



AMEC plc
annual sustainability
performance report 2013




This is our Communication on Progress
in implementing the principles of the
United Nations Global Compact.

We welcome feedback on its contents.



Dow Jones
Sustainability Indexes
Member 2012/13



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amec.com

AMEC plc | Sustainability report 2013



Our values

AMEC believes sustainable business is the balance of economic, environmental and social responsibilities, meeting the requirements of our stakeholders, consistently, in line with living our values.

■ Sustainably delivering excellence to our customers

- Exceeding the expectations of our clients and others we work with
- Thinking sustainably, for the long term
- Passionate about success

■ Believing in people

- Investing in training and development
- Promoting teamwork and the sharing of knowledge and best practice
- Recognising the power of diversity

■ Never compromising on safety

- Protecting and supporting employees and anyone working with us or affected by our activities
- Committed to continuous improvement

■ Acting with integrity

- Being reliable, trustworthy and fair in all we do
- Showing respect
- Committed to delivering on our promises



Cover photo left to right: Ron Lofgreen (underground area manager) and Raul Rivas working on the Leeville mining project.
Back cover: Maddy Yin, Senior Document Control Engineer, Shanghai, who is working on the Roy Hill project.

Designed and produced by AMEC Corporate Communications, April 2014

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Forward-looking statements

This document contains statements which constitute "forward-looking statements". Forward-looking statements include any statements related to the expected benefits or estimated synergies resulting from a transaction with Foster Wheeler and are generally identified by words such as "believe," "expect," "anticipate," "intend," "estimate," "will," "may," "continue," "should" and other similar expressions. Forward-looking statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of AMEC, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking statements.

AMEC does not undertake to update any of the forward-looking statements after this date to conform such statements to actual results, to reflect the occurrence of anticipated results or otherwise.

IMPORTANT INFORMATION:

This document is for informational purposes only and does not constitute or form part of an offer to sell or the solicitation of an offer to buy or subscribe to any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. However AMEC may, in its sole discretion, take such action as it may deem necessary to extend an offer in any such jurisdiction. This document is not an offer of securities for sale into the United States. No offering of securities shall be made in the United States except pursuant to registration under the US Securities Act of 1933, or an exemption therefrom.

In connection with the proposed offer, AMEC expects to file a registration statement on Form F-4, which will include a prospectus (the "prospectus"), and a Tender Offer statement on Schedule TO (the "Schedule TO"). The proposed offer will be made exclusively by means of, and subject to, the terms and conditions set out in, an offer document containing and setting out the terms and conditions of the offer (the "Offer Document") and a letter of transmittal and form of acceptance (the "Acceptance Forms") to be delivered to Foster Wheeler, filed with the United States Securities and Exchange Commission (the "SEC") and mailed to Foster Wheeler shareholders. The proposed offer will be made by AMEC or an affiliate of AMEC and not by any other person, including Bank of America Merrill Lynch or Barclays.

The release, publication or distribution of this document in certain jurisdictions may be restricted by law and therefore persons in such jurisdictions into which this document is released, published or distributed should inform themselves about and observe such restrictions.

SHAREHOLDERS OF FOSTER WHEELER ARE URGED TO READ ANY DOCUMENTS REGARDING THE PROPOSED OFFER WHEN THEY BECOME AVAILABLE (INCLUDING THE EXHIBITS THERETO) AS THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED OFFER.

The registration statement, the Schedule TO and other related documents in relation to the proposed offer will be available electronically without charge at the SEC's website, www.sec.gov, after they have been filed. Any materials filed with the SEC may also be obtained without charge at AMEC's website, www.amec.com.

Samir Brikho – introduction to 2013 Sustainability report

I have recently been reminded of an old-fashioned word which not only helps explain what is required of any Chief Executive but also, I think, shows how sustainability is a key part of this role. That word is 'husbandry'.



Samir Brikho pictured during one of his regular town hall briefings of AMEC employees, this one in Atlanta

'To husband' means to use with care, to keep, to save, to make last, to conserve. Add to this vision and ambition for the long term and you start to create an environment for sustainable business success. Our sustainability strategy is about all those factors which matter for the long term, such as people, customers, safety and integrity.

We have run a series of stakeholder engagement panels in recent years. In 2013 we asked undergraduate engineers, our prospective employees, to discuss whether sustainability matters and how AMEC should communicate its approach. I was pleased by their positive perceptions of AMEC. They specifically mentioned our involvement in our local communities, our Beyond Zero programme and how we develop our staff. I am proud of so much of what we do, even while I am pushing us to do even better. This generation is the future of AMEC and I appreciated this insight into their views.

As engineers we use our brains - but we also have hearts." Quote from undergraduate stakeholder engagement panel



Presenting the award for 'Innovation in Education' to Jihad Shoja'eyeh at the TAKREEM Arab Achievement Awards, sponsored by AMEC for the first time in 2013



A recent town hall in Oakville, ON, Canada became the first to be broadcast using Lync to other offices in Canada and the US. More information on Lync can be found on page 51.

Highlights of 2013 included:

- We are collaborating more, providing a 'One AMEC' approach to selling our services and to delivering projects for our customers
- We achieved a strong safety performance and were included in DJSI for the 10th year in succession. We can be proud of our disciplined approach to health, safety, security and the environment, but we can never afford complacency
- Our Middle East order book has never been higher. In 2013 we sponsored the TAKREEM Arab Achievement Awards for the first time
- The strength of our conventional oil & gas business, particularly in the UK North Sea
- We have been delivering excellently on US solar projects, giving us the confidence to expand our activities and win the 250MW project for Sempra US Gas & Power
- Improving our position in the mining market. Australia is a tough market at present, so the award of work on Roy Hill is particularly pleasing

- We celebrated 30 years as a listed company
- We continued to support our local communities, including designing transitional shelters for IFRC and raising money for emergency relief efforts in Syria and the Philippines
- We won best employer awards in Canada and were recognised as one of the UK's 'most in demand employers' on LinkedIn. It's great to be recognised in this way, in the year that we launched our employer brand 'Why AMEC'
- We established our new shared service centre in Manila
- We met our first carbon reduction milestone. In 2008, we said we wanted to reduce carbon emissions by 80 per cent by 2050, with a 15 per cent reduction by 2013.

These are all described further in this document or in our employee publication 'On reflection.'

“We continue to support the UN Global Compact with pride.”
Samir Brikho, Chief Executive

Inevitably, not everything went according to plan, but adjusting to these setbacks is an important part of achieving long-term success.

- We had 14 Lost Time Incidents (LTIs) in 2013, equivalent to 0.038 per 200,000 exposure hours. Our target is zero
- Allegations of historic blacklisting were made against AMEC and a number of UK construction companies. AMEC does not operate a policy of blacklisting individuals and neither the senior management of the company nor I would condone such a policy
- Although not under AMEC's management control or responsibility, joint ventures in which we are involved have been fined for environmental breaches. See page 45 for further details.

This report focuses on AMEC's performance in 2013 and our priorities for 2014. In addition, assuming the acquisition of Foster Wheeler completes as planned in the second half of 2014, we will need to ensure a successful integration process. I am excited about the potential from combining our two highly skilled workforces, each with industry-leading engineering and project

management expertise and I firmly believe the combination is a compelling proposition for shareholders, customers and employees.

Foster Wheeler is an international engineering, construction and project management contractor and power equipment supplier. Together, we will be positioned to serve customers across the whole oil and gas value chain, with mid and downstream capabilities added to AMEC's existing upstream focus. Our geographic footprint will improve, bringing scale benefits and new customer relationships. We anticipate cost and tax synergies, but more important are the new opportunities to cross sell our services. Importantly we will be retaining AMEC's low-risk and cash-generative business model. You can find out more about our plans on our website, at amec.com/investors/.

I have said before that we see sustainability as integral to the achievement of our long term strategy. If all goes to plan, AMEC next year will look very different to today. Importantly though, the things that really matter to us will be unchanged; and our commitment to sustainability - including 'husbanding' our resources - is one of them.



Measurements and targets

We want to ensure that we manage our key risks and material sustainability issues and strive for continuous improvement. To help us achieve this, we set ourselves specific goals and monitor our performance against them. Shown below are the key goals and measures that we look at, along with an overview of our recent performance in these areas. More detailed information can be found within the relevant sections in this report, signposted below.

If all goes to plan, we expect the acquisition of Foster Wheeler to complete in the second half of 2014. Integration planning is already underway and, although not specifically referenced below, will be a key focus area in each section (people, safety, environment and integrity).

People

Our success lies in the success of our employees and the way in which they deliver to our customers. It is vital that we recruit, develop and retain the best people, ensuring they are engaged with AMEC and

committed to the company's success. During 2013 we set ourselves targets in a number of areas, to achieve improvements against our long-term goals.

Our long term goal;

- Attracting, retaining, and developing the best people for AMEC and our customers.

2014 focus areas

- The recruitment, development and retention of our people remains critical to our success

Table 1: People

	2013 target	2013 performance
Resourcing	Recruit and develop people for the future.	Recruited successfully in resource-constrained markets. For example, our business in Europe recruited almost 6,000 people in 2013, to support short-term projects. Our average number of employees grew by 1 per cent overall Brought 412 'strategic recruits' into the group during 2013 Refreshed our graduate recruitment website and materials.
Development	75 per cent of employees receive a performance development review (PDR) Ensuring managers engage with the development of their employees.	68 per cent (13,504) of eligible employed workers completed a PDR in the year, 7 per cent short of our target More than 60 per cent of respondents to pulse surveys said that this was happening.
Engagement	Improve employee retention Improve employee engagement.	Employee-instigated turnover at 10.6 per cent, improved from 10.8 per cent in 2012 At least 70 per cent of respondents to quarterly pulse surveys were measured as engaged.
Diversity	Focus on diversity.	Developed and refined our approach to diversity and inclusion in the workplace, recognising that our goal is diversity of thought.
Mobility	Improve our global mobility.	People focus process reviewed, including global graduate recruitment Commercial framework improved to enable mobility Introduction of a functional focus to support ownership of key talent.

- In 2014 we will – once again – be focused on supporting our growth with new hires
- We will seek to embed our new commitment to diversity and inclusion into the organisation
- We are planning an executive development programme to complement the existing junior and senior management programmes currently offered through AMEC Academy
- We are reviewing our succession planning process to ensure we develop and retain the right people. We already have a high degree of success in filling positions using succession plans, but we would like to make this even better.

See pages 26 to 33 for more detailed information relating to the people performance of the business, along with case studies where appropriate.

Safety

AMEC is focused on achieving the highest standard of health, safety and security management. We want to provide a safe working environment and encourage our people to take this same thinking home with them and into their communities – AMEC's 'Beyond Zero' approach. Every year we set ourselves targets to achieve improvements against our long-term goals and we did this again during 2013.

