

WS Atkins plc
Corporate Responsibility Review 2010

This content has been extracted from
pages 42 to 51 of our Annual Report 2010

ATKINS

Plan Design Enable

Corporate Responsibility Review

We are committed to acting responsibly towards all our stakeholders and to taking a leadership position within our sector.

Our corporate responsibility beliefs and performance align to our strategic imperatives and are in accordance with our policies on safety leadership, carbon reduction, respect for the environment, excellence in delivery and working with our community.



For more information visit
www.atkinsglobal.com/cr

We are committed to acting responsibly towards all our stakeholders and to taking a leadership position within our sector. We publish additional information about our performance on our website (www.atkinsglobal.com/cr). We also summarise this year's activities on this site. Our Corporate Responsibility Review is structured this year in accordance with our policies on safety leadership, carbon reduction, respect for the environment, excellence in delivery and working with our community. Information relating to our people can be found in the Human Resources Review on pages 36 to 41 and information on corporate responsibility governance and business conduct can be found in the Corporate Governance Report (on pages 58 to 64). A resolution to approve this report will be proposed at the Company's Annual General Meeting. Whilst only advisory, this resolution will enable us to obtain feedback from shareholders on our performance in this area.

Safety leadership

Atkins remains committed to health and safety improvement beyond that required by law. Our chief executive was the chair of the Construction Industry Council (CIC) and during the year we continued to work with industry through national forums such as the Strategic Health and Safety Forum, the CIC Safety Committee, and the Consultants' Health and Safety Forum.

Last year we reported that our Highways and Transportation business had set an industry standard for designing out risks in projects. This standard has now also been adopted by the UK Government's Environment Agency and continues to be promoted across the industry.

We continue to improve safety leadership within Atkins. Our newly appointed chairman and Group finance director both undertook the Construction Skills Certification Scheme (CSCS) Managerial and Professional safety test and Group managing directors attended our safety

leadership course. The Rail business developed the 'Safe by Choice' behavioural programme, and has seen a reduction in serious accidents. This programme has received positive feedback from the attendees of the Network Rail supplier conference, and has now also been implemented in our Highways and Transportation business.

Atkins' safety, health and environment (SHE) culture survey was extended to our non-UK businesses. Some 8,500 staff responded to the survey, including the UK version, last year. The results showed that a positive safety and environment culture exists within Atkins but that there remains some variation between the businesses.

Figure 1: Accident incidence rate (AIR)

	Office	Engineering	Construction
HSE Labour Force Survey ¹	280	400	2,040
Atkins' benchmark (for staff or contractors)	139	287	1,445
Staff			
2009/10	35	114	1,408
2008/09	89	147	1,833
2007/08	38	178	1,042
2006/07	12	65	995
2005/06	104	151	556
2004/05	59	235	2,763
Contractors			
2009/10	259	45	668
2008/09	132	0	619
2007/08	0	0	708
2006/07	382	441	1,221
2005/06	0	124	293
2004/05	0	124	317

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

1. HSE Labour Force Survey results are the three-year average results for different occupations: administrative and secretarial for Office, science and technology for Engineering, and construction trades for Construction.

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Our safety performance

Atkins reports accidents and incidents for staff, contractors and Joint Ventures, and in situations where we are principal contractor. The accident incidence rate (AIR) is used to measure accident performance for staff and contractors. Atkins sets its own challenging AIR benchmarks based on a reduction from the previous year of 5% for office staff and 10% for engineering staff. For construction the 2009/10 target remained unchanged. The AIR benchmarks (number of accidents per 100,000 staff or contractors) for 2010/11 are 139 for office, 287 for engineering and 1,445 for construction activities.

Last year overall performance was within Atkins AIR benchmarks with the exception of contractors in the office category, where one reportable accident was recorded. For staff we are pleased to report the AIR decreased across all three categories, reflecting the continued effort to improve safety, including raising awareness of manual handling and display screen equipment through the launch of specialist e-learning modules during European Week of Safety, and the Group-wide safety leadership programme.

Our AIR performance continues to be better than industry performance as compiled by the Health and Safety Executive in its Labour Force Survey (see Figure 1). We have actively encouraged the reporting of incidents and near misses as a positive step towards accident prevention. This year 1,227 near misses were reported compared to 1,172 in 2009.

