programme

Held diverse hiring webinars

Developed / enhanced inclusive workforce policies in many business units

Introduced a 'Building balanced teams' reporting framework



Carbon emission targets and actions



Scope 1 Net zero by 2040

2021 progress

- Invested >£45m in plant and equipment with latest Tier 4 and Tier 5 engines
- Developed and shared carbon reduction guide, based on site trials

Ongoing work

- Creating a decarbonisation strategy for fleet and machinery
- Set an interim 2030 carbon reduction target



Scope 3 Materials Set target in 2023

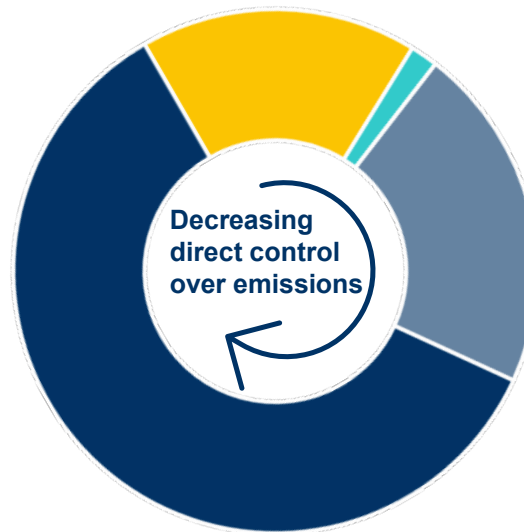
2021 progress

- Value engineered solutions to cut embodied carbon in projects
- Increased recycling of grout / steel / aggregate / bentonite
- Started training engineers (>100) on sector-standard carbon calculator

Ongoing work

- Start measuring Materials emissions
- Develop carbon comparison for alternative solutions over £3m in value

Approximate size of our emissions



Scope 2 Net zero by 2030

2021 progress

- Achieved first Scope 2 net zero office and yard
- Powered more offices and yards with renewable energy

Ongoing work

- All businesses to reduce by 10% in 2022 (incentivised)
- Complete energy audits for offices / maintenance yards, and implementing savings



Scope 3 Operational Net zero by 2050

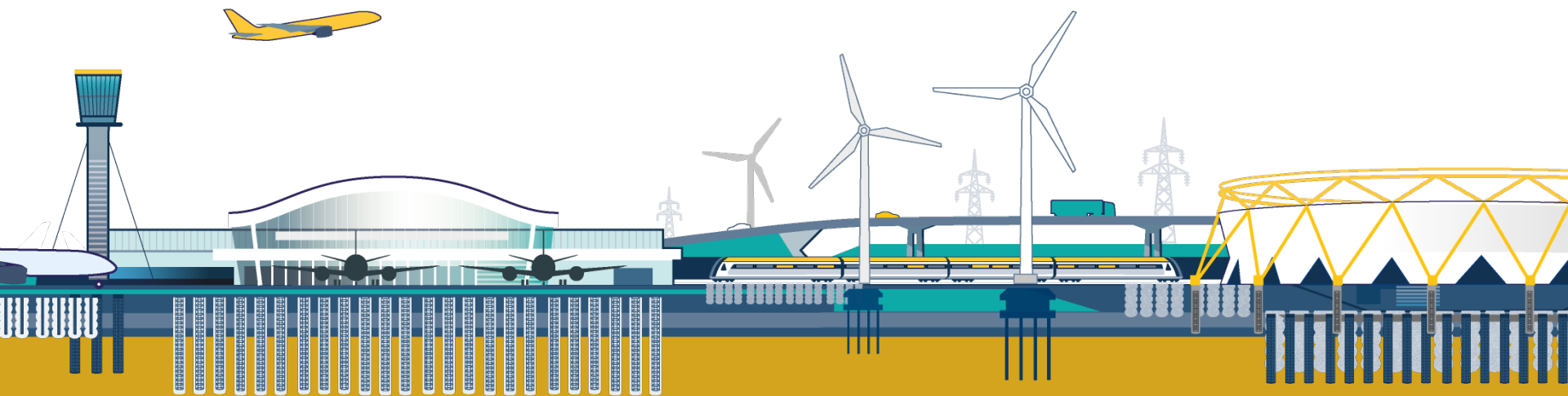
2021 progress

- Introducing hybrid and electric cars into our fleets in select business units in Europe (France, Germany)
- Virtual meetings instead of travel

Ongoing work

- Start measuring global transport and yard waste

Strategic progress





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

Strategic progress in 2021



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 expertise and scale to deliver engineered solutions and operational excellence, driving market share leadership in our selected segments

KELLER

WISDOM
STRATEGY
OBJECTIVES
ACTIONS

Restructuring

- French Speaking Countries and Iberia and Latin America integrated into new South-West Europe business unit ✓
- Europe Division headquarters rightsized ✓

Market leadership

- Acquisitions
 - RECON ✓
 - Subterranean ✓
 - Nordpile ✓
 - Voges ✓

A more focused, higher quality business

Strategic priorities for 2022

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 expertise and scale to deliver engineered solutions and operational excellence, driving market share leadership in our selected segments

