

## Sharesave and Share Incentive Plan – What’s the difference?

Your options explained – Sharesave and SIP are two **separate** Share Plans offered by Kier. The table below gives you an overview of the key features of each Plan to help you decide whether to join either Plan (or both). Please visit

[www.kiershareplans.co.uk](http://www.kiershareplans.co.uk) for more information on both Plans.

	<b>Sharesave</b>	<b>Share Incentive Plan (SIP)</b>
<b>What is it?</b>	Sharesave is a simple share plan, where you save a fixed amount, that you choose, direct from your pay.	The SIP is a share plan which enables you to buy Kier shares from your pay before income tax (tax) and national insurance contributions (NICs) are deducted.
<b>How does it work?</b>	You contribute money from your pay each week or month for three years, then can use those savings to buy shares in Kier at a price that was fixed and discounted at the beginning of the Plan, or receive all your savings back as cash.	Your contributions each month are used to buy Kier shares (called ‘Partnership Shares’). In addition, for every two Partnership Shares bought, Kier will award you one free share capped at £90 per month (called ‘Matching Shares’).
<b>How much can I contribute?</b>	The maximum amount you can contribute is fixed at the start of each Sharesave Plan. For recent plans it has been £18.75 per week or £75 per month. A new Plan is launched each year and you can join more than one.	You can contribute between £10 and £150 per month, or make lump sum payments of up to a total of £1,800 per tax year (or 10% of your salary, whichever is lower).
<b>How are the deductions taken?</b>	Contributions will be deducted from your net salary i.e. after tax.  Your savings are held in a special Lloyds bank account and not by Kier. There is no risk to your savings.	Contributions will be deducted from your gross salary i.e. before tax and NICs.  The contributions are passed to EQ to purchase the Partnership Shares.
<b>Can I stop making contributions?</b>	Yes, you can cancel at any time and get all of your savings returned. Or you can suspend your contributions for up to a maximum of 12 months during the 3-year savings period. Each monthly contribution missed will result in the end of your Plan	Yes, you can stop and start deductions under the SIP or change your monthly deductions at any time. You can do this by logging on to your account at <a href="http://www.kiershareplans.co.uk">www.kiershareplans.co.uk</a>

	being delayed until you have made the full 144 weekly/36 monthly payments.	
<b>What are the tax advantages?</b>	None.	Your contributions are taken from your pre-tax salary (gross pay). No tax or NICs apply if you leave the shares in the SIP for 5 years.
<b>Do I receive interest on my savings?</b>	Yes, for Sharesave 2023 onwards, the Government reintroduced interest payments. The level is set by HM Treasury.	No, this does not apply to SIP as your contributions are used to purchase shares each month.
<b>How much will I pay for my shares?</b>	<p>If you choose to buy shares at the end of the 3 years savings period, you will pay the "Option Price" for each share which is the fixed and discounted share price which is set at the start of the plan.</p> <p>Each separate Sharesave Plan has a different Option Price as it is a discount on Kier's share price at the time the Plan launches.</p>	You will pay the market value of Kier shares on the award date each month.
<b>When do I get the shares and become eligible for any dividend payable?</b>	At the end of three years, and if you choose to buy shares at the Option Price with your savings and then keep them.	Partnership Shares are bought within 30 days of your deduction from gross pay. Matching Shares are awarded the same day. Dividends are payable on all shares held in the SIP and they can be used to buy Dividend Shares or paid into your bank account, the choice is yours.
<b>Do I have to buy shares with my contributions?</b>	No, when the plan ends (matures) after 3 years, and Kier's share price at that time is higher than the Option Price, you can choose to use your savings to buy shares at the Option Price and immediately sell them at the higher share price. This is all done by EQ, who manage Sharesave, and you receive the proceeds from the sale as cash.	Yes, shares are purchased on a monthly basis.

	<p>If the Option Price is higher than Kier's share price at the end of the Plan, you take all your savings back as cash.</p> <p>You also have the ability to withdraw all your savings as cash at any time.</p>	
<b>What happens if I leave?</b>	<p>If you leave before the end of 3 years, you can withdraw your savings at any time and possibly have the option to buy shares depending on when and why you leave. Please refer to <a href="http://www.kiershareplans.co.uk">www.kiershareplans.co.uk</a></p> <p>You always get all your savings back.</p>	<p>Your SIP Shares will be removed from the SIP Trust – you will have the choice to keep or sell them and there may be tax payable, depending on how long the shares have been held and your reason for leaving. Please refer to <a href="http://www.kiershareplans.co.uk">www.kiershareplans.co.uk</a></p>
<b>What about Capital Gains Tax (CGT)?</b>	<p>Each person has an annual CGT allowance (currently £3,000 for the 2025/2026 tax year), which means the first £3,000 of capital gains you make in any particular tax year is exempt from CGT.</p> <p>If you made more profit by selling your shares from Sharesave than the CGT allowance, there could be some CGT to pay. However, there are options available such as transferring to a spouse or using an ISA which can help avoid this issue. More detail will be provided when each Sharesave plan matures after 3 years.</p>	<p>If you sell your SIP Shares directly from the SIP, you will have no Capital Gains Tax (CGT) to pay in respect of the sale. However, if you keep the shares after you take them out of the SIP Trust and sell them later or are selling them after leaving you may be liable to pay CGT.</p>
<b>What are the risks?</b>	<p>It is risk free. Your savings are held in a bank account and you can get them back at anytime during the three year term of each Plan.</p>	<p>Like any investment, there are risks associated with holding shares. The market price of Kier Group PLC shares will fluctuate and will likely fluctuate between the date of deduction from your pay and the date that the shares are acquired by Equiniti Limited (EQ) on your behalf. It is likely that the share</p>

		<p>price will have changed between the date that any shares are bought or awarded and the date that they are released from the SIP.</p> <p>The value of shares can go down as well as up, so you may not get back the full amount you invest.</p> <p>The special tax advantages offered by the SIP means you should consider any purchase of shares under the SIP as a long-term investment.</p> <p>Entitlement to state benefits may also be affected as your National Insurance Contributions will be lower.</p>
<b>When can I join?</b>	Once a year when the invitation is issued, usually in October	You can join at any time with your first deduction from the next payroll.

Any further questions?

Contact the EQ Employee Helpline on +44 (0)371 384 2040 between 8:30 – 17:30, Monday to Friday (excluding public holidays in England and Wales)

This is an option, not a recommendation. If you wish to, please seek independent financial advice.