All our operations are covered by OHSAS 18001 and we have achieved certification to the revised standard OHSAS 18001:2007.

We achieved a Group-level Royal Society for the Prevention of Accidents (RoSPA) Gold award for the first time. In addition, our Highways and Transportation business received a Gold award for the fifth consecutive year and our Asset Management business achieved an Order of Distinction for the 23rd year running.

Regulatory activity

During the year, we recorded five visits by enforcement authorities. We have not been prosecuted for any breaches of health and safety regulations.

Our safety target

Aim/target	Monitoring	Indicator	Baseline
Measure Atkins safety culture	SHE Culture Survey	The use of four dimensions of Atkins safety culture – management commitment, staff engagement, training and competence, and communication	Nov 2008 – Jan 2010 surveys

Progress summary

- Improvements were made to the SHE Culture Survey originally undertaken in the UK (November 2008)
- The revised SHE Culture Survey was piloted at a location within the Middle East business in May 2009
- The remainder of the non-UK businesses undertook the survey between December 2009 and January 2010, with over 2,100 staff responding
- UK businesses are to undertake the revised survey in October 2010, as part of European Week of Safety.



Achieved a Group-level RoSPA Gold award for occupational health and safety



For more information visit
www.rospa.com

Carbon reduction Carbon critical design

Atkins began its carbon critical design awareness programme in 2008 with two aims: to encourage senior managers to engage their teams in the role engineers will have to play to deliver a low-carbon economy, and to promote the transfer of knowledge within the business. Building on that activity we are now focusing on improving levels of client engagement, and to this end have invested more than £1m in the development of a suite of carbon tools, which were launched towards the end of 2009. These tools are designed to help organisations make decisions on how to reduce embodied and operational carbon and thus to influence designs.

The tools, outlined below, fall into two categories: generic tools that can be used by any part of the organisation, and market-specific tools.









These tools are now being shared with industry to encourage greater collaboration with governments, clients and professional institutions and to help stimulate development and knowledge on the carbon agenda.

Through our chief executive's position as chair of the Construction Industry Council in 2009/10 we engaged closely with the UK Government on how its Low Carbon Transition Plan can be delivered within the UK. Atkins has also been central to the establishment and delivery of the Construction Innovation and Growth Team (CIGT) which is focusing on the delivery of a low-carbon construction industry for the UK.

Atkins engaged the consultancy Forum for the Future, and specifically Jonathon Porritt, to provide an independent review of our

objectives, approach and progress on carbon critical design. The review recognised that our internal learning on carbon is the most comprehensive that has been encountered, with extensive training undertaken and an impressive range and quality of tools developed around carbon critical design. The review also stated that the level of client engagement was hugely encouraging whilst recognising that the future focus of the programme will need to be weighted more towards outcomes than processes.

Atkins has continued to engage with an ever-greater number of clients on carbon critical design, resulting in more exemplar projects which can be viewed on our website (www.atkinglobal.com).

	Carbon tool	Description
Generic	 Carbon Critical Knowledgebase	A next-generation carbon calculation and reporting tool that can be used as both an accounting tool and an optioneering tool
	 Carbon Critical Roadmap	A web-based tool to help express business activities in terms of carbon
	 Carbon Critical Relativity	A tool that presents a graphical overview of the link between carbon determinants and the carbon they produce or save
Market specific	 Carbon Critical Masterplanning	A tool aimed at systematic identification and quantification of the carbon impacts of development masterplans
	 Atkins Remote Technology (ArT)	ArT is an innovative, web-based energy management system
	 Carbon Critical Buildings	Three tools related to carbon critical building design: 'C-rating', 'Tool for the Tools' and 'Carbon Curves'
	 Carbon Critical Travel Behaviours	A collection of tools to help encourage the use of low-carbon transport options
	 Carbon Critical Traffic Analysis	A tool which turns collected traffic data into estimates of carbon emissions

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continued

Our carbon performance

We achieved the Carbon Trust Standard for our UK operations and believe we are the first organisation in the design engineering consultancy sector to do so. The standard is awarded to organisations for measuring, managing and genuinely reducing their carbon emissions and committing to reducing them year on year. Over a three-year review period we reduced our emissions from energy use and company vehicles by 11.5%. We now plan to extend the scope of the standard to cover our non-UK operations in 2011.