KELLER

Portfolio

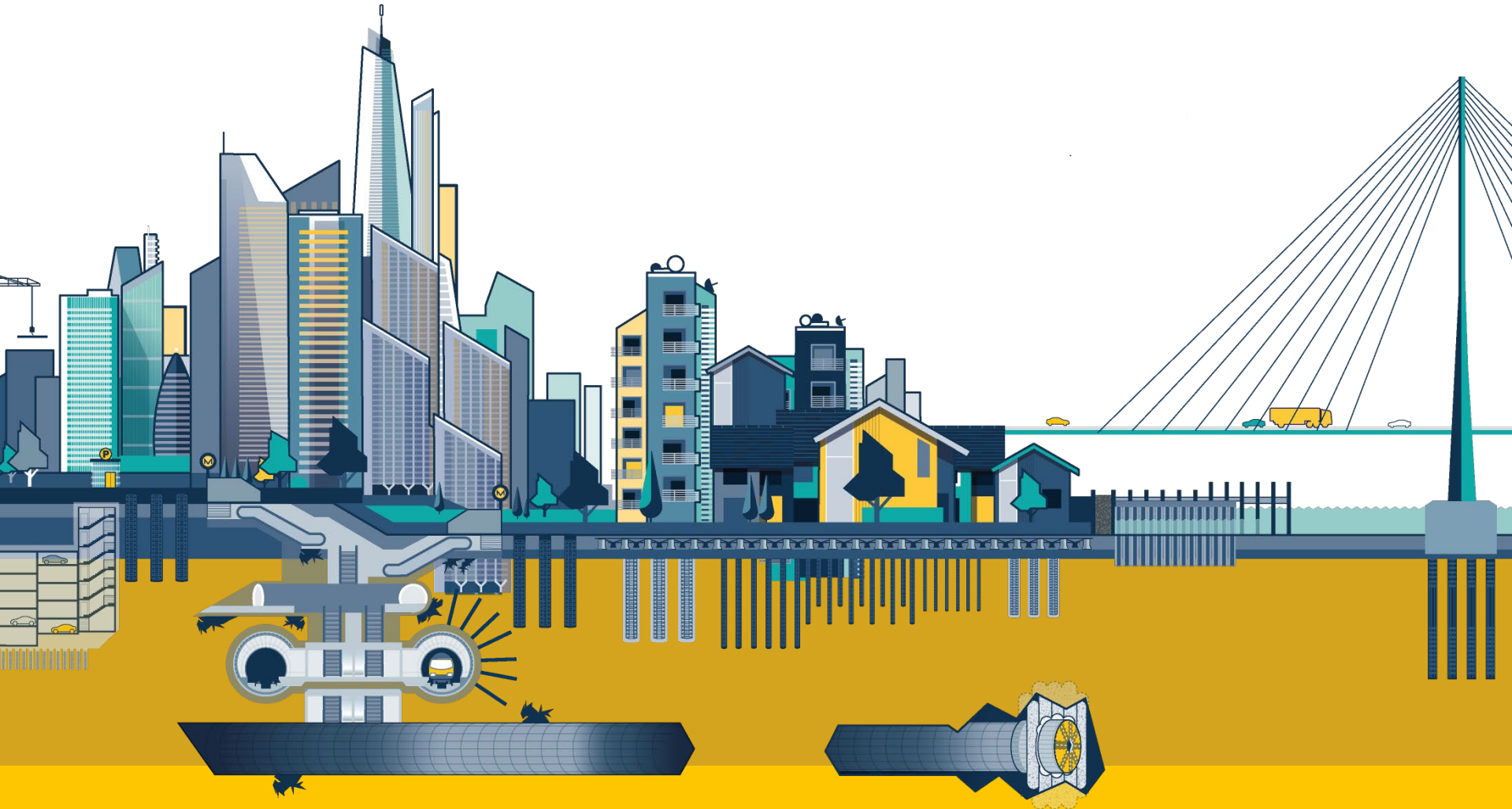
- Further incremental refinement of activities and structure
- Selective bolt-on acquisitions
- Integrate acquisitions and exploit revenue and cost synergies

Performance

- Prioritise and accelerate market share penetration in chosen local markets
- Increase operating margin
- Invest in processes and systems that enhance operational excellence eg ERP

A more focused, higher quality business

Summary and Outlook



Summary

- Resilient performance operationally, financially and strategically, despite COVID-19
- 2021 performance was in line with our 2020 predictions and, despite inflationary impacts, ahead of market expectations
- Executed strategy: further portfolio refinements completed and several bolt-on acquisitions made
- Strong balance sheet with leverage of 0.8x (target range 0.5x-1.5x)



Building the foundations for a sustainable future

Outlook

- Effects of COVID-19 remain and vary by geography creating operational challenges and market risks
- Increased geopolitical and macroeconomic uncertainty and inflationary pressures
- Increased macro uncertainty given the current geopolitical landscape (especially steel and fuel)

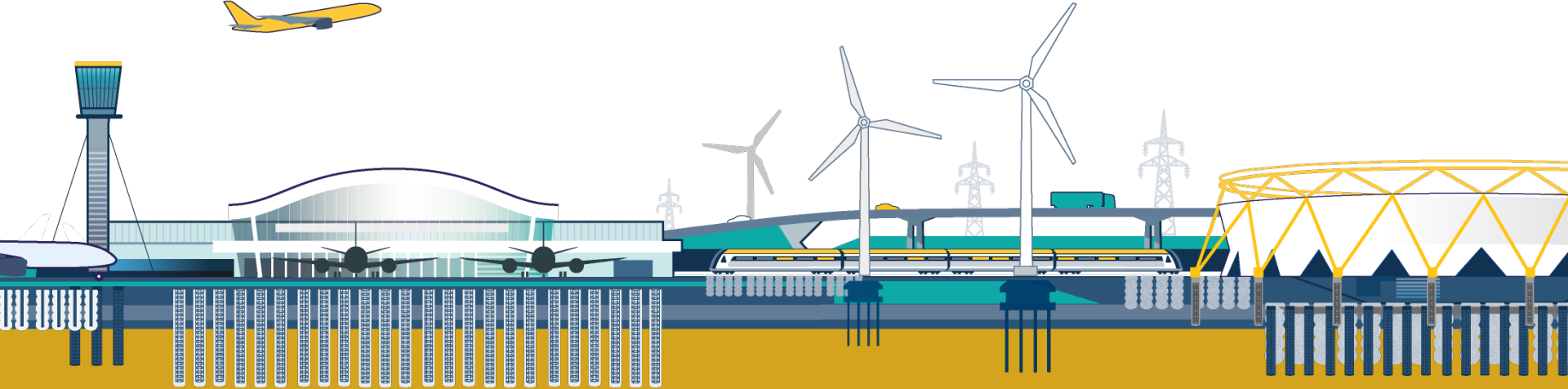
However:

