

WS Atkins plc
Corporate Responsibility Review 2008

This content has been extracted from
pages 38 to 42 of our Annual Report 2008

ATKINS

Plan Design Enable

Atkins is committed to acting responsibly to all our stakeholders and to taking a leadership position within our sector.

Our beliefs

Atkins is committed to acting responsibly to all our stakeholders and to taking a leadership position within our sector. We publish our corporate responsibility strategy and performance on our website (www.atkinglobal.com/cr) and summarise the major issues and developments during the year here.

Sustainability

Sustainability is a serious issue for all stakeholders, including governments, public and private sectors and communities across the world.

During the year, in conjunction with the British University in Dubai and Cardiff University, we completed a comprehensive review into how Atkins was approaching the broad topic of sustainability. As a result, we introduced the Atkins Sustainability Policy in November 2007, declaring our commitment to: educating our staff on sustainability; continuing to work with academia to develop sustainable solutions; and inspiring and challenging our clients, employees and supply chain to deliver sustainable solutions.

We have two of our experts on pro bono secondment to the UK Construction Industry Council (CIC) which is working with the UK Government Department for Business, Enterprise and Regulatory Reform to advise on sustainable construction. In addition, we have launched a Group-wide sustainability awareness programme and e-learning modules to educate our employees.

Carbon Critical Design

Atkins recognises that we need to act now to mitigate the effects of climate change. We are therefore focusing our effort on the role planners, engineers and architects have to perform to respond to the changes, challenges and opportunities of a carbon critical economy. Carbon is still not a core consideration when capital projects are evaluated, designed and procured. We believe that carbon has

Corporate Responsibility Review

Continued

to be the driver if our sector is not only to meet the targets being imposed across the world but to help set the new standards required. We believe a fundamental change is needed to the way our sector approaches design and have mobilised our workforce to address this.

We have set ourselves a 100-week target to actively engage a significant proportion of employees in Carbon Critical Design.

We have already started to engage with some of our clients on Carbon Critical Design and have several exemplar design projects which include:

- **the Bahrain World Trade Center** – the world's first commercial development with integrated wind turbines which will generate up to 15% of the towers' annual electricity consumption
- **the Lighthouse in Dubai** – the world's first tower to reduce total energy consumption by up to 65% and water consumption by up to 40% of current standard designs
- **in London** – managing the delivery of the enabling works for the **2012 Games**, achieving over 90% reuse rates for demolition material making zero net waste construction a reality
- **Northumbria University** – in the design of two new buildings, innovative energy saving devices have reduced the site's carbon footprint by 7%.

It is also important that we minimise our own impact to climate change and we therefore need to be carbon critical for our own operations in our offices and business travel. This is discussed further in Our Performance on pages 3 to 5.

Safety leadership

Atkins remains strongly committed to key improvements in health and safety and continues to provide leadership within our industry. During the year our chief executive continued to chair the Construction Industry Council (CIC) health and safety standing committee and in June 2008 will become chair of the CIC. In recognition of Keith Clarke's leadership for the industry, he received the Outstanding Safety Achievement award from Building Magazine.

In the Middle East region, Atkins was the first to introduce an international version of the Construction Skills Certification Scheme, which was developed with Construction Skills. Atkins has also committed to a charter known as BuildSafeDubai to improve the standards of health and safety in the region.

The Highways and Transportation business has been working in partnership with the Health and Safety Executive (HSE) and Highways Agency (HA) to develop a design risk assessment tool which we hope will be adopted by other organisations working with the HA.

The Rail business continues to work with Network Rail and the Rail Safety and Standards Board (RSSB) and introduced an internal safety leadership programme during the year. This business also chaired the Infrastructure Safety Liaison Group (ISLG) and was part of the Network Rail Project Safety Leadership Group (PSLG).

We also continue to improve safety leadership within Atkins. We improved directors' safety tours by organising bespoke training for directors. By 2008 all directors across Atkins who undertake safety tours will be trained, demonstrating our commitment to leadership in health and safety.

Our work

Atkins takes pride in the quality of products and services we provide to our clients. During the year the US division of Faithful+Gould achieved ISO 9001:2000 certification which means that 100% of Atkins operations are covered by this standard. Going forward, all Atkins operations will use the same certification body, Lloyds Register Quality Assurance (LRQA). This will provide better analysis of performance and identification of key themes across the whole business.

We continue to improve how we engage with our clients and to obtain better feedback on our performance through Key Account Management (KAM) and Client Relationship Management (CRM).

Two of our businesses, Rail and Middle East, have been actively engaging with industry on environmental issues through the Rail Industry Environmental Forum (RIEF) and the Emirates Environmental Group (EEG) respectively.

We are also reviewing how we engage and influence our supply chain on corporate responsibility priorities depending on the services they provide to Atkins.

