

News Release

Balfour Beatty

05 March 2025

Group Chief Executive succession

Balfour Beatty plc, the international infrastructure group, today announces that Leo Quinn will step down from the Board later this year, after over 10 years as Group Chief Executive.

Following an extensive international search, Philip Hoare, Chief Operating Officer, AtkinsRéalis, has been chosen by the Board to succeed him and will join the Group in September of this year.

Philip, a civil engineer, has built his 30-year career in the industry at AtkinsRéalis Group Inc., a 39,000 strong global engineering services and nuclear enterprise with annual revenues of CAD9.4 billion (£5.1 billion) and listed on the Toronto Stock Exchange. With his extensive leadership experience in the engineering, project management and construction sectors, he has been fundamental to the growth and performance of the company, first as CEO of Atkins in the UK and Europe, and then as President of the global Engineering Services business.

In January 2024, he was appointed Chief Operating Officer of the transformed group to drive growth and performance across the company and lead a diverse portfolio of significant international projects.

Following Philip's appointment to the Board in September, Leo will continue in an advisory capacity for several months to ensure a seamless transition.

Charles Allen, Lord Allen of Kensington, CBE, Balfour Beatty Group Chair, said:

"I am delighted Philip will join the Group as Chief Executive. The selection process made clear that his depth of industry knowledge and his experience in delivering a profitable growth strategy across multiple geographies make him the ideal person to drive forward the Group's success in our chosen markets.

"On behalf of the Board, I pay tribute to Leo for his exceptional and inspirational leadership of both Balfour Beatty and the industry over the last decade.

"Leo has transformed Balfour Beatty into a strong, resilient Group, setting it firmly on a trajectory of profitable growth. This is underpinned by a culture across its workforce which is committed to expertise, discipline and excellence, resulting in a trusted reputation for delivering value for all stakeholders."

During Leo's tenure, Balfour Beatty has strengthened its balance sheet from average net debt of £371 million in 2014 to £735 million average net cash* in 2024. Given this strong cash performance, between 2021 and 2024, £755 million of capital has been returned to shareholders through dividends and share buybacks. Since October 2014, when Leo's appointment was announced, Balfour Beatty has delivered Total Shareholder Returns (TSR) of 261%, more than three times the average TSR of the FTSE250 index.

Leo Quinn, Balfour Beatty Group Chief Executive said:

"It has been my great privilege to lead Balfour Beatty through over ten years of transformation into a focused and leading international infrastructure Group. I believe that our industry-leading safety performance, financial strength and strategic position in growth markets come from directly investing in

outstanding people to ensure what is now an enviable 115-year heritage."

Philip Hoare, incoming Balfour Beatty Group Chief Executive said:

"Balfour Beatty is a cornerstone of the construction and infrastructure industry with an exciting future. I will be incredibly proud to lead the Group in continuing to deliver exceptional infrastructure and services for its customers and communities, fantastic meaningful careers for colleagues and long-term value for its shareholders."

This announcement contains all the information required by UKLR 6.4.

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation. The person responsible for arranging the release of this announcement on behalf of Balfour Beatty is Tracey Wood, Group General Counsel and Company Secretary.

*Half-year 2024 average monthly net cash

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Notes to editors:

- ***Supplementary information relating to the remuneration arrangements for Leo Quinn is set out below.***

Leo Quinn will receive his contractual entitlement of 12 months' notice, starting at the date of this announcement, 5 March 2025. Balfour Beatty will continue to pay Leo up to the end of his employment in accordance with his contract and the Company's Directors' Remuneration Policy.

He will be entitled to receive a normal annual bonus in respect of 2024, subject to performance assessment, and also a pro-rated annual bonus in respect of his active service for 2025. Reflecting his long service and contribution to the business, Leo is a 'Good Leaver' for the purposes of Balfour Beatty's share plans. Outstanding deferred bonus share awards will vest on cessation of employment in accordance with our Remuneration Policy. Outstanding Performance Share Plan awards, subject to pro-rating for time and to satisfaction of the applicable performance targets, vest on their normal vesting dates. The post holding period relating to Leo's Performance Share Plan awards, will continue to apply as per the plan rules.

Full details of Leo Quinn's departure terms will be disclosed on the Company's website in due course in compliance with Section 430(2B) of the Companies Act 2006 and in the Directors' Remuneration Report within the Company's 2024 Annual Report and Accounts, as appropriate.

- ***Supplementary information relating to the package on appointment for Philip Hoare is set out below.***

In his role as Group Chief Executive, Philip Hoare will receive a salary of £840,000 and a pension allowance of 7% of salary (aligned with the wider workforce), along with other benefits offered to the wider workforce. He will also be eligible to participate in the Annual Incentive Plan ("AIP"), Deferred Bonus Plan ("DBP") and Performance Share Plan ("PSP") under the current Policy approved by shareholders in 2023. This includes an annual bonus opportunity with a maximum of 150% salary and a maximum long-term incentive grant of 200% of salary.

Philip will also receive awards to partially (not fully) compensate for remuneration he is forfeiting on leaving his previous employer. These will remain subject to performance conditions where appropriate and will not exceed the value of the forfeited awards. Buy-out awards in connection with forfeited share awards will be in Balfour Beatty shares. The vesting timeline of the replacement awards will be the same as those which apply to the forfeited awards. Details will be provided in the Directors' Remuneration Report within the Company's 2024 Annual Report and Accounts.

- ***Balfour Beatty*** is a leading international infrastructure group with 26,000 employees driving the delivery of powerful new solutions, shaping thinking, creating skylines and inspiring a new generation of talent to be the change-makers of tomorrow.

We finance, develop, build, maintain and operate the increasingly complex and critical infrastructure

that supports national economies and deliver projects at the heart of local communities.

Over the last 115 years we have created iconic buildings and infrastructure all over the world. Currently, we are working to deliver Hinkley Point C, the first UK nuclear power station in a generation; constructing the world-class arts and cultural facility, the Lyric Theatre, in Hong Kong; and designing, building, financing, operating and maintaining the Automated People Mover superstructure at one of the busiest airports in the world, Los Angeles International Airport

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