- We see a gradually improving market environment and increasing operational momentum
- We have a record order book at £1.3bn
- We will continue to execute on strategy including selective bolt-on M&A
- Performance for 2022 is anticipated to be materially ahead of 2021, with usual H2 bias
- The Board will review recommending the progression of our dividend

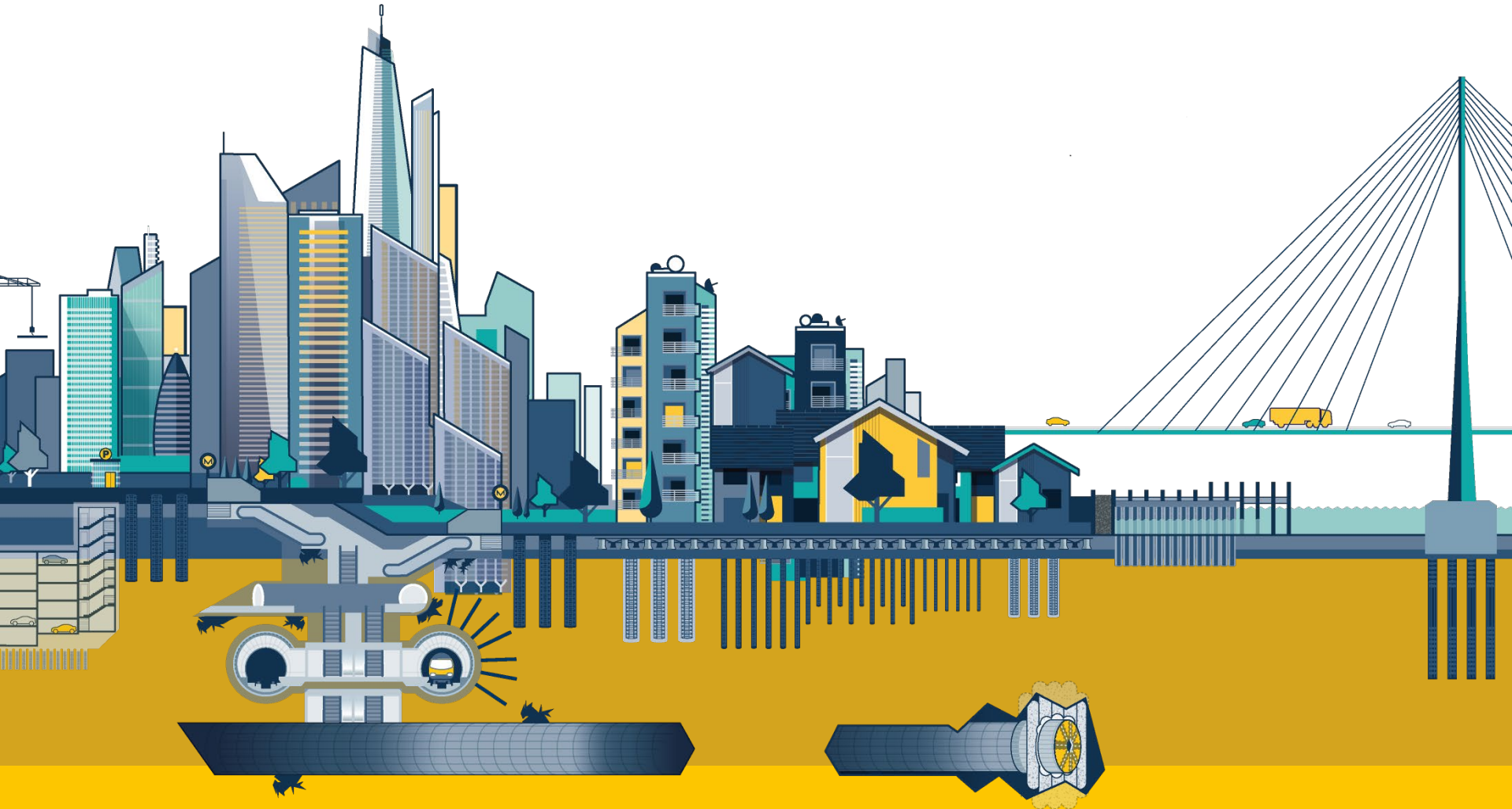


Building the foundations for a sustainable future

Q&A



Keller overview



Keller today

Every day millions of people around the world live, work and play on ground prepared by Keller