Our people

We aim to be an employer of choice and provide an environment in which our people can flourish and succeed. Our Viewpoint survey recorded a 6% increase in response rates (to 79%) this year. Satisfaction levels continued to improve, which shows that we are achieving our objectives. We invested £20.7m in staff training and development and received third-party recognition for our achievements with awards in the UK such as The Sunday Times 20 Best Big Companies to Work For and The Times Top 50 Companies Where Women Want to Work. For more detailed information, see our Human Resources Review on pages 14 to 17 of our Annual Report.

Corporate Responsibility Review

Continued

Our communities

We are passionate about contributing to the communities in which we operate and engaging our people to join together to make a difference where it matters.

Making a difference

During the year we launched a new charity policy. Traditionally, we have written cheques to charities which have had little benefit to engaging either staff, shareholders or the charities we have supported. The new policy moved towards supporting charities in two ways.

Firstly by supporting our people in their own communities around the world through local charitable donations, fundraising, volunteering activities and sports and social events. We have actively encouraged offices to come together to organise and take part in a variety of sponsored events for charities and good causes. The Group offered support via a newly formed network of house managers who help to co-ordinate and promote activity.

Secondly by providing pro bono consultancy advice. Atkins people possess a multitude of skills and experience which can benefit international relief and aid organisations and by giving pro bono consultancy advice, rather than offering volunteers or cash donations, we contribute our skills and at the same time learn from our experiences.

Engaging with education

We are actively engaged in a range of educational initiatives from sponsorships of university chairs to mentoring 14 to 16-year-olds and teaching primary school children about energy efficiency.

During the year, our engagement with universities has become more focused and strategic through our University Liaison Directors (ULDs) programme. We are building relationships at multiple levels, with the objective of being regarded as an industrial partner of choice. Our ULDs have developed ongoing relationships with

16 universities in the UK, 12 in the USA, two in China, two in Singapore and one in Dubai.

We are working with Transport for London and New Civil Engineer journal to produce resource materials for schools to excite youngsters about a career in design and engineering.

Atkins has also developed a course with an external provider specifically to raise the awareness of health and safety risks for students working overseas. The first course was delivered in October 2007 at Cambridge University. We will continue to sponsor this and intend to run two courses per year.

Our performance

This section reports on Atkins' corporate responsibility performance during the year.

One of the objectives for our operations during the year was the development of a toolkit for house managers responsible for Atkins offices worldwide. This provides guidance about their responsibilities and advice about how continually to improve office performance such as waste, energy, travel and wellbeing. An office database has also been developed to capture this information. It was introduced in the UK during the year and we intend to expand it to cover all operations in 2008.

Health and safety

Our accident performance for last year is well within the Accident Incidence Rate (AIR) benchmarks set by Atkins. The benchmarks were 154 for office, 375 for engineering and 1,701 for construction activities. For the year for staff there was an increase in AIR for office from 12 to 38, engineering from 65 to 178 and construction activities from 995 to 1,042 compared to last year. However, the overall trend over the last four years is still decreasing and is better than industry performance as compiled by the HSE Labour Force Survey. Atkins continues to set its own challenging targets with a 5% reduction for office, and 15% reduction for engineering and construction activities from last year's benchmarks. We also actively encourage the reporting of incidents and near misses. As a result, reported incidents and near misses have doubled to 756, which is a positive step towards accident prevention.

Accident Incident Rate (AIR)	Office	Engineering	Construction
Benchmark	154	375	1,701
Staff			
07/08	38	178	1,042
06/07	12	65	995
05/06	104	151	556
04/05	59	235	2,763
Contractors			
07/08	0	0	708
06/07	382	441	1,221
05/06	0	124	293
04/05	0	124	317

(AIR = number of accidents per 100,000 staff or contractors).

Corporate Responsibility Review

Continued

During the year our US operations achieved OHSAS 18001 (Occupational Health and Safety Management) specification and Ireland was the first business within Atkins to achieve certification of the revised specification OHSAS 18001:2007. All our operations are now covered by OHSAS 18001 (Occupational Health and Safety Management) with the exception of Portugal.

Our successes within health and safety during the year included the implementation of an online driver assessment; the production of training materials about asbestos; the promotion of manual handling training as part of European Safety Week; and an awareness programme about slips, trips and falls.

Three of our businesses also received RoSPA awards: Gold for Highways and Transportation and Design and Engineering Solutions; and Distinction for Asset Management.

Other health and safety priorities for 2008/09 include benchmarking, developing risk and stress management awareness programmes and integrating safety training into our operations.

