

Our business model

How we create value for our stakeholders

A resilient and agile business model

Our Group

Our vision is to be a world-class, customer-focused company that invests in, builds, maintains and renews the places where we live, work and play. We operate across a range of sectors including defence, education, health, housing, industrials, power, property, transport and utilities.

A compatible set of businesses

This broad, complementary set of activities is the foundation of our business model. It means we have the basis to maximise returns by using capital from our cash generative businesses to invest in asset-intensive activities. To achieve this requires versatility and agility.

Investing to enable our growth

The investment we continuously make in our capabilities – safety, people, systems – gives us that versatility and agility, and is key to optimising the return from our integrated offer. This allows us to adapt to changing client needs and to offer more to each customer, using the full scope of our Group in the process. It underpins our future growth and ensures that we can take a safe and risk-managed approach to that growth.

Visible income streams

Our well-matched spread of businesses ensures that we can develop income streams that are visible inasmuch as they are reliable and dependable looking forward. The income streams are reliable because construction projects are tightly managed, and real estate and residential housing investments are predominately non-speculative. They are dependable because Kier’s Services businesses, which make up 50% of Kier’s profits, provide day-to-day essential public services. Asset maintenance in areas where spend is mandated by regulation or statute (eg water, strategic highways) have contracts with long durations.

These factors enable us to be more certain about returns to our shareholders over the medium-term while creating and delivering exceptional value for our customers.