Our long term goal(s);

- Deliver year on year improvement in our safety performance
- Zero lost time incidents
- Continue to drive workforce engagement

2014 focus area(s);

- Zero lost time incidents

Table 2: Safety

	2013 target	2013 performance
Performance	10 per cent improvement on best ever total recordable case frequency rate (TRCFR) and all-injury frequency rate (AIFR) Zero LTIs Monitoring close out of incidents.	Both TRCFR and AIFR decreased in 2013 compared with 2012 levels, by 32 and 34 per cent respectively We had 14 LTIs in 2013, equivalent to 0.038 per 200,000 exposure hours. Our target is zero HSSE leadership team implemented a weekly call to monitor incidents and incident review panel outputs.
Benchmarking against standards	Assure HSSE management system against mandatory standard.	80 per cent of operations completed a review.
Security	Plan for people's security Emergency preparedness plans in place for high risk areas.	34 security incidents were recorded in 2013 (2012: 22). This is due to a greater awareness of security issues across AMEC and identifies areas where more focus may be required 89 per cent of emergency preparedness reviews were completed, exceeding target set for 2013.
Leadership	Visible, felt leadership – Beyond Zero.	79 per cent of our leadership completed Beyond Zero action plans, exceeding the target set for 2013.

- 10 per cent improvement on our best ever performance for TRCFR and AIFR
- Focus on leadership roles and responsibilities, benchmarking ourselves against others and introducing a peer feedback process
- Establishing a 'good practice' guideline for HSE assurance
- Using the information generated by our incident management systems to drive more preventative action and share learning globally
- Fully implementing our Inherently Safe Design process across the organisation
- Continued implementation of the emergency preparedness framework
- Undertake security analysis to anticipate and manage security risks.

For more detailed information go to pages 34 - 43.

Environment

We are looking to protect and improve the environment when we can, minimising harm through excellent environmental management and delivering services to our clients. We want to ensure the efficient use of natural resources, reducing AMEC's carbon footprint and eliminating waste where we can. During 2013 we looked at our focus areas and set ourselves targets to achieve improvements against our long-term goals.

Our long term goal(s):

- Year on year improvement in our environmental performance
- 80 per cent reduction in our carbon per person by 2050 from our 2008 levels.

Table 3: Environment

	2013 target	2013 performance
Performance	10 per cent reduction on our best ever environmental incident rate.	Our environmental incident rate remained at the same low level as in 2012, at 0.23 incidents per 200,000 man-hours.
Carbon	<p>Meet first carbon reduction milestone of a 15 per cent reduction of our carbon from 2008 levels</p> <p>Re-baseline our carbon footprint</p> <p>Full review of carbon management and reporting systems ahead of mandatory reporting regulations.</p>	<p>We met our first carbon milestone, a reduction of 15 per cent based on our benchmark indicators</p> <p>Re-baselining process was undertaken during 2013 and is discussed in detail elsewhere in the report and supporting carbon supplement. See pages 46 and 49</p> <p>Review and external audit was undertaken to ensure readiness and ability to comply with the mandatory reporting regulations, now in effect.</p>
Water	Develop a risk based water strategy for the global business.	<p>Risk based water strategy has been finalised and priority sites identified. Water awareness programme currently under development, to support strategy</p> <p>Estimated direct water consumption for 2013 based on typical water use per region is 473,738m³.</p>

2014 focus areas;

- Roll out of the water strategy with focus on priority sites in relation to water management and reduction programmes
- Assurance of environmental risk controls
- Implementing our office efficiency programme.

For more detailed information go to pages 44 - 51.

Integrity

It is important that we demonstrate our value of acting with integrity in our behaviour. We will never accept or excuse behaviours that are inconsistent with those laid out in our values and our Code of Business Conduct. We are committed to supporting the communities in which we operate, by building relationships and investing time and effort. We support the elimination of forced or child labour. During 2013 we looked at our focus areas and set ourselves targets to achieve improvements against our long-term goals.

Our long term goals;

- 100 per cent completion of the Code of Business Conduct training
- Encourage our employees to support their local communities and those charities that are important to them.

2014 focus areas;

- Further embedding of Code of Conduct Training
- Revise and roll out anti bribery and corruption training for appropriate personnel
- Continue to support charity and community events that our employees / local offices choose to support
- Continue to support our global strategic charity SOS Children
- Review community reporting process.

For more detailed information go to pages 52- 56.

Table 4: Integrity

	2013 target	2013 performance
Ethical business conduct	Online Code of Business Conduct training for employees.	Revamped, simplified and streamlined our global policies and mandatory procedures, in support of our Code of Business Conduct. Almost 21,000 AMEC employees undertook anti-bribery and corruption training in 2013.
Community	<p>Continue to support our employees' community investment and charitable efforts</p> <p>Continue to support our global strategic charity.</p>	<p>Over £400,000 donated by AMEC, matching the fundraising efforts of our employees. 2,274 hours were volunteered by our employees.</p> <p>We continued to support SOS Children as our global strategic charity. We also provided expertise to IFRC, designing transitional shelters to be used in disaster situations.</p>

About AMEC

We are a focused supplier of consultancy, engineering and project management services to our customers in the world's oil and gas, mining, clean energy, environment and infrastructure markets. With revenues of some £4.0 billion, we operate in around 40 countries, working for customers ranging from blue-chip companies to national and local governments. We support assets such as upstream oil & gas production facilities, mines and nuclear power stations, from inception to decommissioning.

Our operations

We report on a geographic basis. We believe that this structure promotes collaboration and so maximises growth opportunities across our business.

- **Americas** Our largest business unit, with the best balance across our markets. Our oil & gas business is well-positioned; we are a market leader in mineable oil sands; a leader in consulting and Engineering Procurement and Construction Management (EPCM) in mining; have good positions in solar and bioprocess; and are a leading player in the diverse Environment and Infrastructure (E&I) market. Americas represents 56 per cent of revenue and 51 per cent of our employee base.
- **Europe** Principally UK based with activities elsewhere in Europe. Strong position in oil & gas, with market leading position in North Sea

brownfield activities. Leading position in the UK nuclear market, where services range from new build right through to decommissioning. Europe represents 31 per cent of revenue and 37 per cent of our employee base.

- **Growth Regions** We expect each of our business units to grow, but see Growth Regions as having greatest potential. Oil & gas in the Middle East is growing currently though the Australian mining market remains tough. This part of the business represents 13 per cent of revenue and 12 of our employee base.

Our four markets

We provide similar services in each of our four markets – oil & gas, mining, clean energy, and environment & infrastructure (E&I) – winning work through strong customer relationships and our proven ability to deliver successfully, even in harsh or remote environments.

Fig 1

<p>Oil & Gas</p> <p>Growth is driven by the long-term rise in energy demand. Resources are becoming increasingly difficult to access which plays to AMEC's expertise in complex engineering and harsh locations. Technology is facilitating the development of tight oil and shale gas.</p>	<p>Mining</p> <p>General macro uncertainty is affecting the near-term outlook for the mining industry, increasing volatility. Long-term fundamentals remain robust, supported by increasing urbanisation in emerging markets.</p>	<p>Clean Energy</p> <p>Clean energy provides an increasingly significant part of the global energy mix, its growth driven by increasing demand for power and environmental concerns. AMEC's proven expertise, depth of technology understanding and strong customer relationships provide further growth opportunities.</p>	<p>Environment & Infrastructure (E&I)</p> <p>The overall environmental consulting and engineering market includes services provided to all four of AMEC's markets. Our E&I market alone consists of four sectors: water, transportation/infrastructure, government services, and industrial/commercial.</p>	<p>For more information about our business, the sectors we service, and how we are implementing our Vision 2015 growth strategy, please visit our website at amec.com, or see our annual report and accounts.</p>
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Governance in AMEC

Our board of directors is ultimately responsible for promoting the long-term, sustainable success of the company in accordance with the expectations of, and its obligations to, all stakeholders.

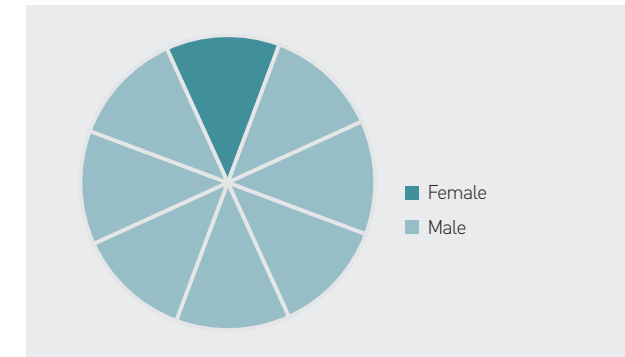
Our board members were selected to ensure a good mix of skills and experience. The board comprises our Chairman, considered to independent at the time of his appointment in line with the UK Corporate Governance Code; two executive directors, our Chief Executive and Chief Financial Officer; and (as at 31 December 2013) a further five non-executive directors.

The board leads and controls the group effectively and all directors act in accordance with what they consider to be the best interests of the company, consistent with their statutory duties under the Companies Act 2006 and other legislation.

In order to ensure it retains appropriate overall control of the group, the board maintains a schedule of matters reserved for its approval. These include:

- annual strategic and short-range plans
- financial and treasury policies
- risk identification, risk appetite, risk management and internal control systems
- major acquisitions and disposals
- Code of Business Conduct
- full and half year accounts
- dividend policy
- succession planning for directors and senior executives
- group-wide policy framework
- ensuring the effectiveness of governance practices

Fig 2: Gender diversity of the board



The Code of Business Conduct (CoBC) forms the foundation of AMEC's approach to corporate governance. It is the responsibility of, and upheld by, the board and ensures that those who work for and under AMEC's direction understand the behaviour that is expected of them.

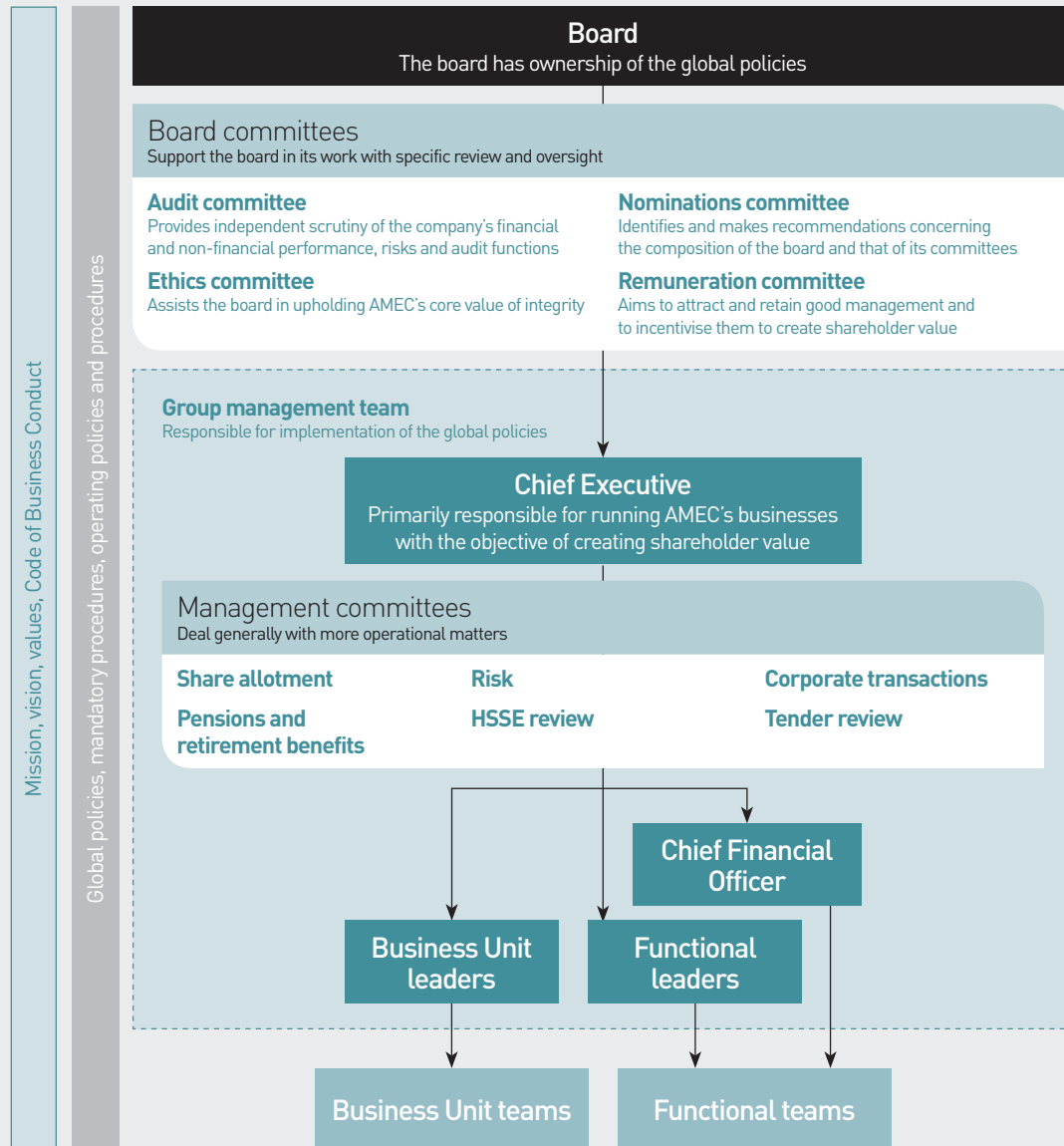
In early 2013 the board launched a revised global policies document, supported by a set of global mandatory procedures and designed to strengthen the corporate governance framework. These revised global policies and procedures provide a more detailed description of expected working behaviours and so aid consistency in the direction and management of the businesses throughout the group in accordance with AMEC's vision and values.