Our purpose

To build the foundations for a sustainable future

Our vision

To be the leading provider of specialist geotechnical solutions

Our values

Integrity
Collaboration
Excellence



Three divisions

19 business units



180
branches



2.2bn
revenue pa

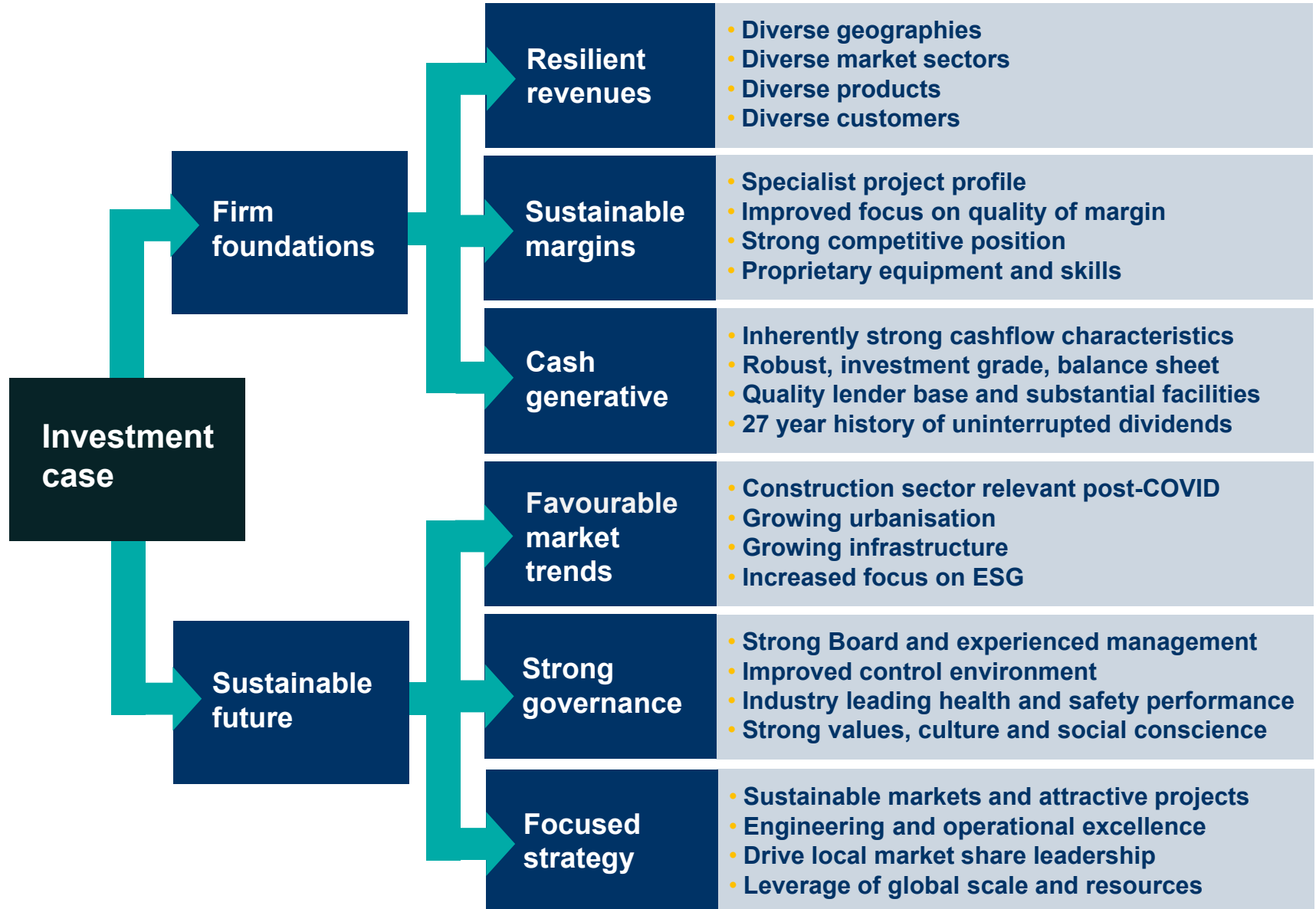


c10,000
employees



6,000
contracts pa

Building the foundations for a sustainable future



Case study: ASEAN infrastructure projects in 2021

Keller is helping construct major infrastructure projects that drive economies and improve millions of lives

Indonesia

- Foundations for a major high-speed railway
- Secured significant contract for a power plant in Java
- Foundations for a liquid natural gas plant using 6,000 bored piles and 700 corrugated sheet piles

Malaysia

- Ground improvement for a large petrochemical plant
- Ground improvement for a mass rapid transport system

Singapore

- Embankment support for rapid transit system using soil mixing for first time



Case study: Keller brings RemediaClay® to Europe

Keller has completed the trial of its newly patented RemediaClay® technology on two 100m stretches of a small road in France

- Clay soils that swell and shrink due to moisture cause structural foundation damage and often need underpinning
- RemediaClay® is an alternative, potentially cheaper solution
- Developed by Keller in the US, it involves injecting soils with a potassium and ammonium ion solution
- This reacts with the clay and makes it less sensitive to swelling
- The technology has passed rigorous safety and environmental tests to satisfy European regulators



As climate change increasingly affects clays causing more problems in roads and structures, its remediation is becoming more important. RemediaClay® could open up a major new market

Case study:

Keller Canada: A clear plan for the future

Business has seen remarkable turnaround over the last 18 months and is now a profitable, focused company

Acquired in 2013 during oil boom; oil price, contracts and revenue fell a few years later

Actions taken

- Restructured the business
- Appointed new leader
- Aligned strategy and key processes
- Developed a national team that shares resources
- Right sized equipment fleet
- Bid work where we have competitive advantage
- Built collaboration with other North American business units
- Looking at acquisitions where they make sense including Subterranean (Manitoba) Ltd in October 2021



A great team, lower overhead, a clear strategy and a larger footprint in our target markets, have helped deliver a record profit in 2021

Case study: High Speed 2 (HS2) carbon reduction

Keller is testing carbon-cutting measures on HS2

Initiatives include:

- Running static plant with electricity rather than diesel
- Replacing diesel with hydrotreated vegetable oil (HVO) in drilling rigs reducing CO2 by 90 percent
- Optimised design of some foundational elements to reduce use of cement
- Reduced diaphragm wall panel thickness from 1.2m to 1m without compromising quality
- Reduced cement consumption when grouting rock fissures by using cement bentonite rather than microfine cement grout, and targeting largest fissures
- Recycled and reused waste bentonite when installing bored piles, reducing amount to landfill and emissions associated with its transport



Team has now produced and shared carbon reduction guide with the rest of Keller

Case study:

Lean improvements mean significant savings

Keller's Lean team has been helping business units make small changes with a big impact

Spain: Improving site documentation has saved six hours per project or 20 days a year

Norway: Simplifying the registration process for sending people to site from other countries has reduced the time it takes by 60 percent

UK: Time-saving app allows teams to photograph material delivery tickets, rather than fill out spreadsheets, and quickly share receipts with accounts team

France: Improving process for checking suitability of concrete when delivered to site has avoided costly rework

Germany: Fitting sensors to excavators has removed the need for manual hole-depth measurement, reducing downtime and safety risk

