

Corporate Responsibility Review

Continued

Our performance

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

Health and safety

It is with deepest regret that we report that a fatality occurred on the Diego Garcia Joint Venture DG21 during a tree-felling operation. Atkins has an equity stake of 24.5% in the Joint Venture and we have provided support, including advice on how to further improve the health and safety arrangements.

Atkins reports accidents and incidents for staff, contractors, Joint Ventures and in situations where we are Principal Contractor. The Accident Incident Rate (AIR) is used to measure our accident performance for staff and contractors. Last year performance was within the Atkins AIR benchmark with the exception of staff in the construction category. The benchmarks were 146 for office, 319 for engineering and 1,445 for construction activities.

Atkins sets its own challenging targets as these benchmarks are based on a reduction on previous year of 5% for office and 15% for engineering and construction. For staff the AIR for engineering decreased from 178 to 147, but there was an increase in AIR for office from 38 to 89 and, of greatest concern, the AIR for construction increased from 1,042 to 1,833.

Nevertheless, our performance remains better than the industry performance as compiled by the HSE Labour Force Survey, and we are keen to continue to improve by expanding our Safety Leadership Programme, and to reduce the number of manual handling accidents, which account for 23% of serious accidents in construction. We also actively encourage the reporting of incidents and near-misses, of which 1,172 were reported compared to 756 in 2008. We view this as a positive step towards accident prevention.

All our operations are now covered by OHSAS 18001. The businesses are also on target to achieve the revised specification OHSAS 18001:2007 by the deadline of July 2009.

Our activities regarding health and safety throughout the last year have included the promotion of risk assessment as part of the European Week of Safety, the integration of safety leadership into our senior management development programme and the improvement of health and safety information on the Group's intranet.

Three of our businesses also received RoSPA awards: Gold for both Highways and Transportation, and Design and Engineering Solutions; and Distinction for Asset Management (which was awarded for the 22nd year running).

Environment

We are now able to report on our energy consumption for approximately 95% of our operations worldwide. The remaining parts of the organisation in Poland, the USA and offices in India will start collating data during 2009. We are not able to compare non-UK data as this is the first year this information has been collated.

There was significant effort during 2008 to extend the scope of our reporting to include worldwide operations and to obtain more accurate data for UK operations. More accurate data has contributed to a significant reduction in energy consumption. In the UK we consumed 27.0m kWh in the year to 31 December 2008 compared to 34.2m kWh in 2007. In the UK the energy data is now verifiable to 72% for gas and to 77% for electricity. Data is verifiable to 100% for energy consumption in Sweden, Denmark, Ireland, Portugal, China and the Middle East and India.

Fig. 1

Accident incident rate (AIR)	Office	Engineering	Construction
Benchmark	146	319	1,445
Staff			
08/09	89	147	1,833
07/08	38	178	1,042
06/07	12	65	995
05/06	104	151	556
04/05	59	235	2,763
Contractors			
08/09	132	0	619
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)

Worldwide, we emitted 15,071 tonnes of CO₂ from energy consumption. Fig. 2 shows the proportion of emissions from each region. 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 and the five-year average from the latest published Greenhouse Gas Protocol figures for each country other than the UK for electricity.

Remote energy metering was installed at five pilot locations in the UK during the year. There were immediate results as significant reductions in both gas and electricity consumption were identified and implemented at those locations. The remote metering is now being rolled out to more properties in the UK. Display Energy Certificates have also been introduced for some UK offices and these will be generated for more locations during 2009 to help raise awareness on energy performance.

We are now able to report on business travel emissions for approximately 90% of our operations worldwide. The remaining parts of the organisation including Poland, Ireland and offices in India will start collating data in 2009. Our business travel data covers road, air and rail travel for the UK and Sweden, road and air travel for the Middle East and India region and China and air travel for Denmark, the USA and Portugal. On this basis, our estimated worldwide CO₂ emissions associated with business travel were 23,350 tonnes.

In the UK we travelled 74m km by road, 36.7m km by air and 21.3m km by rail in 2008/09, resulting in total business travel decreasing by 2.4m km compared to last year. There has been a significant reduction of 4.1m km in air travel compared to last year. However there has been an increase of 0.9m km in road travel and 0.7m km in rail travel. We are not able to compare non-UK data as this is the first year this information has been collated.

The calculation for CO₂ 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.

For our UK company car fleet we have continued to reduce the average emission rating. The figure is now down to 154g/km compared to 158g/km last year.

Our waste management facilities have improved significantly throughout our worldwide operations. In Sweden 100% of the waste that we generate is either recycled or converted into energy – no waste goes to landfill. A recycling system has been trialled successfully with more than 60% of waste being recycled in the Hong Kong office. Additionally, a new system has been implemented across some of the centrally managed properties in the UK with more than 35% of the waste being recycled through these offices.

Portugal is now covered by ISO 14001 having achieved this environmental management systems standard during the year. All of our operations are now covered by the standard.

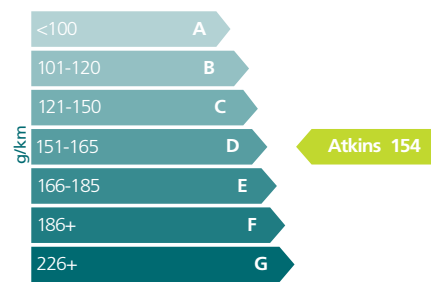
Fig. 2

Tonnes of CO₂ per employee from energy consumption



Fig. 3

Company car fleet emissions average in the UK



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Leadership and behaviour are key elements in our environmental management approach. Four of the UK businesses have now undertaken the Institute of Environmental Management and Assessment (IEMA) environmental senior executive course with the intentions in 2009 for the remaining UK business to complete the course and to review its suitability for all businesses worldwide.

Our supply chain management team has been working with a number of Group suppliers in the UK to encourage them to adopt sustainable practices in their own businesses. The Atkins Environmental Strategy has been developed and will be communicated to all our Group suppliers during the coming year.

Regulatory activity

In the UK last year the HSE made three visits to Atkins sites with no enforcement action. We have not been prosecuted for any breaches of health and safety or environment regulations.

Governance

The Board sets Group policies on corporate responsibility (CR). 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). The Group director for QSE, who reports 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, environment, sustainability, community, 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.