For more detail on our board of directors, board committees and governance please refer to the AMEC annual report and accounts 2013.

Did you know?

In 2013, AMEC ranked as one of the top 135 most sustainable companies worldwide (RobecoSAM Sustainability Yearbook).

Fig 3: AMEC governance overview



Sustainability in AMEC

AMEC believes sustainable business is the balance of economic, environmental and social responsibilities, meeting the requirements of our stakeholders, consistently, in line with living our values.

Our aim is to create a successful, sustainable company for the long-term. To achieve this, we need to balance economic, social and environmental issues in our decision-making processes, ensuring sustainable working is integrated into the very core of our business.

In 2011 we revised our sustainability strategy to strengthen the visible linkage with the core business strategy - from our values to Vision 2015. This linkage remains valid since we have updated our business strategy to '2015 and beyond'. Detailed information on our sustainability strategy can be found within our 2011 sustainability report and on amec.com/sustainability and is depicted in the diagram below.

Sustainability impacts, risks and opportunities

We believe that sustainability impact management must be integral to the way we manage our business and integrated throughout our management system. Sustainability-related issues are part of our day-to-day business. We need to ensure we concentrate on those which have the greatest impact on our ability to manage our business. We use a number of techniques to do this, including;

- Risk management
- Stakeholder engagement
- Sustainability surveys
- Global standards, principles and framework

The top five risks relating to the sustainability of our business are described in the table on the next page.

Fig 4: Our sustainability strategy

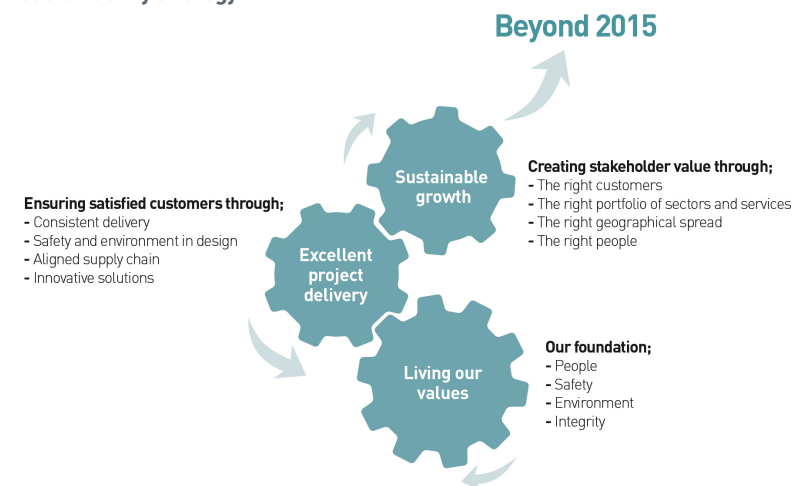


Table 5: AMEC's top 5 sustainability risks

	Description	How we manage the risk	Link to strategy
Health, Safety & Security	AMEC is involved in activities and environments which have potential to cause serious injury to personnel or damage to property or the environment and damage to our reputation.	We are focused on achieving the highest standards of health, safety, security and environmental management, through an effective HSSE policy and ensuring effective leadership is in place to deliver it.	Living our values – safety
Staff recruitment and retention	An inability to attract and retain sufficient high-calibre employees could become a barrier to the continued success and growth of AMEC.	We have a clear HR strategy aligned to the business strategy focused on attracting, developing and retaining employees. We continuously review compensation and benefits. AMEC Academy delivers our development activities.	Living our values – people
Ethical breach	A substantive ethical breach and/or non-compliance with laws or regulations could lead to damage to reputation, fines, litigation and claims for compensation.	We have a number of measures in place to mitigate this risk including; <ul style="list-style-type: none"> Code of Business Conduct Independent whistle blowing mechanism Ethics officers Anti-fraud and other internal audits Ethics training programme 	Living our values – integrity
Major third party environmental event	A major third party event resulting in significant environmental damage may lead to adverse developments in one of AMEC's key markets. AMEC is involved in an event resulting in significant environmental damage.	We would work to mitigate the impact by working closely with stakeholders and other interested parties. Internally we ensure we have appropriate environmental controls within our designs and projects, have effective environmental management systems and that we implement the global environmental standards consistently.	Living our values – environment
Project delivery	Failing to maintain discipline and meet customer expectations on project delivery could result in damage to reputation, loss of repeat business and potentially lead to litigation and/or claims against AMEC.	AMEC operates a system of globally applied policies and procedures. These, combined with comprehensive management oversight, the risk management process, project reviews, internal audit, peer reviews and customer feedback, mitigate the risk to successful project delivery.	Excellent project delivery - consistent delivery

When reviewing our sustainability risks we once again looked at climate change. Although it remains a significant long term issue for AMEC, it is no longer one of the top five sustainability risks for the business. We continue to manage our climate change issues, whilst ensuring compliance with local, national and international legal requirements. We believe our biggest impact is the manner in which we positively support our customers to

address their energy and water use in the services we provide to them. More information can be found within the body of this report.

Information relating to our principal risks and uncertainties and how they are managed can be found throughout the strategic report within the 2013 annual report and accounts.

How we manage sustainability

We believe that sustainability must be integral to everything we do as a business in order to be successful. It is integral to our policies and procedures, our values and our corporate governance.

A key tool we use to ensure that sustainability is driven at a local level is our sustainability matrix, which provides a consistent way in which our employees can see what's going on locally around them so they can be actively involved should they want to be.

Our report:

We use our sustainability performance report to:

- Assess our performance against laws, codes, performance standards and voluntary initiatives
- Demonstrate how AMEC influences and is influenced by global sustainable development issues
- Compare performance over time within the organisation and against peers where it is useful to do so
- Communicate our key sustainability issues and how we manage and improve on them.

We have focused the content of the report on those areas which are most important for us manage, important to our stakeholders, tied with principles to which we are committed to and which are critical for AMEC's long term success. We have grouped our sustainability issues into chapters aligned to our sustainability strategy: living our values, excellent project delivery and sustainable growth. This report also is inclusive of our Global Compact Communication of Progress report.

The data included incorporates AMEC's business units, plus corporate and shared services. Where

historical data is available it is stated from 2009 to 2013 inclusive. Information which has been restated to provide a like-for-like comparison with previous years is clearly identified in the performance sections.

The key performance indicators used in this report are regularly reviewed and updated according to their value.

Living our values

The table below illustrates our material sustainability impact areas that are more fully described within the content of this report.

Table 6

People Engagement Attraction and retention Equal opportunity and diversity Employee / capability development Employee mobility	Integrity & Community Ethical trading – anti-corruption and bribery Community investment Access to employment / local content Skills building Human rights
--	--

Environment Pollution prevention Climate change Risk assessment and control Legal compliance Emergency response

Safety Occupational Health, Safety and Security Emergency response and incident control
--

Excellent Project Delivery Performance excellence Service provision Supply chain management	Sustainable Growth Strategic development Shareholder Value Investment / Divestment
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Did you know?

We have been disclosing to the Carbon Disclosure Project since 2007 demonstrating awareness and management of our greenhouse gas emissions.

Stakeholder Engagement

Did you know?

Stakeholder panelists included graduates of various nationalities representing seven universities across the UK.

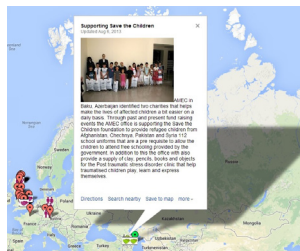
Launch of new sustainability awareness programme

In 2009 we developed and rolled out an online sustainability awareness programme to ensure our employees understood what we meant by sustainability and how the decisions they made could have an impact on the delivery of our values and how we deliver projects to our customers.

Following numerous changes within the business and the update to our sustainability strategy in 2013 we developed and launched a refreshed online interactive sustainability awareness training programme for 2015 and beyond.

The training programme, which forms part of the AMEC academy, has been designed to give employees a refreshed understanding of AMEC's approach to sustainability, highlighting how our strategy works, specific examples of what we have done for sustainability to date and also how sustainability is integrated into our projects. We invited all staff to access the training module either for the first time or as an opportunity to build on knowledge for those who have completed the previous training. During 2014 we will be encouraging our employees to complete the training.

To support the refreshed training we launched a sustainability pledge map for all AMEC staff, providing our employees with the opportunity to let us know what they have been doing to support sustainability. Below shows a snapshot of the pledge map



2013/14 Dow Jones Sustainability Index

AMEC, has been featured in the worldwide Dow Jones Sustainability Index (DJSI) 2013 / 14 within the oil equipment and services sector. This is the tenth year in succession AMEC have featured in the index.

We are also very proud that AMEC were awarded a Silver Class Sustainability Award 2014 by the analysts who compile the RobecoSAM Global Sustainability Index (Dow Jones Sustainability Index).



In addition, AMEC has also been recognised by GreenBiz Group and Trucost as a Natural Capital Efficiency Leader within the Natural Capital Leaders Index which was launched on 22 January 2014. Independent analysts surveyed over 4,000 companies to identify those 'companies that used natural capital most efficiently to generate revenue over the past year compared to their sector peers'. This is a great achievement for AMEC, as only 28 companies across 19 business sectors were identified as Natural Capital Efficiency Leaders.



Interacting with our stakeholders is clearly a fundamental part of maintaining a sustainable business. It is key to our continued success, now and in the long term, and is essential in attracting great people, clients, projects and investors.