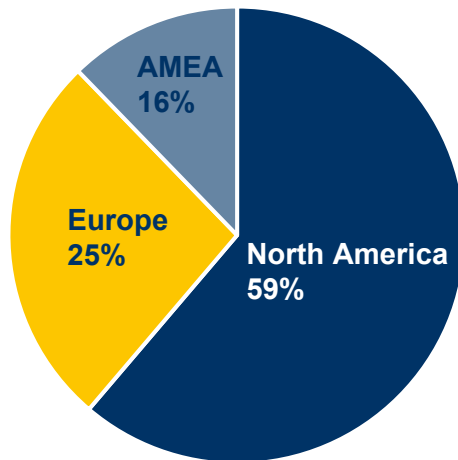


To ensure best practices are shared, Keller's Lean leaders produce formal reports and get together monthly to discuss progress and share ideas

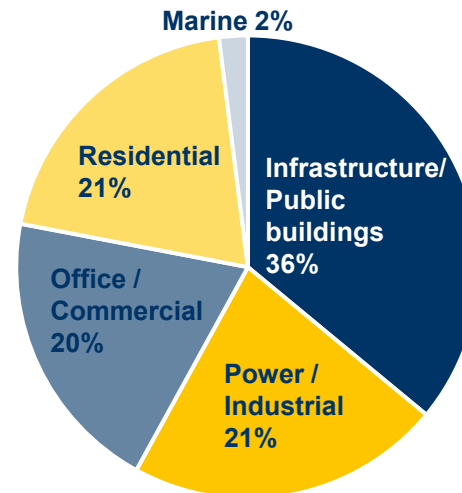
Well balanced in terms of geography and sector

- Operating globally in a number of sectors gives us the resilience to trade through national cyclicality
- Good access to all markets with no overweight exposure
- Geopolitically secure

Revenue by geography (2021)



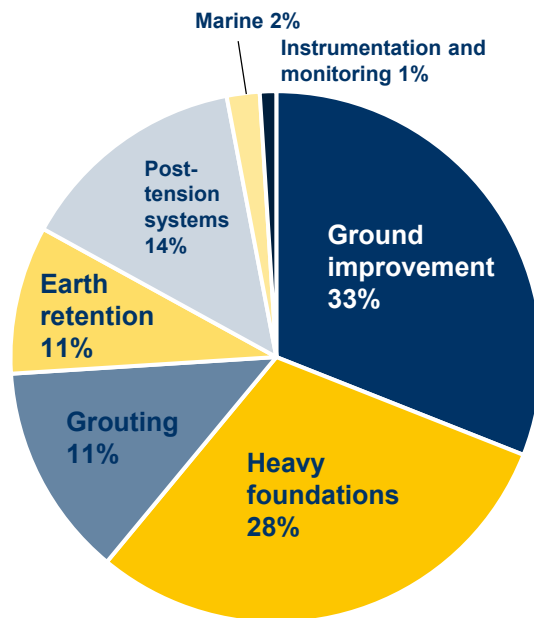
Revenue by sector (2021)



The best solutions

- Projects often require a variety of techniques
- With access to our global knowledge base and industry leading product portfolio, our engineers can design the best solutions that reduce materials, cost and time for our clients
- Our project management capabilities mean we can also integrate other subcontractors and deliver ‘turnkey’ contracts reducing the interfaces and risk for our customers

Revenue by application (2021)

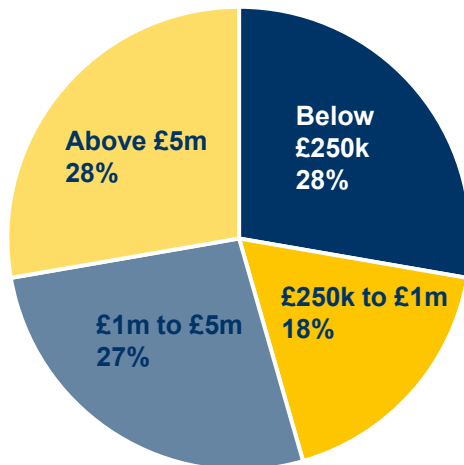


Ground improvement	Heavy foundations	Grouting	Earth retention
<ul style="list-style-type: none"> • Vibro • Rigid inclusions • Dynamic improvement • Soil mixing • Consolidation 	<ul style="list-style-type: none"> • Driven piles • Micropiles • Bored piles /drilled shafts • Continuous flight auger 	<ul style="list-style-type: none"> • Jet grouting • Compensation grouting • Compaction grouting 	<ul style="list-style-type: none"> • Anchors and soil nails • Subsurface walls • Modular retaining walls
Post-tension systems	Marine	Instrumentation and monitoring	
<ul style="list-style-type: none"> • Slab on ground • High rise structures 	<ul style="list-style-type: none"> • Wharf construction, maintenance and repair • Bridge construction • Civil works 	<ul style="list-style-type: none"> • Environmental • Geotechnical • Structural • Software 	

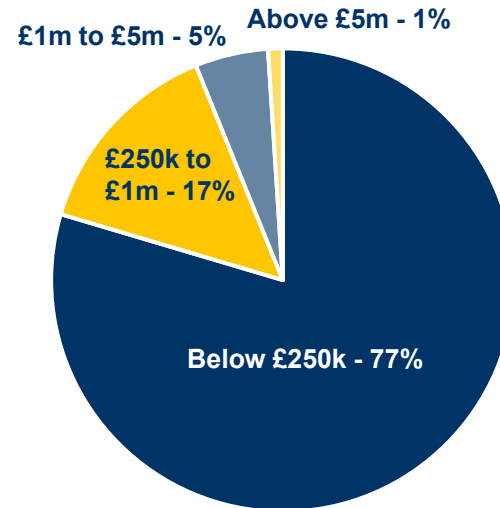
Diverse customer base

- Our large client spread means we're not overly reliant on certain customers
- Contracts over £5m revenue make up around 1% of the number of contracts, but account for 28% of total revenue

Revenue by contract size (2021)