In 2009 we were rated in the top ten of FTSE 350 companies for the performance element of the Carbon Disclosure Project (CDP). The performance section recognises companies that effectively manage and share carbon data; make the most of climate change opportunities and create solutions to manage risks; engage with climate change policymakers and work towards reducing their own carbon footprint. Our overall reporting score for the CDP also placed us in the top 75 of the FTSE 350 companies.

In October 2009 we launched our Raising Awareness Cutting Energy (RACE) campaign to raise awareness and cut energy consumption in our property portfolio by 12.5% by March 2011. The campaign is focused at an individual property level to encourage all employees to play their part in reducing consumption by establishing a positive energy culture. More than 50 of our locations are participating and more than 5,700 employees have completed the e-learning training modules that we have created on energy management.

We have also pledged to HRH The Prince of Wales' May Day Network that we will publish our carbon footprint and we have committed to reducing our carbon emissions by 10% in 2010 as part of the 10:10 campaign. As of April 2010 we are participating in the Carbon Reduction Energy Efficiency Scheme in the UK. To facilitate these reductions remote energy metering was installed at nine new locations during the year, meaning that 14 of our key UK properties now have the system installed. There were immediate results as significant reductions in both gas and electricity consumption were identified and implemented at those locations. The system has been complemented by the installation of our own Atkins Remote Technology (ArT) system at 11 properties.

Our carbon emissions

We are now able to report on our energy consumption for all of our operations in China, Europe, the Middle East, the UK and the USA. We consume gas, electricity and diesel in our own operations. Figures 2 and 3 show the average emissions per employee and the total emissions for each region.

Worldwide, we emitted 19,774 tonnes of CO₂ from energy consumption. Carbon emissions from energy use in our Middle East business have increased due to the inclusion of our Global Design Centre in Bangalore and more accurate data on diesel consumption in the Middle East.

In China our carbon emissions have reduced by 168 tonnes due to lower reported energy consumption in our offices. Emissions in Europe have also reduced despite the inclusion of Poland for the first time.

This is also the first time that we have been able to report on carbon emissions from energy consumption for our operations in the USA.

Figure 2:
Tonnes of CO₂ per employee
from energy consumption

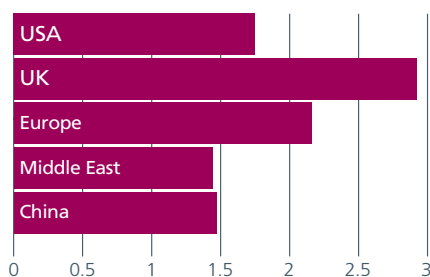








Figure 3: Total emissions

Source Region	CO ₂ emissions from energy consumption (tonnes)			CO ₂ emissions from business travel (tonnes)			Total 2009/10 emissions (tonnes)
	Gas 	Electricity 	Diesel 	Road 	Air 	Rail 	
China	0	600	0	33	861	0	1,494
Europe	25	642	0	247	144	30	1,088
Middle East	0	3,392	278	341	424	0	4,435
UK	2,292	11,968	4	12,824	3,694	1,321	32,103
USA	0	573	0	n/a	533	n/a	1,106



Committed to reducing our carbon emissions by 10% in 2010



For more information visit www.1010uk.org



Atkins has won multiple recognition for its carbon reduction drive



For more information visit www.atkinsglobal.com/awards_carbon

The calculation for CO₂ emissions from our energy consumption is made using the latest published DEFRA figures for electricity in the UK and for gas in the UK and Ireland. We use the five-year average from the latest published Greenhouse Gas Protocol figures for each country other than the UK for electricity. Where data does not exist we extrapolate known consumption data in the region to include the remaining locations.

We are now also able to report on business travel emissions for all of our operations. Our business travel data covers: all road, air and rail travel for the UK; company car, air and rail travel for Europe and India; company car and air travel for China, and air travel for the USA. Our business travel emissions from road and air for the Middle East business account for approximately 60% of our operations in that region. Our worldwide CO₂ equivalent emissions associated with business travel were 20,452 tonnes.

In the UK our carbon emissions from business travel decreased by 15.9% from 21,201 equivalent tonnes CO₂ in 2008/09 to 17,839 tonnes of CO₂ in 2009/10. This is against a backdrop of a 7.9% decrease in average headcount over the same period.