Stakeholders come in all shapes and sizes and all are important. These days we can all influence the perception of the sustainable success of companies. With the emergence of powerful social media tools, any individual can contribute to discussions about society and shine a light on the ethical behaviours of corporations which have impacted them, directly or indirectly.

AMEC has a diverse pool of stakeholders. Our report has been developed to include information, at a group-wide level, which our key stakeholder groups tell us is relevant to them. We use key performance indicators informed by the UN Global Compact Global Reporting Initiative.

Table 7: AMEC key stakeholder groups

Stakeholder group	Local	National	Regional	Global
Employees	■	■	■	■
Customers	■	■	■	■
Investors			■	■
Communities	■	■		
Governments	■	■		
Future employees	■	■	■	■
Regulators	■	■		
Suppliers	■	■		
Peers	■	■	■	■
NGOs	■	■	■	

Listening and engaging with stakeholders is something we do throughout the business. We do not use any one tool. Dialogue with stakeholders can take the form of informal conversation and information sharing, through to formal stakeholder panels.

This section of our report shares a snapshot of engagement activity relating to our global stakeholder groups during 2013, building on the work we have undertaken in previous years.

UN Global Compact

An important part of our sustainability ethos continues to be our support for the United Nations Global Compact Principles. These were launched in 2000 and cover human rights, labour, environment and anti-corruption.

In 2013 we continued to support and contribute to the UK Global Compact network, which provides opportunities to discuss and share best practices on topics relevant to the principles of the UN Global Compact.

In addition our Chief Executive, Samir Brikho, attended the UN Global Compact Leaders Summit 2013. This event takes place every three years and brings chief executives together with leaders from civil society, government and the United Nations. The event provided a great opportunity to discuss corporate sustainability strategy at the highest level, and produce strategic recommendations

and action imperatives for the future of the initiative.

One of the key discussions was about how business can integrate responsible practices into operations and take action on sustainability issues. The summit also set the stage to shape and advance the post-2015 development agenda – putting forward a framework for business to contribute to global priorities, such as climate change, water, food, women's empowerment, children's rights, decent jobs, and education. We will be reviewing progress on this framework and the post-2015 development agenda as more information / discussions become available.

AMEC remains committed to the 10 principles of the Global Compact. The principles are enshrined within company policy and we will continue to embed them within our behaviours and our culture. We will endeavour to work with our supply chains, clients and peers to disseminate the requirements along the value chain. This report is also AMEC's Communication of Progress and will be posted onto the Global Compact website in accordance with the condition of participation.

Investors

Engagement with the investment community (both current and potential shareholders) is important. We want to ensure that they know and understand our business, how it is run and what our future aspirations are. We also want to explore their views and interests and understand how they decide which companies they invest in.

We encourage our employees to hold shares in AMEC. They continue to be a major shareholder group; holding 1.8 per cent as of February 2014. This puts them within the top 25 per cent of our investor groups.

In addition to our normal programme of individual one-to-one meetings, our 2013 investor engagement included a sustainable and responsible investment (SRI) capital market event in April entitled 'Sustainable Growth – 2015 and beyond'. Our presenters spoke about how we manage our people, how we work ethically and how we engineer sustainability into our projects. The themes tied in closely with AMEC's then recent reorganisation across geographic lines and an increased emphasis on building a larger, more sustainable position in our Growth Regions business unit. The event was hosted by the Chief Financial Officer, Ian McHoul who provided an introduction and overview of the business structure and strategy, and involved the Group HR Director, Company Secretary and General Counsel, and the Head of Sustainability. The event webcast and transcripts are available to view on amec.com/investors/events.

In May, we attended Nomura's two-day European SRI conference in Paris and held a series of one-on-one investor meetings with investors interested in our approach to sustainable development.

Several key areas of interests were highlighted during these engagement sessions. They included:

- How we ensure our standards are rolled out and enforced globally, as we expand our global reach
- How we support sustainable energy projects and how we manage sustainability on our projects
- How we attract, develop and retain a skilled workforce across the regions where we are based and in particular in new countries
- Our approach to health and safety
- How we manage our carbon usage and our preparedness for the forthcoming mandatory reporting regulations.

Governments

Governments and political stakeholders form an importance audience for AMEC as they develop policy, legislate and regulate in our key markets.

In addition, public sector bodies are important customers. These may be government departments or agencies, state-owned companies or quasi-national organisations and include the US Department of Defence, China Guangdong Nuclear Power Company, ADNOC in the UAE, SOCAR in Azerbaijan and the UK's Nuclear Decommissioning Authority (NDA). For example, Nuclear Management Partners, in which AMEC is one of three joint venture partners, had its contract for decommissioning the Sellafield site renewed by NDA in 2013.

We regularly meet members of governments and public sector officials at formal meetings and briefings as well as at regular public policy events. This ensures that there is continuing dialogue. It is important that we understand what new areas of policy are being developed and can discuss any undesirable or unintended consequences of proposed government action. In particular, AMEC maintains a dialogue on energy and climate change issues, in order to keep up momentum in delivering across these areas. In 2013 this included advice provided to DECC in the UK on offshore wind and energy efficiency, as well as issues raised at European Commission level, such as the state aid case review for UK nuclear new build and the European Fuel Quality Directive. Key meetings in 2013 with UK Ministers included Edward Davey MP, Secretary of State for Energy and Climate Change, Owen Paterson MP, Secretary of State for Environment, Food and Rural Affairs and Danny Alexander MP, Chief Secretary to the Treasury. AMEC also continued its dialogue with senior UK Opposition politicians

including the Leader of the Opposition, Ed Miliband MP and Shadow Chancellor, Ed Balls MP.

Samir Brikho continues to serve as a UK Business Ambassador and has undertaken a number of engagements in this role, such as meeting up with UK Ambassadors and High Commissioners overseas to discuss the opportunities for UK companies in their markets. One such event was the UK reception at the World Energy Congress in Daegu in South Korea, where Samir Brikho acted as co-host. Samir continues to co-chair the UAE-UK CEO Business Council and was appointed as co-chair of the UK – South Korea Global CEO Forum, which was launched during President Park's State Visit to the UK in November 2013.

In addition, AMEC sits on various advisory boards and was represented, for example, by Clive White on the Nuclear Industry Council, Edward Jones on UKTI's High Value Opportunities Board and Duncan Guy on the Philippines British Business Council. These positions all help to provide opportunities to offer advice to government in areas of economic development, trade and delivery of energy policy.

We also take time to meet with government ministers, national or provincial, and diplomats in country, at international events or if they are visiting the UK. Examples in 2013 included meetings with Canadian Ministers, John Baird (Foreign Affairs), Ed Fast (Trade) and Christian Paradis (Industry), Ricardo Quijano, Panama's Minister of Trade and Industry, Pauline Marois, Premier of Quebec, Fakhraddin Gurbanov, Azerbaijan Ambassador to the UK and Yusuf Timol, Minister (Economic) at the South African High Commissioner. Important issues discussed included mining strategy and minerals exploration, onshore wind, skills shortages and nuclear decommissioning.



In May 2013, AMEC hosted a delegation from Chongqing, China where AMEC is undertaking a project for a major petrochemical complex. The visit included Chongqing government officials and culminated in an MOU of mutual commitment to the success of the project.

Stakeholder engagement panel

Each year we select a key group of stakeholders and conduct a formal sustainability-related stakeholder feedback session with them. These are initiated in addition to our on-going engagement sessions. In previous years we have undertaken sessions focused on our employees, investors and peer/client group. For further information, please refer to our previous sustainability reports.



Stakeholder engagement panel

In 2013, and aligned to our 2015 and beyond strategy, we focused on our prospective employee base, in particular, undergraduate engineers. This group of people are essential to the sustainable success of our company, yet there is great competition among our peer group to recruit and retain the best newly qualified engineers. We wanted to find out what this group felt about sustainability in our industry, their expectations from business in terms of sustainability and whether our approach resonates with them.

On 27 November 2013, Corporate Citizenship facilitated a Future Engineers Sustainability Panel on our behalf. Corporate Citizenship has provided AMEC with a record of the key points from the discussions, which have been forwarded to senior management. These include findings on the participants' expectations for sustainability in the engineering sector and how it can positively impact mankind.

Corporate Citizenship recruited panel participants from the engineering departments of Cardiff, Dundee, Liverpool, Loughborough, Queen Mary (London) and Warwick universities. While the panelists all studied in the UK, they included Brazilian, Chinese, Pakistani and Polish nationals.

The panel sought to investigate two key questions. Does sustainability matter to graduates? And how should AMEC communicate its approach to sustainability and its operations so that it resonates with this group? The panel undertook two main activities: a formal group discussion on engineering careers and an exercise in small groups on how sustainability matters to engineering companies.

A participative and constructively critical approach to discussion was encouraged throughout by Corporate Citizenship. AMEC employees were deliberately excluded from the most substantive discussions, in order to encourage forthright participation.

Our stakeholder panellists gave us a fantastic snapshot into the issues which interested them and, more importantly, some really useful steers into how we could engage with this important stakeholder group in the future.

AMEC employee Linzie Forrester with stakeholder engagement panel



People



AMEC is a people company: everything we deliver is done by our people, working closely with our customers. That means we need to recruit, develop and retain the best people to be successful. We also need our people to be engaged and committed to the company's success, so we have to have a clear plan about how we manage them.

Fig 5: 2015 & beyond



2015 and beyond

Our long term goal remains attracting, engaging, retaining and developing the best people for AMEC and our customers.

Sustainability is at the core of AMEC, and of our people management. Our focus is on the long term, which means setting our strategies, implementing processes and planning our resourcing, development and engagement of employees for the future as well as for now.

Our 2015 and beyond business strategy drives our people strategy and both are about growth. We set our immediate 2013 business priorities at our global management conference in late 2012 and our people priorities support these objectives.

During 2013 our five key areas of focus were:

- Resourcing
- Development
- Mobility
- Engagement
- Diversity

Resourcing

In recent years, our global resourcing (HR) team has been working ever more closely with operational management to identify and plan for required recruitment in a timely manner. Recruitment is now treated like a project, making sure we have the right people, skills, strategies and processes in place, at the right time and in the right places.



Table 8: Recruitment by division and type, excluding agency and joint ventures (JVs)

	Europe	Americas	Growth Regions	Centre	2013 total	2012 total
Directly, by AMEC recruiters	1,751	1,950	649	152	4,502	4,784
Using external recruitment agencies	85	44	135	33	297	459
Referral from existing employees	28	379	63	3	473	638
Alumni programmes	3	104	13	3	123	148
Total	1,867	2,477	860	191	5,395	6,029



Did you know?

AMEC scooped the 'People Development' award in the 2013 Oil & Gas UK Awards. This award recognises the outstanding commitment made by an organisation in developing its most important asset – its people.

In 2013 we successfully recruited nearly 10,000 people, including agency and JV employees, into AMEC to work on projects of varying lengths. This number was down only slightly on 2012. Recruiting the right numbers of people, with the right skills to deliver excellent projects for our customers, is an ongoing process and a core enabler of success.

A continued success story, over and above the sheer numbers, is the amount of recruitment from 'in house' sources. The majority of those recruited in 2013 (95 per cent) joined thanks to the efforts of our own HR teams and AMEC programmes, rather than through a recruitment agency. This figure was up from 92 per cent in 2012.