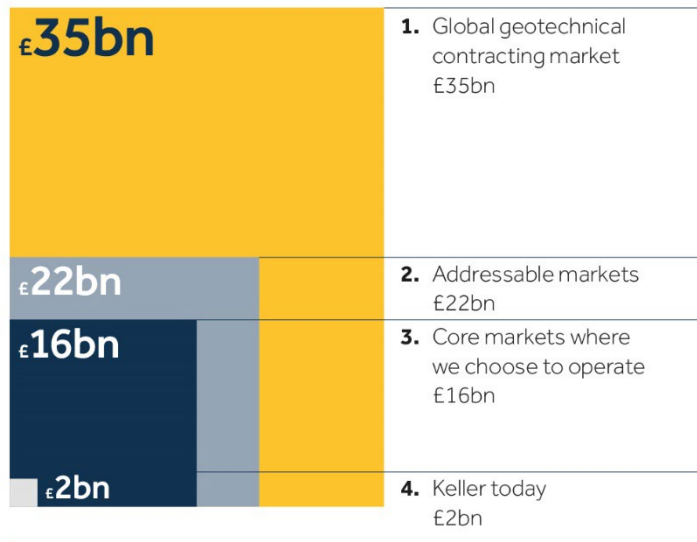
Number of contracts (2021)



Includes Moretrench Industrial and Suncoast

Geotechnical market size

Market size

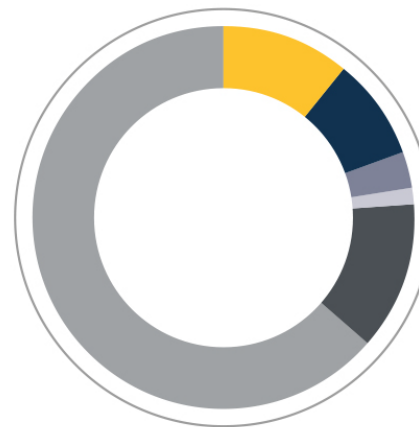


Non-addressable markets are mainly China, North and South Korea, Japan and Russia.

1 USD = 0.75 GBP

Global construction market €8,500bn 2020

Market share

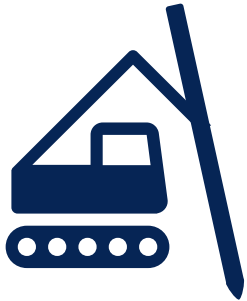


- Keller
- Soletanche/Bachy/Menard
- Bauer (contracting)
- Trevi (contracting)
- General contracting-owned
- Country/regional specific, smaller players

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

Carbon scopes

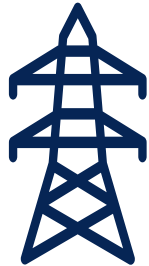
189,686 tonnes CO₂e last year (Scope 1 and 2)



183,112

Scope 1

Direct emissions
(eg fuel use
on site)



6,574

Scope 2

Indirect electricity
emissions



Not tracked

Scope 3

**Operational
(Client)**
> 80% of site
emissions for cement-
based solutions



Scope 3

Operational (Keller)
Transport of materials,
business travel and
waste disposal

All figures in tCO₂e

Specialist versus generalist business model

Project lifespan



Ground engineering

- Early stage
- Lower cyclicity
- Specialist design capability
- A mix of contracts
- Higher margin
- Resource base

General contractor

General construction

- Longer, larger projects
- National focus
- Higher cyclicity
- Integration of multiple suppliers and subcontractors
- Low asset base
- Low to negative working capital

Market demand trends play to our strengths

01 Urbanisation and more large-scale development projects

More than half the world's population lives in cities, and 65m people will be added to the urban population every year

02 Increasing land shortage, driving a need to use more brownfield and marginal land

More than 450,000 brownfields in the US alone

03 Infrastructure renewal and expansion eg road, rail, power

World will need to spend \$57 trillion on infrastructure by 2030 to keep up with global GDP growth

04 Increasing demand from customers for complete solutions not just products

More demand for early involvement, partnership and collaboration throughout the construction supply chain

05 Increasing technical complexity

Rising number of governments and clients are mandating the use of BIM for their projects

Sources: OECD - Regions and Cities at a Glance 2018; US Environmental Protection Agency 2018; The McKinsey Global Institute 2018. Amounts are stated in US dollars.

Factors to consider in geotechnical engineering

Site conditions

- Sand, silt, clay, rock, organic
- Loose, soft, stiff, hard, porous
- Deep, shallow, cavities
- Water levels (high, low)

Requirements

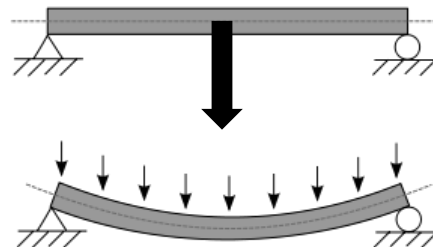
- Performance (allowable settlements)
- Schedule
- Cost

Loading conditions

- Spread, low intensity
- Slender, high intensity, sensitive
- Seismic loading and liquefaction
- Dynamic, wind