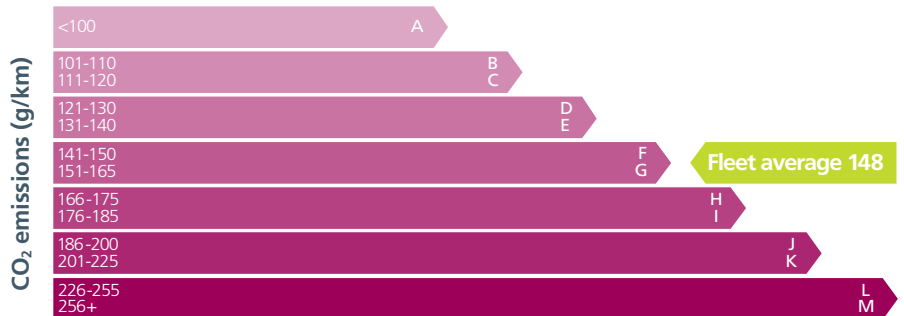
In the USA we flew 43% fewer business miles than the previous year, reducing our CO₂ equivalent emissions by 398 tonnes. In China emissions from business travel by air decreased by 5.3% whilst more accurate data led to a slight increase in emissions from road travel. In Europe emissions from air travel increased slightly with the inclusion of Poland in our reporting whilst emissions from road travel increased significantly with extra data now available from Denmark and Poland.

The calculation for CO₂ equivalent emissions from our business travel is made using the latest published DEFRA figures

for road and air travel, the DEFRA figures for rail travel in the UK and the US Intercity rail emissions figure for non-UK rail travel in the absence of valid country-specific information. The calculations include the conversion of other greenhouse gases into carbon emissions. The numbers reported for 2008/09 have been revised due to changing DEFRA emissions factors to enable better year-on-year comparison. In the UK a financial incentive to encourage employees to choose lower-emitting company car vehicles was introduced in 2009. The average carbon emissions of our UK company car fleet of 1,500 vehicles has reduced to 148g/km (2009: 154g/km). See Figure 4.

Reviews

Figure 4: Company car fleet emissions (UK average)



A-M UK Vehicle Exercise Duty (VED) bands.

Our carbon target			
Aim/target	Monitoring	Indicator	Baseline
Reduce energy consumption by 12.5% between October 2009 and March 2011	Energy consumption data	Total consumption of gas and electricity	Annual consumption up to October 2009
Progress summary			
<ul style="list-style-type: none"> RACE launched to worldwide operations in October 2009 RACE e-learning modules made available to staff in October 2009; 5,750 staff completed the modules by March 2010 More than 50 locations worldwide already participating in RACE. 			

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continued

Respect for the environment

We are committed to conducting business in an environmentally responsible manner. All of our operations worldwide are covered by the ISO 14001 standard. We have summarised here our activities on waste reduction, water efficiency and regulatory activity.

We extended the safety, health and environment (SHE) Culture Survey to our non-UK businesses as referred to in the Safety Leadership section. This was the first time that we had surveyed our employees on environmental issues outside our UK operations.

Waste reduction

In September 2009 we signed up to the WRAP (Waste and Resources Action Programme) Halving Waste to Landfill commitment in the UK. We aim to achieve this target by 2012 by embedding the principles of designing out waste into our processes. Since signing up we have engaged project managers and designers on key design issues and applied the principles to several pilot projects to help establish baseline data on waste.

Waste management was a key consideration in our Derby office's relocation last year. Waste was kept to a minimum wherever possible during the project with 90% of construction waste recycled and items returned to manufacturers and suppliers for recycling. New desks purchased for the office are 99% recyclable and the fabrics used on the chairs were made from 100% recycled material.

Our waste performance

We continue to improve and refine our waste management facilities. As we lease the majority of our properties it is very difficult to obtain accurate waste data for all of our operations. However we are able to report on waste and recycling for a number of key UK properties that account for approximately 35% of our UK staff. Through these locations 40% of the waste is recycled. In Sweden we continue to divert 100% of waste away from landfill through recycling or conversion to energy. In China we recycled 65% of our waste and introduced a new recycling system into our Shenzhen office. Our operations in Ireland and Poland recycled 24% of their waste.

In the UK we have piloted composting of food waste at our Epsom and Bristol offices. The scheme has proved very successful with almost eight tonnes of food waste diverted from landfill. The compost generated is used for regeneration projects in London.

