

# Summary corporate social responsibility report

## Introduction

The Group is very much aware of its social, ethical and environmental impacts and responsibilities and is committed to ensuring that a high standard of corporate social responsibility (CSR) is built into its day to day operating culture, based on sound policies and good practice. A summary of key issues is provided here, supported by a separate CSR report explaining in greater detail the Group's strategy and performance during the past year.

The year saw a particular focus on prioritising health and safety; improving incident reporting; achieving international standards for health and safety and environmental management; and staff development and training. The Group has continued to introduce and implement policies designed to ensure commitment to high standards of business conduct throughout the Group. All employees are expected to carry out their duties in an ethical manner and to report any instances of malpractice of which they become aware.

The Group again participated in the Business in the Community Corporate Responsibility Index, our score rising from 63 per cent in 2004 to 71 per cent this year. Our score in the Business in the Environment Index also rose from 61 per cent to 74 per cent.

## CSR management

The Board sets Group policies on CSR, the Chief Executive being responsible for CSR at Board level. The Group has separate management frameworks in place for different CSR matters. The Chief Executive is supported in their development by business unit Managing Directors.

Work continues on drawing together, into a formal corporate CSR strategy, the numerous CSR-related policies, management frameworks and activities already in place within the Group. The coming year will also see the Group carry out a risk and value assessment of its CSR activities.

## QSE

The Group assesses the quality, safety and environmental (QSE) impact of its operations as an integral part of its business management processes. Continuous improvement is driven by an annually produced strategy, approved by the Board, and progress is monitored through a regular QSE questionnaire requiring all parts of the business to provide detailed information and statistics. The Chief Executive is responsible for QSE management at Board level, supported by the Director of QSE, a dedicated Group QSE department and managers for specific business units. The Group Assurance Programme (GAP) identifies necessary improvements across the Group. Effective training in these matters is a key commitment at all levels of the business.

## Health and safety

Group policies are in place to protect the health and safety of its employees, contractors, clients and third parties likely to be impacted by its activities.

The Group is committed to achieving external certification to OHSAS 18001 Group-wide by September 2006. At 31 March 2005, some 37 per cent of the Group's business units had achieved certification. The Group continues to work with Safety in Design (SiD) and other bodies to set a minimum standard of competence for its professional staff. Other training initiatives include Institution of Occupational, Safety & Health (IOSH) approved courses, e-learning and site awareness videos.

In the year a new accident and incident reporting system (AIR) was introduced to capture data more accurately. The system is proving effective in encouraging staff and contractors to report both major and minor accidents.

Safety tours enhance our senior managers' understanding of the safety culture, workplace risks and employee concerns. Of the 274 planned, 263 (96 per cent) were completed.

The Group received one formal safety prohibition notice during the year, served during February 2005, when the seat belt on a sub-contractor's hired dumper was found to be torn. The incident has been drawn to the attention of all relevant managers and measures have been put in place to prevent a recurrence.

## Environment

Management is aiming to achieve Group-wide certification to the environmental management standard, ISO 14001, by September 2006. At the end of the year 75 per cent of the Group's business units had achieved certification. Training activities geared to improving staff awareness of environmental management issues include Institute of Environmental Management and Assessment (IEMA) approved courses, e-learning and site awareness videos.

The Group had no prosecutions relating to environmental incidents during the year.

## Quality

Effective quality management is central to the Group's business activities. Existing registrations to quality standard ISO 9001: 2000 have been maintained in all cases, with new approvals obtained in the US, China, Europe and the Middle East.

## Staff

The People section of the Operating and financial review on pages 23 to 24 and the Directors' report on page 34 provide details on the Group's policies and practice relating to staff.

## Suppliers

A Group procurement policy is in place informing employees of preferred suppliers. These are selected through a fair tendering process and are expected to comply with minimum CSR criteria. It is the Group's policy, wherever possible, to procure environmentally friendly goods and to use ISO 14001 accredited organisations. During the year a revised approach to the assessment of suppliers' QSE systems was developed and implemented.