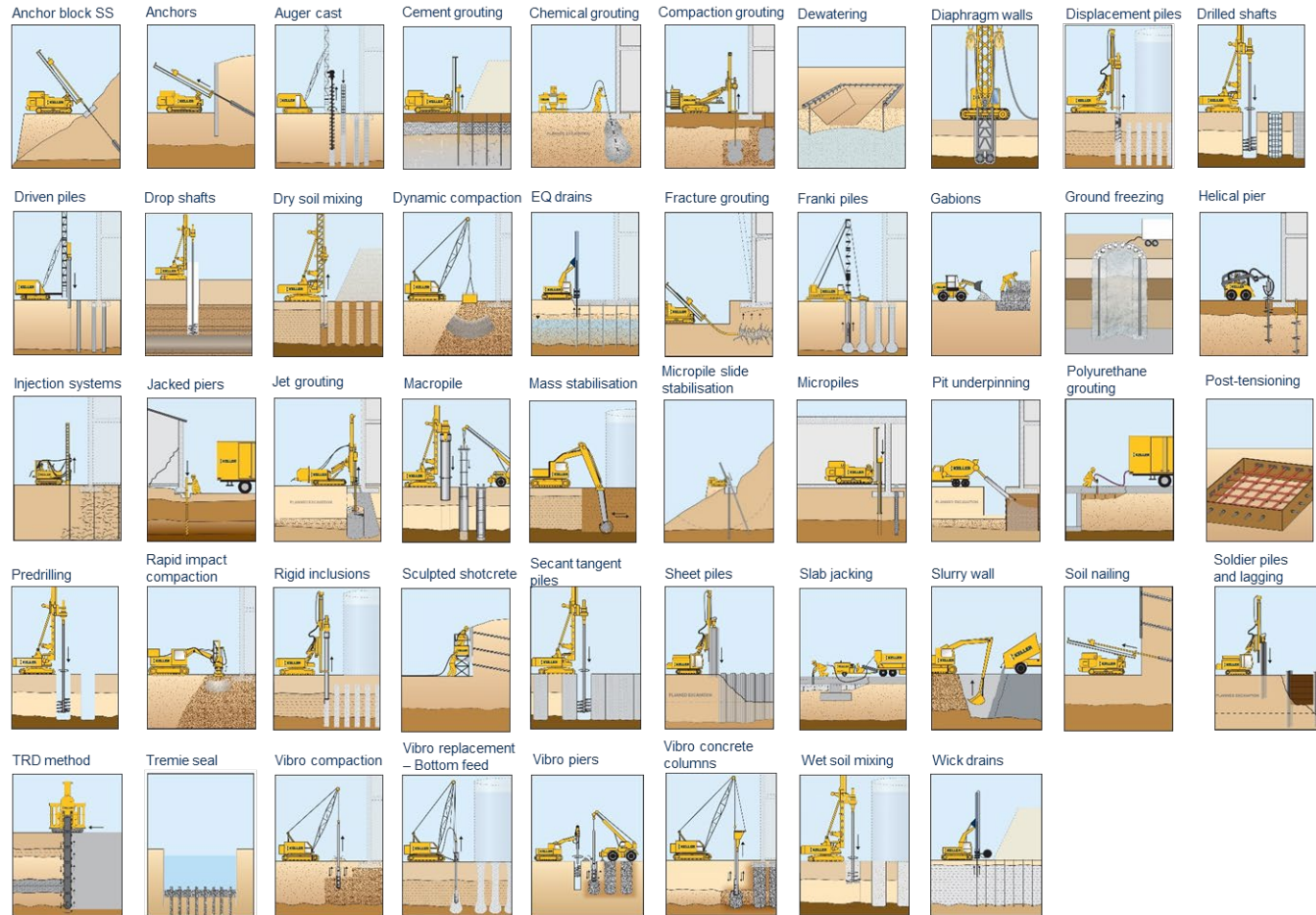
Constraints

- Neighbouring buildings
- Noise, vibration
- Utilities, other underground structures



Full product range

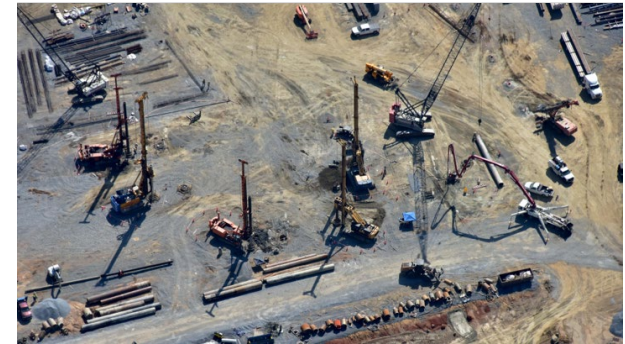
Right combination of products leads to **optimal solutions** for the soil conditions and structure type



Value engineering

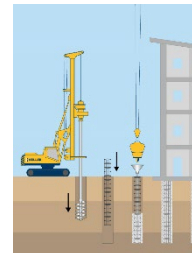
Employ around **1,500 geotechnical engineers worldwide**; over 200 focused purely on design

50% of our projects are 'design and build' where value engineering can **reduce cost by up to 40% and save time**

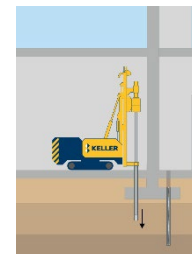


Carolina Panthers Practice Facility

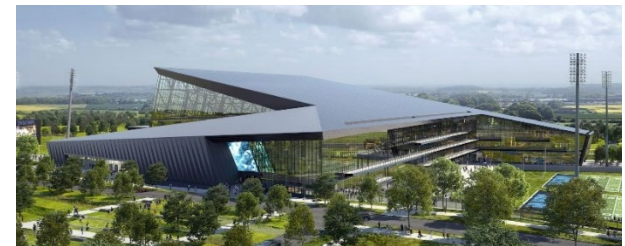
- 700,000ft² facility for professional football team
- Challenging rock and soil conditions
- Keller solution used variety of drilled shaft modifications, tie-down anchors, and micropiles, saving around \$2.3m and 1.5 months



Drilled shafts



Micropiles



Amounts are stated in US dollars.

The equipment advantage

Large fleet and design and manufacture capability

Keller total fleet

- Total equipment fleet is 1,250 rigs
 - The largest foundation equipment fleet in the world

Keller manufactured fleet

- We manufacture specialist equipment in Germany
- Available only to Keller
- 20% of our projects are executed using Keller equipment



The people advantage

Enabling high performance by investing in our people and expertise

Learning and development programmes

- Project Manager Academy
- Field Supervisor Academy
- Business Development Academy

Emerging talent

- More than 100 graduates, 50 apprentices and 80 interns
- Pitcairn Engineering Scholarship