Water reduction

We appreciate that water is a limited resource around the world and we work with clients to develop water-efficient solutions. We have worked on projects such as rainwater harvesting in East Anglia, UK; Northwood Primary School in Darlington, UK; and water supply and sanitation in Nigeria.

Our water performance

Because we lease the majority of our properties, as with waste it is difficult to obtain relevant water consumption data for these locations. We are able to monitor consumption at locations in the Middle East, Bangalore, Ireland, Poland, Portugal and in the UK covering approximately 30% of our employees.

We have introduced waterless vehicle cleaning for some operations to reduce the amount of water that we consume.

Regulatory activity

In the last year we received four visits from the Environment Agency. We received a warning letter, as did our client and a contractor, due to a problem with waste management on one project site. No other enforcement action was taken during the year and we have not been prosecuted for any breaches of environmental legislation.

Our environmental target

Aim/target	Monitoring	Indicator	Baseline
Halve waste sent to landfill through our UK projects by 2012	Quarterly review with businesses	Levels of waste avoidance and amounts diverted away from landfill	2010 data

Progress summary

- Workshop to introduce key design principles in September 2009
- Key design principles embedded in pilot projects across the business.



We have signed up to the WRAP Halving Waste to Landfill commitment in the UK



For more information visit www.wrap.org.uk

Excellence in delivery

Following a business review of how we operate we have developed a business improvement programme to enable us to win significantly more work and deliver it more profitably. The programme covers key items such as client engagement and project excellence. As part of the programme we are working towards adoption of a common business management system (BMS) to enable us to implement a more consistent approach to common processes.

To help us deliver technical excellence consistently we have created 14 technical networks across the Group. These networks are chaired by our most respected specialists who provide leadership in their appointed subject or discipline, identify investment opportunities, and raise the profile of Atkins on technical expertise.

We continue to deliver complex exemplar projects, details of which can be viewed on our website.

All our businesses are required to make the transition to the revised standard of ISO 9001 by November 2010. The assessment programme, run by our certification body Lloyd's Register Quality Assurance, began last year. So far 80% of the Group has achieved approval against the new standard.

Supply chain

We recognise that our supply chain plays a significant part in delivering successful projects. For this reason we have developed a supply chain sustainability commitment to help us engage our suppliers on important economic, social and environmental factors.

The principles were applied to the Derby office move that was undertaken during the last year. Local suppliers were used extensively in the project, equating to 70% of the contract value; site safety was paramount, with all site workers required to have the Construction Skills Certification Scheme card; and minibuses were used to move workers to and from the site to reduce carbon emissions and vehicle movements around the area. The plan is now to embed the sustainability commitment within the supply chains of each business through a pan-business procurement forum.

We have also created a supply chain knowledge centre for our Highways and Transportation and Rail businesses. This provides extensive management information on supplier capability, pre-qualification status, and performance. This assists Highways and Transportation and Rail with their more stringent supplier requirements and enables them to provide the necessary assurance for clients.

Our excellence in delivery target			
Aim/target	Monitoring	Indicator	Baseline
Embed supply chain sustainability commitment within individual business supply chains	Supply chain reviews	Number of suppliers delivering on the commitment	n/a
Progress summary			
<ul style="list-style-type: none"> • Commitment agreed with all business managing directors • Engaged corporate-level suppliers to deliver on the commitment. 			

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continued

Working with our community

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 counts.

We aim to support our people in their own communities around the world through local charitable donations, fundraising, volunteering activities and sports and social events. Atkins' network of house managers continues to help coordinate and promote these activities through our offices. A few examples of activities that took place around the world during 2009/10 follow. Fuller information is available on our website (www.atkinsglobal.com/cr).

We continue to be actively engaged in a range of educational initiatives from primary schools through to universities. For example we support a number of undergraduate prizes at universities, often with the emphasis on low-carbon solutions, and contribute to undergraduate and postgraduate teaching programmes.