Environment

Our energy consumption for electricity and gas for our offices during the year was 34.2m kWh compared to 29.5m kWh of energy used in 2006/07. This data is UK specific as we have not yet started to collate information across all our operations. Also the UK data is verifiable to 56% for electricity and 43% for gas, as meter readings are not always available. Work started this year to undertake remote energy monitoring to help offices to improve their energy efficiency. Going forward, there will be more support provided to help offices understand their energy carbon footprint, which includes providing an actual and potential energy rating for offices, to help to reduce our overall energy carbon footprint.

Our business travel data covers road, air and rail travel in the UK, in which we travelled 73.1m km by road, 40.7m km by air and 26.8m km by rail, giving a total of 140.6m km of business travel. Road travel has decreased by 4m km and there has been an increase in air travel of 1m km and more positively an increase in rail travel of 6.4m km compared to last year.

The calculation for CO₂ emissions from our energy consumption and business travel, and hence our CO₂ footprint, has changed with the revised DEFRA emission factors. Data from previous years has also been changed to include the revised DEFRA emission factors. Our CO₂ footprint per employee in the UK has remained similar to last year rising from 2,974 kg to 2,978 kg of CO₂. The electricity metered in the UK is part of Atkins' energy contract and is 90% from renewable sources, which has not been taken into account as part of our CO₂ footprint calculations. For our UK company car fleet, we continued to reduce the average emission rating which is now 158.0g/km compared to 160.8g/km last year.

Consumption and emissions

	Totals		CO ₂ equivalent (Tonnes)		Emission equivalent per employee (kg CO ₂)		Verifiable data	
	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07	2007/08	2006/07
Energy consumption								
Electricity	20.8m kWh	19.0m kWh	10,893	9,918	924	892	56%	54%
Gas	13.4m kWh	10.5m kWh	2,482	1,951	210	175	43%	44%
Sub-total	34.2m kWh	29.5m kWh	13,375	11,869	1,134	1,067		
Business travel								
Road	73.1m km	77.1m km	14,844	15,677	1,259	1,409	100%	100%
Air	40.7m km	39.7m km	5,277	4,305	448	387	100%	100%
Rail	26.8m km	20.4m km	1,616	1,229	137	110	100%	100%
Sub-total	140.6m km	137.2m km	21,737	21,211	1,844	1,906		
Total CO₂ emissions			35,113	33,080	2,978	2,974		
Water consumption								
Water	59,748m³	68,144m ³	n/a	n/a	5.1m³	6.1m ³	29%	32%

Note

Data per employee is based on full-time equivalent average number of own staff (including agency). UK headcount for 2007/08 is 11,791.

Corporate Responsibility Review

Continued

Our challenge for 2008/09 is to ensure we record business travel and our company car emissions for all our operations. We are also continuing to develop travel plans in the UK and will start in the Middle East and China.

We have been improving our waste management for offices and sites, which has meant a better understanding of our waste streams and promoted more re-use and recycling schemes. However waste data is still limited to the UK only. A key area for 2008/09 is to improve this data and cover worldwide operations.

Data on water consumption is still difficult to obtain, currently the data is only 29% verifiable in the UK. In 2008 there will be a review of how water consumption is managed across Atkins operations.

All our operations are now covered by ISO 14001 (Environmental Management Systems), with the exception of Portugal, and are independently certified. During the year our US operations achieved the standard.

We also developed an IEMA environmental course for senior executives with an external training provider with the purpose of raising awareness at a senior management level. The Rail and Asset Management businesses were involved in the pilot with the intention to roll out across all businesses in 2008.

Our priorities for 2008/09 include raising the awareness of environmental sustainability; improving waste and water management across all our operations; and providing practical guidance about how to improve environmental performance for offices and sites.

Regulatory activity

In the UK the HSE and Local Authorities made seven visits and issued one improvement notice to the Highways and Transportation business. This was regarding risk assessment of hand/arm vibration. Actions were satisfactorily closed out within agreed timescales. We have not been prosecuted for any breaches of health and safety or environment regulations. In last year's report, we reported on the ongoing legal proceedings against two employees in Doha, Qatar, and we are pleased to report that both were found not guilty.

Governance

The Board sets Group policies on Corporate Responsibility. Our chief executive is the Board member responsible for Corporate Responsibility and for the Group's performance, supported by Group-wide frameworks. A common management structure governs quality, health and safety and environment (QSE). A director of QSE, reporting to the chief executive, is responsible for Group QSE at a corporate level. Each Atkins business also has dedicated QSE representatives to manage issues at a local level, reporting quarterly.

CR-related Group policies include quality, health and safety, the environment, sustainability, charities, business conduct, data protection, dignity and equality at work, employee disclosure (whistle-blowing) and the appropriate use of information technology. These are published on the corporate intranet and are provided externally on request. They are reviewed regularly and updated to reflect changes to legislation, emerging good practice and business needs.