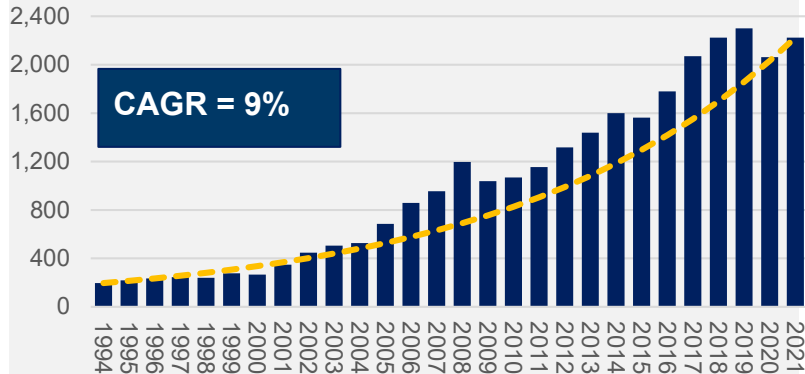
Geotechnical expertise

- Global product teams
- Leading role in geotechnical industry

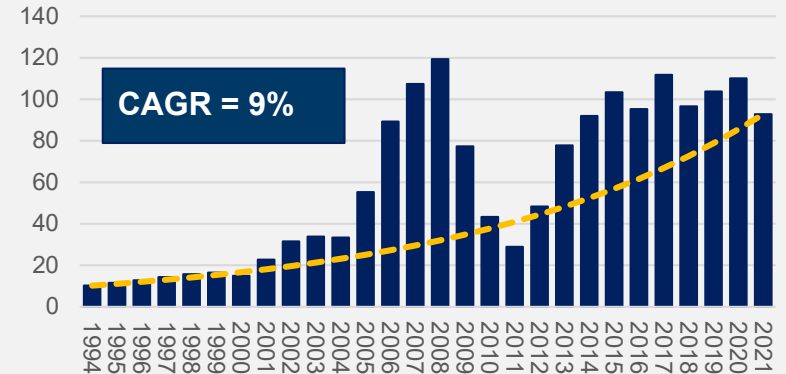


Financial performance since listing in 1994

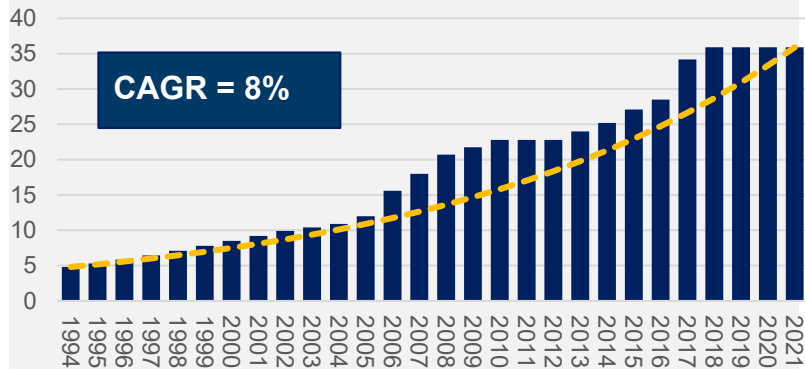
Revenue (£m)



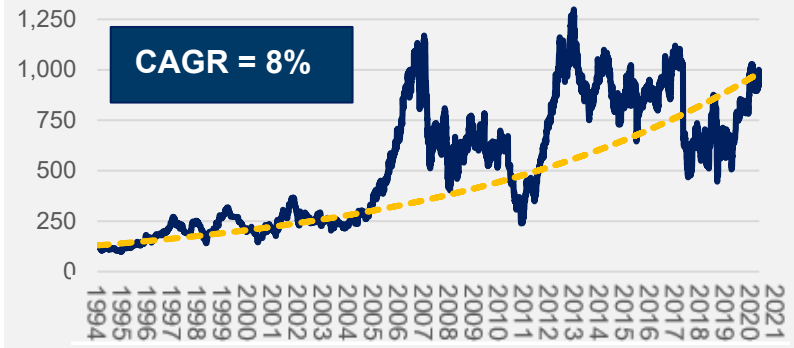
Underlying operating profit (£m)



Dividend per share (p)



Share price (p)



TSR of 10.5% CAGR vs. 7.1% FTSE All Share CAGR (at 2 Mar 2022)

Keller fact sheet

- Established 1860, now world's largest geotechnical specialist contractor globally
 - Revenue by division: North America 59%; Europe 25%; AMEA 16%; (only <5% of business in UK)
 - Revenue by sector: Infrastructure/Public buildings 36%, Power/Industrial 21%; Residential 21% Office/Commercial 20%; Marine 2%
 - Room to grow:
 - Global geotechnical contracting market - £35bn
 - Core geotechnical contracting markets where Keller operates - £16bn (excludes China, Japan, Korea and Russia)
 - Keller today c£2bn – a 13% share of the markets in which we operate
 - Operate in 40 countries, across five continents
 - Three divisions, 19 business units, 180 branches
 - About 10,000 employees, of which around 1,500 are geotechnical engineers
 - Over 1,250 rigs and cranes globally - the largest foundation equipment fleet in the world
 - 20% of our projects are executed using specialist Keller equipment
 - On average we work on c6,000 contracts per year
- About 50% of our contracts are design and build, 50% are build only
 - Contracts over £5m revenue make up around 1% of the number of contracts, but account for 28% of total revenue
 - Typical contract value range £25k to £10m
 - On average c25 sites mobilised every day, across the world
 - We typically spend a few weeks on site (smaller projects) with up to two years for large projects
 - We have over 50 techniques or products, with eight major product groups
 - Product split: Ground improvement 33%; Heavy foundations 28%; Earth retention 11%; Grouting 11%; Post-tension systems 14%; Marine 2%; Instrumentation and monitoring 1%
 - Industry trends are favourable to Keller: Urbanisation/large scale development, Brownfield/marginal land, Infrastructure renewal, Complete Solutions, Technical complexity
 - We are the leading consolidator in the industry – more than 24 acquisitions since 2000
 - Strong safety focus, AFR 0.07 in 2021
 - Keller supports the UN Global Compact and aims to adhere to its 10 principles in the areas of anticorruption, environment, human rights and labour

Investor Relations contact



Caroline Crampton
Group Head of Investor Relations

+44 20 7616 7575

caroline.crampton@keller.com