Part of this recruitment effort was down to our referral programme, where our employees refer people they know in return for financial rewards. The referral programme, along with our alumni process filled 596 of our vacancies in 2013.

Strategic recruiting

AMEC has a proud tradition of what we call 'strategic recruiting', which includes our graduate, trainee and intern programmes. By interns, we mean school, college or university students hired, for a defined period, as part of their work experience. Graduates are hired from college or university onto structured development

programmes, and our trainees are school leavers hired into study programmes or as apprentices.

During 2013 we strategically recruited 412 people, down 21 per cent on 2012. Within this overall figure, we saw an increase in our intern intake, but a reduction in our graduate numbers.

During 2013 we revised the way in which we recruit graduates, ensuring we coordinate across AMEC and so hire and develop people based on our overall medium-term requirements. These relate to:

- Disciplines
- Other skills including languages
- Diversity including nationality
- Future mobility
- High potential.

Graduate recruitment is now a regular part of our refreshed 'People Forum' agenda. Our People Forum is where we discuss all aspects of resource management, from training to engagement and succession planning.

We expect our business and operational initiatives to increase the diversity of our graduate recruits and we will be monitoring the results. We see this as an important way of helping AMEC prepare

Table 9: Strategic recruitment

	Europe	Americas	Growth Regions	Centre	2013 total	2012 total
Graduates	102	43	12	7	164	275
Trainees	34	4	3	2	43	90
Interns	73	103	28	1	205	156
Total	209	150	43	10	412	521



Table 10: Internal promotion – number of employees

	Europe	Americas	Growth Regions	Centre	2013 total	2012 total
Positions filled internally	46	586	129	3	764	599
Grade promotions	244	750	109	5	1,108	1,456

for a greater global presence. In 2014 we plan to increase our graduate numbers, with over 350 graduates targeted across our functions and operating units, including Spanish and Arabic speaking students.

As a business, we always have projects starting up or finishing. This is a part of the natural cycle of work for us and means that gross figures for leavers can be misleading. The important metric for us to focus on instead is employee-instigated turnover, i.e. those employees we would like to keep, who choose to leave AMEC. In 2013 our employee-instigated turnover was 10.6 per cent, slightly down from 2012 (10.8 per cent).

Development

Globally, AMEC Academy provides the framework for all our training, development and career progression. During 2012 AMEC Academy was simplified into three key areas of focus and 2013 saw us build upon those three areas.

Careers

Our career path tool allows employees to map their skills and experience against their desired careers and identify development requirements. These can then be discussed during their performance development reviews (PDRs) with their line managers. During 2013 5,931 (2012 5,974) new career path profiles were created.

Knowledge portal

Our knowledge portal gives employees access to a toolbox of information and resources, for example e-cademy training courses. In 2013, our 'e-cademy' received 89,573 visits with over 37,000 visits to its online modules. In 2013 2,849 online modules were completed.

In 2013 there were 16,814 visits to Knowledge portal, including 8,265 to the new behaviours section launched in January 2013. Our e-cademy also hosts our Code of Business Conduct training and follow on anti-bribery and corruption training, launched in 2012 and 2013 respectively. See the Integrity chapter on page 52 for more information.

In 2014 our priorities include a focus on executive development at varying levels of seniority within the company, including what we call 'Advance', 'Future Leaders' and senior management development.

Development

1026 individuals participated in our development programmes during the year.

Succession planning continued as a focus, including an increasingly global approach to identifying and managing our high potentials.

One of the tools we use is the PDR, set up to promote dialogue between line manager and employee, to support career development, and to make clear the expectations the company has for individuals. In 2012 we introduced a new, online 'e-PDR' which improved our performance reviews. In 2013 the system was launched on a new platform, with better navigation and greater ability to identify progress. During 2013 we added an additional section on the topic of 'Why AMEC' with the objective of prompting a meaningful discussion about engagement between each employee and their manager. (See engagement section of this report on page 30). Reporting was improved and the succession form updated to better capture succession status and prompt discussion on succession actions.



New PDR process



Last year we launched a new version of the performance development reviews (PDRs). Our PDRs are designed to promote conversation between an employee and their line manager about the employee's aspirations, development opportunities and anything else they want to achieve as part of their career in AMEC.

In 2013 68 per cent of employees completed PDR forms, either online or in print, following a discussion with their managers. Missing our 75 per cent target we believe was due to a combination of factors, including the introduction of new ePDR software. This is an area of continued focus for 2014 and beyond.

The new e-PDR also now supports our mobility strategy. It contains a link to the 'MyCareer Opportunities' mobility register, where employees and contractors who have an interest in moving to other sectors, markets, geographies or projects within AMEC can enter their details.

In 2013 764 people, up from 599 in 2012, were promoted to fill internal vacancies and 1,108 people (2012: 1,456) received grade promotions. Internal promotion rates provide us with an indication that our development programmes are successful, and reflect the importance we put on developing our people and recognising their progression.

Mobility

Improving our global mobility was one of the key objectives of 2013. We know that as a global

company with ambitious growth plans and global customers, mobility is important for our success.

We need to widen our resource pool, to employ the best people no matter where they are, to match the best people with the best business opportunities and to develop global leaders. In turn this will help to attract and retain people by offering them international opportunities, as well as building local skills in locations where development is needed.

Initiatives and improvements during 2013 included a review of our People Forum process (formerly known as our Management Resource Committee or MRC), improving our commercial framework to enable mobility, and a new functional focus to support the ownership of key talent.

AMEC Resourcing for tomorrow

Before joining AMEC I was an Architectural Technologist with a private architectural practice in the South West of Scotland. Having completed my degree and gained valuable project experience, I found that development opportunities were limited due to the economic downturn and the slowdown in the building construction sector.

I heard AMEC were setting up a Brownfield Engineering Support Team and although I didn't know much the about oil and gas industry, I felt I had the right transferable skills for the Computer Aided Design (CAD) Operator position. I was trained in the specific design software AMEC uses to create Piping & Instrument Drawings (P&IDs). It was a steep learning curve but I received continual support and training updates throughout. My experience over the past 12 months has led to me becoming involved in the production of further P&IDs for two major contracts and I am now the focal point for all P&ID work produced by the Brownfield Engineering Support Team.

Continuing in my development, I'm now studying for my HNC in Instrumentation and Control Engineering. I hope to apply to AMEC's Modern Apprenticeship programme and ultimately become an Instrumentation and Control Designer, one of the professions in demand across the industry. I have found AMEC to be an extremely good company to work for and there seems to be plenty of opportunities for personal development and progression in the future.

Anthony Murphy, CAD Operator



Why AMEC – a world of opportunity!



As part of our 2015 and beyond strategy we need to grow our business. That means we need to be able to attract people from a wider pool of talent. In 2013 we launched the new internal transfer process. Employees can now apply for positions advertised on our intranet without having to seek permission from their line manager first.

In addition employees can also actively register interest in an internal transfer using a new opportunities database. Registering on the new database is voluntary. However by registering it means both HR and our functions can understand an individual's aspirations in terms of the markets, locations and jobs they would like.

Fancy joining the 'V' team?

V-team – virtual team internal recruitment

For the first time in 2013 we created the 'V' team, a new virtual team ready

for the next project, wherever it might be. All the team knew at the time of signing up was that it would be somewhere in the Middle East - and they were put on short notice to mobilise.

Those who signed up as a member of the 'V' team were eligible for incentives for agreeing to mobilise within a certain timeframe and also for completing the assignment.

Setting up the 'V' team has increased AMEC's flexibility to respond quickly to client demand.

Engagement

We made significant progress in 2012, working out what we meant by engagement, and agreeing the business benefits. We also realised that we needed to identify and articulate the reasons why people join AMEC and why they stay with the company to develop their career.

In 2013 we launched our employer brand 'Why AMEC?'. We believe the experience of our employees can be described as;

- Opportunity
- Excellence
- Belonging.

We know we need to make these reasons clear during the recruitment process and then we need to ensure that the actual experience of our employees is consistent with this. New recruits need to know what to expect when they join AMEC; that is one of the ways in which they will stay engaged with the company. We have been communicating and

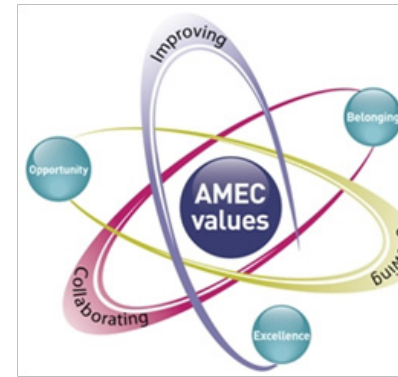
Other initiatives in 2013 included our global graduate approach (see resourcing section page 26) and centralising our approach to the development of high potential managers using AMEC Academy.

In 2013 191 (2012: 287) individuals moved from one business to another, and a further 92 (2012: 121) from one country to another.

Table 11: Global mobility - no. employees moving across the business

	Europe	Americas	Growth Regions	Centre	2013 total
Business Unit move	5	83	25	10	123
Operating Unit move	33	16	12	7	68
Country move	11	48	22	13	94

Fig 6: 'Why AMEC' – our employee value proposition



implementing our employer brand using 'Engagement Champions' in each operating unit and this has helped make it locally relevant.

Over 100 employees volunteered to become Engagement Champions and Engagement Partners to help the company drive the change and make sure 'Why AMEC' is successfully embedded in the organisation.

Table 12: Pulse surveys – engagement score

Survey	Response
My Opinion 2011	67%
Pulse Survey: (+/-2%)	
Q1	71%
Q2	70%
Q3	70%
Q4	74%

As part of 'Why AMEC', we run a quarterly, statistically-valid, engagement survey which gives us an indication of where we stand. The last quarter's result for 2013 was 74 per cent. Since the last AMEC-wide survey in 2011, the trend has been slightly upwards.

We plan to continue our pulse surveys in 2014. They are sent out to about 2,000 employees, with about a 37 per cent response rate. Our next company-wide survey is expected to be carried out once the acquisition of Foster Wheeler has been completed, in early 2015.

Did you know?

In 2013 we refreshed our graduate recruitment website and materials. We had over 400 graduates, trainees and interns join us.