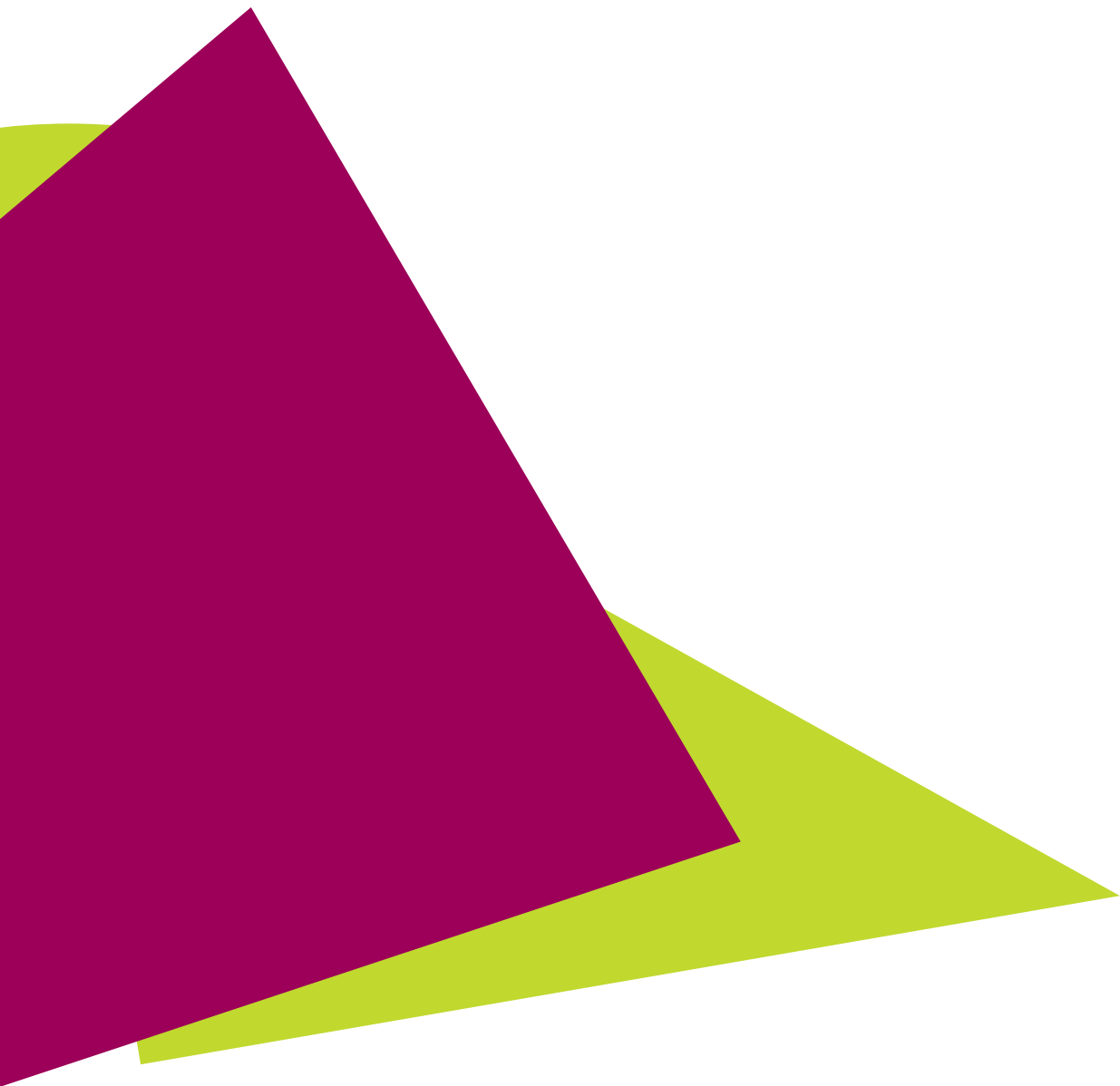
Many Atkins locations around the world, including Hong Kong, Dubai, Sharjah and London, supported the global 'Earth Hour' campaign this year by ensuring that all lights were switched off for the event.

Staff in Bangalore supported World Environment Day by planting trees, cleaning up the area and donating bins to the vicinity around our office.

An employee from our geospatial team has used his expertise to help locals in Sri Lanka clear danger zones of mines and to co-ordinate relief effort following the Haiti earthquake.

Clients and staff from our Leeds office took part in the three peaks challenge, raising £140,000 for charity over the last five years. This year proceeds went to the Wakefield Hospice.

Employees and their families supported the Emirates Environment Group Clean Up UAE campaign in the Dubai Investment Park area. They also supported the can collection drive helping to collect more than 13 tonnes of aluminium cans for recycling.



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