Fig 7: Survey responses, number of people

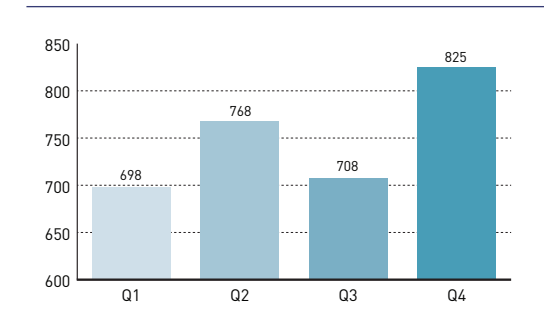
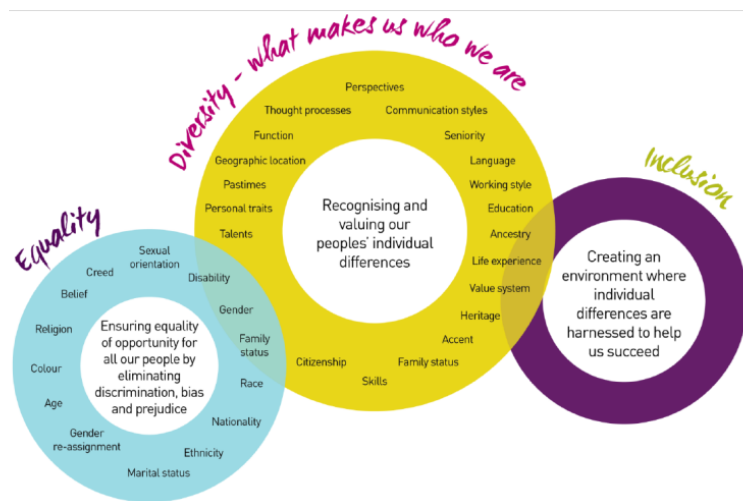


Table 13: Pulse surveys – engagement score by question

Perception	Item	Q1	Q2	Q3	Q4
Satisfaction	Overall, I am extremely satisfied with AMEC as a place to work	72%	69%	70%	71%
Referral	I would be gladly refer a good friend or family member to AMEC for employment	75%	73%	74%	75%
Commitment	I rarely think about looking for a new job with another company	61%	61%	62%	74%
Pride	I am proud to say I work for AMEC	76%	75%	74%	76%
Engagement Index (average of the above)		71%	70%	70%	70%

Fig 8: Equality, diversity and inclusion



Diversity

During 2013 we looked at what diversity means for AMEC and how we can measure success, based on our business objectives.

Diversity is important because it means a wider talent pool for us to recruit from. This will become ever more important as we grow our business globally. Diversity can be measured narrowly, by considering more diversity of nationality, or targeting individuals with relevant, transferrable experience from other sectors and industries, such as our recent recruitment of

ex-armed forces personnel. It can also mean more women in management, or in engineering; or the increased mobility of the workforce through targeting a more international labour pool.

Table 14: Gender split, based on directly employed workers only

	Europe	Americas	Growth Regions	Centre	2013 total	2012 total
Male %	79	71	80	65	74	75
Female %	21	29	20	35	26	25

Table 15: Hired in 2013 (2012) by strategic recruitment

	Graduates	Trainees	Interns
Male %	70 (73)	72 (65)	73 (65)
Female %	30 (27)	28 (34)	27 (35)

Table 16: Gender split, 2013 (2012)

	Board	Executive	Management & Professional
Male %	87 (87)	87 (89)	85 (81)
Female %	13 (13)	13 (11)	15 (19)



We believe successful organisations define diversity more widely and seek diversity of thought. Further, they recognise the culture of the organisation needs to be inclusive, supporting this diversity.

We have defined diversity and inclusion as follows:

- Diversity is the range of human differences that make us individual and who we are. This is not just limited to such differences as gender, nationality, race, age etc but also includes educational background, work and life experiences, heritage, pastimes and many other aspects
- Inclusion is about us, as a global organisation, creating and maintaining a work environment and culture where individual differences are valued and help us succeed. This culture of inclusion will lead support a sense of belonging amongst our people.

During 2013 we developed an AMEC global mandatory procedure for diversity and inclusion, which has now been published. It sets out the five main areas where we will focus our attention:

1. Leadership and vision
2. Communication and engagement
3. Culture and behaviours
4. Talent acquisition and management
5. Measurement and evaluation.



Did you know?

In 2013 519 of our employees completed a formal in-house development programme.

Measuring diversity of thought is not easy and inevitably measurement will be through proxy measures such as gender and nationality. We are currently investigating the following potential measures:

- Recruitment – by gender and nationality, and from other industries
- Grade – by gender and nationality
- Promotion – by gender and nationality
- Turnover – by gender and nationality
- Graduates – by gender and nationality
- High potential employees – by gender and nationality
- Succession plans – by gender and nationality
- Management team – by gender and nationality
- Business unit leadership teams – by gender and nationality.

Collective bargaining

In 2013 the number of employees covered by collective bargaining agreements rose to 11.8 per cent from 5.4 per cent in 2012. The Europe business unit accounts for the vast majority of individuals covered by these arrangements. AMEC's employee population is generally not unionised, and where it is we usually work through a sector or national agreement rather than a company-level agreement.

Health, Safety, Security

Overview HSSE policy management arrangements

Ultimate responsibility for HSSE rests with our Chief Executive and the board and they take this role very seriously. Our Chief Executive signs off the promises made in our HSSE policy statement and is responsible for ensuring that the organisation provides the appropriate leadership and management structure to deliver the policy. This ensures a complete unbroken chain of responsibility for HSSE issues, across our business.

The management of HSSE is a line responsibility and our line managers are supported by our HSSE management and advisory staff situated within the businesses. Our Group HSSE Director reports to the Chief Executive on HSSE matters .

Planning

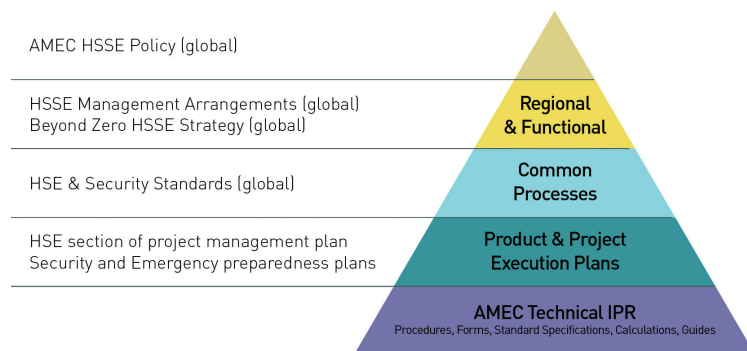
We have in place a planned and systematic approach to implementing our Health, Safety, Security and Environmental policy, through our management system (Fig 9). Our goal is to reduce risk and harm in all our operations, or by our operations, through sound technical decisions at the earliest front end opportunity and manage any residual risk through operational controls. We consider aspects of health, safety, security and the environment at all stages of a development's life cycle.

We set out our minimum standards in our group-wide HSSE framework and procedure documents and these cover the whole of our business. They are supported by defined performance standards that are used to measure achievement.

Where we require a standard global approach to specific areas or activities, the core expectation is supported by a mandatory AMEC procedure.

Every AMEC business unit has its own HSSE management system which is compliant with both corporate and local regulatory requirements. At project level, we make it easy to ensure compliance with our global standards by building them into the 'AMEC Way' of doing things, using the AMEC Way Project Management Plan. This is part of a common suite of processes and tools being implemented throughout the company.

Fig 9: AMEC Way Management Systems (HSSE Function)



Performance measurement

We are committed to improving every aspect of our operations and this is particularly important in HSSE. In order to improve, we need to measure what we are doing. We set key performance indicators (KPIs) at each level of the organisation and these capture both input and output measures, ensuring we report consistently across our diverse business. Our key lagging indicators are set out in our management reporting procedure. We also set leading indicators which target key areas of performance improvement and which are developed through performance review processes.

Our risk-based assurance programmes monitor and review performance against the requirements of the management system, legislation and the industry. We have a rigorous incident investigation programme that analyses the root causes of all incidents that have resulted, or could have resulted, in loss. This provides an important learning opportunity in our journey towards eliminating HSSE incidents from the work environment and beyond.

As part of our commitment to continuous improvement, we also actively engage in external comparison with the performance of clients and business competitors, to learn and bring best practice into our organisation.

Review

Our communication and review of HSSE matters is supported by a framework of established formal review meetings. This framework provides a clear governance structure to ensure that the

management of HSSE issues and the resulting performance is continuously monitored, lessons learned are communicated, and best practices are shared across the company.

Company HSSE review committee

Our Chief Executive chairs the HSSE review committee. The committee supports the board in its corporate governance role and is responsible for setting policy, examining HSSE risk, setting performance targets and reviewing performance. The committee meets twice a year.

HSSE leadership team

The HSSE leadership team is led by the Group Health, Safety, Security and Environment (HSSE) Director and is made up of senior HSSE professionals from across each of the business units, the Group Security Director and the Occupational Health and Environmental Manager. The role of the HSSE leadership team is to:

- Develop and implement corporate HSSE strategy, in line with company vision
- Identify and share best practice
- Review performance and the implementation of group initiatives
- Reinforce functional leadership
- Maintain integrity of HSSE processes
- Ensure continuous improvement
- Perform benchmarking across relevant industry sector groups.

Did you know?

We had ZERO fatalities in 2013. We have achieved zero fatalities for six years in a row



Management review

We conduct management reviews at operational and business unit level, checking how effective the management system is through:

- Assessing status of processes and procedures
- Confirming legal compliance status
- Reviewing key threats and opportunities identified through auditing
- Reviewing progress and impact penetration within the business of objectives and targets.

Through these reviews, areas for improvement are identified. The reviews are undertaken annually, as a minimum.

Incident review panel (IRP)

Incident review panels are undertaken on our more serious potential incidents and are attended by the relevant business unit president. The panel examines the root causes of the incidents in the business and also reviews the integrity of the incident investigation process. Lessons learnt from each incident are communicated across the wider AMEC group. We regard these IRPs as important tools in evolving our management

processes because they look at how robust management processes are in reducing risk systematically.

Assurance

We conduct a formal governance assurance process. This gives a level of assurance to our board that our HSSE policy, core standards and procedures are implemented across AMEC's global operations.

We believe in 'never compromising on safety'

Our growth plans will mean new people, new capabilities, new clients and new geographical areas for us to work in. This raises the potential of introducing new areas of risk into the business that need to be recognised, understood and managed. In line with our company values, we are committed to delivering this growth while 'never compromising on safety'. This means influencing cultural change, being committed to sustainable continuous improvement in health, safety, security and environmental management while protecting and supporting our employees and anyone working with us or affected by our activities.

Fig 10: Immediate causes

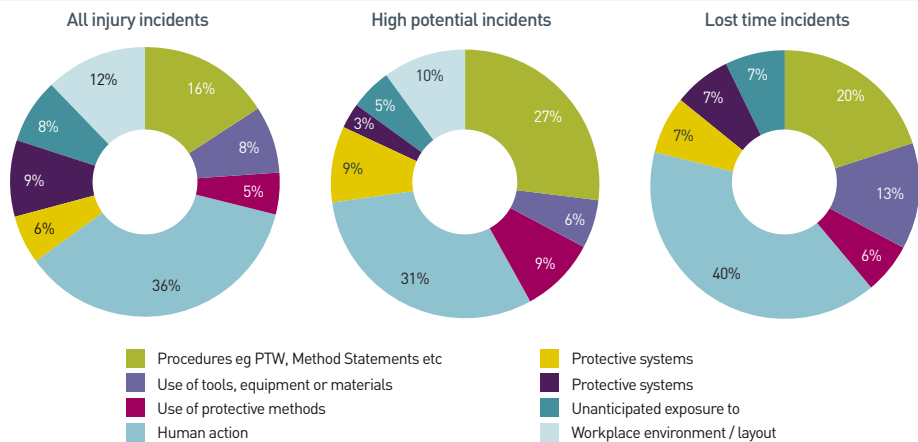


Table 17: Safety performance – frequency rates per 200,000 hours worked

	2013	2012	2011	2010	2009
Lost time incident frequency rate (LTIFR)	0.04	0.03	0.04	0.06	0.04
Total recordable case frequency rate (TRCFR)	0.26	0.38	0.37	0.42	0.44
All injury frequency rate (AIFR)	1.56	2.36	3.12	3.54	4.34

Our HSSE strategy aims to build on not only our HSSE standards but the strong leadership that we have established over the years, while at the same time recognising the changes that a growing business presents and the challenges that this brings to delivering a sustainable world-class HSSE performance.

We pride ourselves on having a strong culture where HSSE is integral to our business and owned at every level. Through collaboration we have achieved great success; the next stage of our journey needs everyone to continue to play their part.

Going Beyond Zero

Excellent HSSE performance does not happen by chance. We believe that through robust, visible and consistent HSSE leadership and the systematic implementation of effective health, safety, security and environmental management systems and working practices, we plan for success.

In 2008, AMEC set out on its Beyond Zero journey – a journey to achieve world-class sustainable health, safety, security and environmental performance. The programme was designed around the three core elements of: global standards; robust leadership; and workforce engagement. These core elements are considered the key building blocks to create a positive HSSE culture that not only influences the way in which AMEC conducts its business operations, but also influences the environment and communities in which we live and work.

Over the last five years, we have consistently demonstrated continuous improvement in our performance and also in how we benchmark against other companies within our peer and industry groups. The table above shows our safety performance per 200,000 man hours worked.

AMEC passionately believes in an injury-free work place. While we believe that we have created a strong foundation and have established a positive

Fig 11: Key categories of high potential accidents in 2013

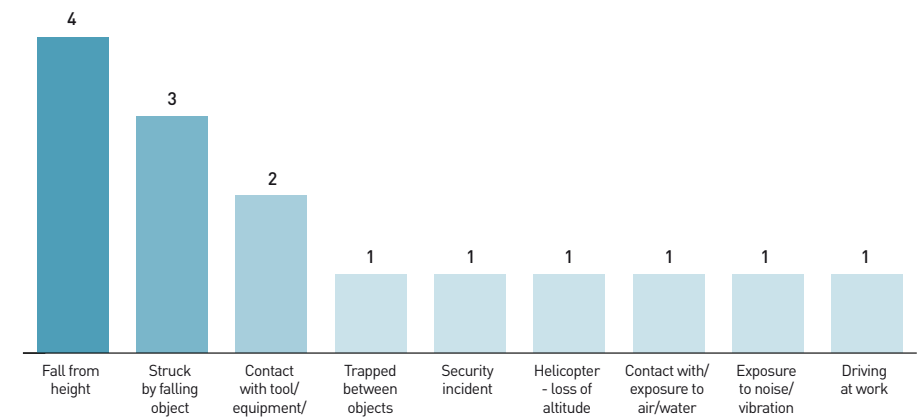


Table 18: OSHA Benchmarks 2012

	Professional & Business Service	Construction	All Industry	AMEC 2013
TRCFR (per 200,000 man hours)	1.6	3.7	3.7	0.26
LTIFR (per 200,000 man hours)	0.5	1.4	1.1	0.04

HSSE culture across each of our businesses, we recognise that continuous improvement takes relentless commitment and hard work.

Performance

Each year, we measure our HSSE performance against a series of defined performance indicators. Some of these are established industry-recognised lagging indicators that enable us to benchmark our performance both internally and externally. We have also identified key performance leading indicators that reflect areas that we want to focus our efforts on.

Lagging performance

Safety performance targets were set in January 2013 based on a 10 per cent reduction of our previous best performance.

There were zero fatal injuries during 2013 and AMEC achieved its best ever recorded performance in two of the measured lagging indicators. The

following summarises our incident-related indicators, which we track year on year.

Defined accident / incident terms are explained in a glossary included at the end of the report.

Lost time incident frequency rate (LTIFR)

We did not achieve our target of zero lost time injuries in 2013. Despite operating for the first six months of the year without a single lost time incident, in the second half we recorded 14 incidents that prevented a member of our team returning to work for their next work shift.

Total recordable case frequency rate (TRCFR)

We recorded a marked reduction in the number of recordable cases in 2013, which was reflected in a total 32 per cent improvement on our TRCFR.

All injury frequency rate (AIFR)

Similarly, we marked a noticeable improvement in the total number of injuries recorded in 2013, leading to a 34 per cent reduction in our AIFR.

Occupational health

During 2013 AMEC recorded nine cases of occupational illness. Eight of these cases were identified through our occupational surveillance programmes, where cases of occupational vibration white finger were identified. There was one case of carpal tunnel syndrome.

During the year there has been a significant reduction in the number of days lost due to occupational ill health, with 592 days lost during 2013 compared to 817 the year before. This is directly related to lessening the severity of injury sustained, coupled with improvements in occupational injury management.

Security

There were a total of 34 security incidents recorded throughout 2013. This demonstrates a greater awareness of security issues across AMEC and identifies areas where more focus may be required. The majority of the incidents were minor, low potential incidents; however two were identified as high potential and related to employees being in close proximity to violent crimes.

Table 19: 2013 incident potential matrix (showing numbers of incident by potential rating)

Consequences	Potential	No. of people				
		0	1	1-2	3-10	10+
Low		229	390	12	13	
		125	340	14	8	3
Medium		27	94	13	9	
High		1	23	5	2	
			27	1	2	
Incident potential to be determined = 0		A	B	C	D	E

Key

High potential Medium potential Low potential

Enforcement action

During 2013 AMEC received no health and safety prosecutions and there are no on-going safety related regulatory actions against our company.

Table 20: H&S prosecution record

2013	2012	2011	2010	2009
0	1	2	0	0

Fig 12: Lost time incidents - Root cause

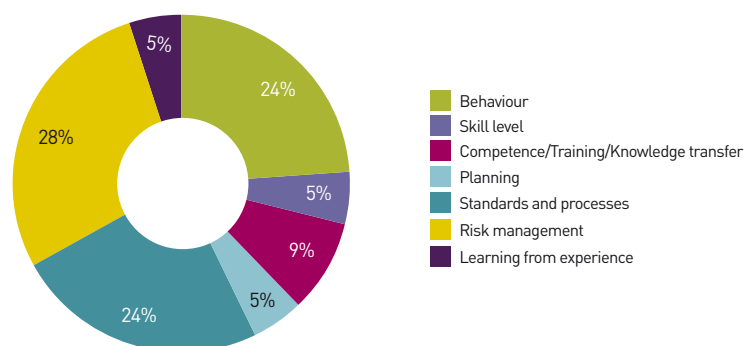
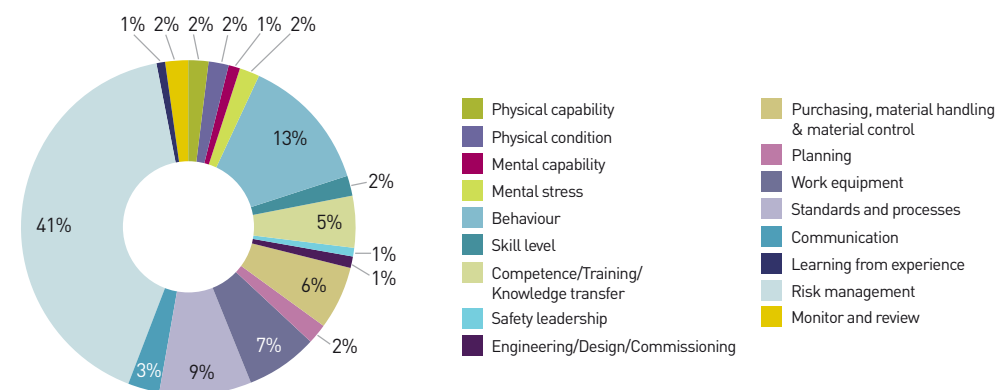


Fig 13: Total recordable cases - Root cause





Benchmarking

AMEC uses the US Occupational Safety and Health Administration (OSHA) industrial data as well as peer information to gauge our performance. AMEC compares well against these respected benchmarks (see page 38).

Identification of key trends

All incidents are subject to the requirements of our incident reporting and recording procedure and the associated investigation process. Every incident is classified and recorded in our incident management database (Trackwise) and remedial actions are tracked to close-out.

Incident potential

As part of this process, each incident is also given a rating which focuses on potential consequences. This means that we manage to capture many valuable lessons that might otherwise get missed if we only focused on actual outcome.

All incidents that are given a 'high potential' classification are subject to review by senior management at an incident review panel

(see page 37 for further details). In 2013, 61 incidents were classified as high potential. Key 'critical risk' activity areas have been identified as:

- Work at elevation
- Driving
- Energy isolation

All incidents are subject to incident investigation and, using the Trackwise system, we can monitor investigations' findings to see whether there are any common causes of incidents.

Root causes of incident types in 2013

There is a common theme of risk management and behaviour which run through the root analysis on our incidents and we have used this information to inform our 2014 objectives.

We have also looked at all injury incidents to find out whether there is any trend in parts of the body injured. Hand injuries, especially nips, cuts and crush injuries to fingers and palms accounted for a significant proportion of injuries.

Leading indicators

In 2013, we focused on three key improvement areas, with associated assigned leading performance indicators (KPIs).

The first area focused on HSSE leadership through the development and implementation of Beyond Zero action plans. This indicator was designed to raise the profile and impact of personal leadership actions in this area. Each business unit identified the participating leadership group, each of whom developed a Beyond Zero action plan. Progress of these actions was tracked throughout the year. At the end of the year, 79 per cent of the target was achieved which equated to the majority of plans being in place and updated.

The second area of focus was on assurance against our HSSE framework. AMEC first implemented the HSSE management framework in 2010 and this articulates our global HSSE standards as set out in our 15 core expectations. The framework was updated in 2012 and in 2013, each business unit undertook to conduct a

formal assessment of their performance against the requirements of the standards. At the end of 2013, 80 per cent of the operating units (the organisational level below the business units) had undertaken the assessment review, reviewed the gap analysis report and developed an associated improvement plan.

The last KPI area in 2013 focused on security and in particular, the area of emergency preparedness. In 2012, AMEC introduced a new emergency preparedness framework, which maps the interfaces between emergency response, crisis management and business continuity. In 2013, the businesses committed to undertake a gap analysis review of their arrangements, in accordance with the requirements of the new standard. At the end of 2013, 89 per cent of the reviews had been completed.

2014 going forward

As we move into 2014, we have identified new KPIs which have been set out in our 2014 HSSE journey plan.

We have chosen to focus on four key areas:

1. Inspired leadership

We want to take our focus on, and investment in, leadership even further. In 2014, we will be refocusing on our leadership HSSE roles and responsibilities, benchmarking ourselves against what other organisations do and introducing a peer feedback process to enable leaders to reflect on their own performance in this area.

2. Assurance of risk controls

HSSE assurance is a positive and common sense approach to making sure that our standards are in place to prevent harm to our people, the environment and our business. Going forward we will establish a 'good practice' guideline for HSSE

Fig 14: All injury incidents - Root cause

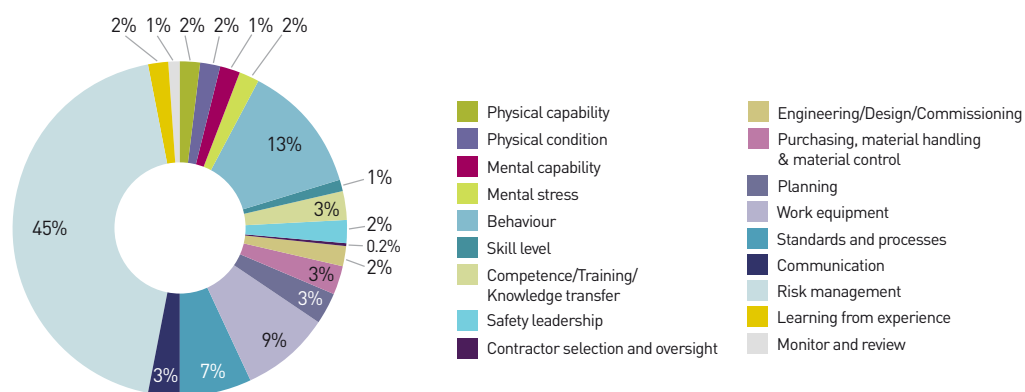
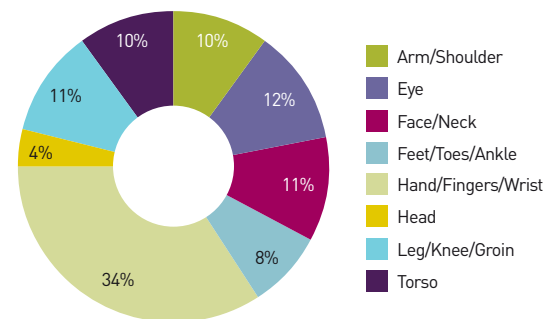


Fig 15: Location of injury





AMEC is providing design services to improve the Morpeth sewage treatment works as part of a 10-year framework agreement with Northumbrian Water Limited. Photo from right to left: Louise Purdy, Civil Engineer and Colin Nash, Engineering and Construction Contract Site Supervisor, Morpeth, UK

assurance to drive assurance plans that deliver:

- more structure
- a risk based approach
- a solution that commits learning to the 'corporate memory'
- more independent verification.

3. Incident management and learning

When things do go wrong, our response and ability to learn are of paramount importance. Our incident management systems have the ability to provide information and not just data. We can make good use of that.

2013 focused on implementing Trackwise across the organisation. Now that the system is embedded, we can use Trackwise's powerful database more effectively to assist our trend analysis and use the information to drive more preventative action and share learning globally. We will also have a much clearer focus on driving timely action close-out.

4. Full spectrum HSSE

We know that protecting our people and our environment from harm is not simply about mitigating risks; ideally we should eliminate them at source. In 2014, we will be focusing on fully implementing our 'inherently safe design' process across the organisation. This provides skills and techniques that focus on engineering changes and design solutions, rather than relying exclusively on controls that have to be applied once construction or installation activities have started.

Through bringing together the good practices that happen across the process safety area of our business, along with our operational HSSE areas, we ensure that we are managing the full spectrum of risks throughout the asset life cycle.

Spotlight on security

As AMEC grows and expands into areas that are new to us, the management of risk and related security threats has become an even more important business issue and a key factor in our

Recognising our people



Anita Dominguez receiving her Xtreme Sustainability award

Our Environment & Infrastructure business in the Americas launched an awards program to recognise staff who go to extremes in the areas of client satisfaction, safety, sustainability and innovation. Anita Dominguez from our El Paso, Texas office won the Xtreme Sustainability award. She coordinated initiatives by our El Paso office to reduce energy costs, purchase eco-friendly supplies, eliminate paper waste and implement a recycling programme, which garnered them a first-place win in the City's Green Business Challenge. After winning first place, Anita worked with the City of El Paso to create a video highlighting AMEC's efforts and offer advice to other companies looking to implement a sustainability programme.

ongoing success. We have built on our initial efforts to deliver security holistically and can highlight significant and measurable improvements over the last three years.

In 2011 we created a system of regional security advisors and, coupled with the embedded business security managers, a spread of what we call 'security focal points'. This system was designed to ensure that we approach security risk management from both an overall strategic and developmental level and from the grass-roots and tactical level. Between 2012 and 2013, we embedded our risk mitigation and security awareness processes and outputs across AMEC. These range from the risk assurance methodology and online security awareness programmes for travel and information protection, to bespoke and dedicated project security support in our highest risk locations such as Afghanistan, Iraq, Libya and Peru. The AMEC Way emergency preparedness framework became a cornerstone of AMEC's contingency planning for natural disasters, emergencies and other types of incidents that require rapid, dedicated response to unusual operating circumstances.

Geographically, we looked at the fallout of the Arab Spring across North Africa and the Middle East, political violence in the Caspian, poverty-related security risks like crime in many parts of the developing world and the potential for violence in places where there are land ownership disputes.

Going into 2014, we will focus on these areas again as they are perennial threats but we will also widen our focus to look at trans-border threats like corruption, potential for attacks on electronic networks, environmental activism and security threats in the supply chain. We expect new challenges in the Persian Gulf, South America and across the Middle East and we will respond by deepening our understanding of complex risk environments and how to manage them. New risk mitigation processes will be developed to deal with an increasingly complex world. We will continue to protect our people as they travel and work on behalf of our customers around the world, ensuring we navigate more perilous environments with streamlined, responsive risk management processes and tools that are part of normal business planning.

Environment



We are often asked about our commitment to the environment, especially as much of our business is based around services to the energy sector. Our global communities remain reliant on fossil fuels, without which there could be a catastrophic humanitarian crisis. Yet these are environmentally controversial and emit huge amounts of carbon dioxide into the atmosphere.

It is a difficult road to walk. On one side, the world demands the energy and our clients need our support. On the other, there are growing consequences to our reliance on fossil fuel based energy. So what can we, AMEC, do? We support our clients in undertaking these operations as sensitively and as safely as we can, understanding the environmental impacts of each project and designing ways to cope with the potential environmental consequences of the activity. As a company, we go further – we support our clients and our industries to bring new approaches to the markets. We focus on commercially viable low carbon and zero carbon renewable energies.

Over time we, as individuals, all need to support our global communities in moving towards a low carbon future. AMEC plays a significant role in this, through the services we provide.

Environmental management in our business

We have established an integrated approach to health, safety, security and environmental management. This has evolved because many of the elements of an environmental management system are common to that of a health and safety management system. Our mandatory HSSE management framework has been written to comply with the elements of the ISO 14001:2004 standard, though we do not require our businesses to achieve third-party certification unless there is a business need to do so. In 2013 all of our UK-based

businesses had achieved third-party certification for their HSSE management systems.

Minimum environmental standards have been introduced across the business. These standards detail the minimum environmental management requirements on our projects where we are responsible for environmental management. Our environmental standards form part of AMEC's Beyond Zero road map; they introduce a company-wide benchmark for environmental management supporting our health, safety, security and environmental policy commitments.

These standards were developed following a comprehensive review of AMEC's environmental commitments (values, principles and policies) and performance, including:

- Environmental incident investigation
- Regulatory performance
- Environmental key performance indicators
- AMEC's vision and values
- Environmental best practice (including ISO standards).

The objective of the standards is to ensure a consistent level of performance across the organisation which protects and enhances AMEC's world-class environmental reputation; focusing on areas where we must ensure high standards of performance to reduce associated environmental and financial risk (pollution and associated clean-up costs).

Table 21: Environmental incidents

	2013	2012	2011	2010	2009
Environmental incident frequency rate (EIFR)*	0.23	0.23	0.47	0.46	0.94
Number of recorded environmental incidents	87	99	179	160	333
Of which were spills	71	78	175	-	-
Total volume of spills (litres)	3,314	4,529	7,150	-	-

*Per 200,000 hours worked

Environment incidents

There were 87 environmental incidents, of which only one was rated as moderate with potential for localised environmental impact, with the rest minor pollution incidents. Of the total recorded environmental incidents, 69 per cent related to inadvertent release of materials such as diesel and hydraulic oil and 24 per cent related to breach of consent.

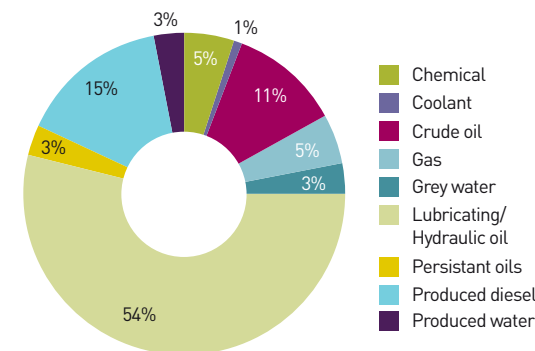
Enforcement action

During 2013 AMEC received no environmental prosecutions and there are no on-going environmental related regulatory actions against our company.

Table 22: AMEC environmental prosecution record

2013	2012	2011	2010	2009
0	0	0	0	0

Fig 16: Make up of spills by incident



There have been two environmental regulatory actions against joint ventures where AMEC is or was, a partner.

June 2013 (UK) Sellafield Ltd prosecution:

Sellafield Limited was fined £700,000 and ordered to pay £72,635.34 in costs at Carlisle Crown Court for sending several bags of radioactive waste to a landfill site in Cumbria. The bags should have been sent to a specialist facility that treats and stores low level radioactive waste. This breached the conditions of Sellafield's environmental permit and the Carriage of Dangerous Goods and Use of Transportable Pressure Equipment Regulations. Sellafield found the error was caused by the wrong configuration of a new monitor which passed the bags as 'general' waste making them exempt from strict disposal controls.

April 2013 (UK) Global Renewable Lancashire Operations Ltd (GRLLOL):

The Leyland facilities operated by GRLLOL were fined £150,000 at Preston Magistrates Court after pleading guilty to five breaches of the Environmental Permitting regulations which resulted in odour pollution. Odour was caused due to ineffective odour management controls. This business was subsequently sold, in March 2014.

Water resources management

Water security is a growing problem that affects governments, businesses, wider society and ecosystems. The UN forecasts that by 2025 almost 3 billion people will live in countries facing water stress or water scarcity. As with climate change, businesses will be directly affected by water issues and equally, business action will have a major impact on the scale of the problem and potential solutions. AMEC is committed to understanding its relationship with water, identifying its exposure to risk and the likelihood of creating external impacts.

473,738m³
Direct water consumption

During 2013 we continued to work on our global water strategy. We reviewed our previous work and finalised priority level classifications. We have now assigned a priority level to each major office, and have carried out additional validation work. These priority levels will be used to target a

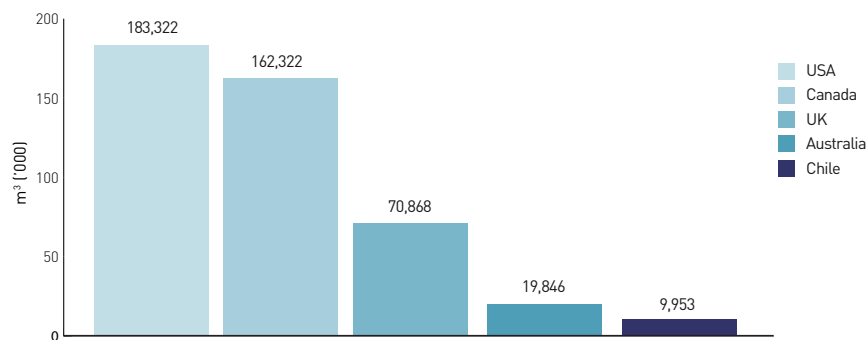
future water consumption improvement programme and to inform future strategic operational planning.

In 2014 we plan to pilot water consumption improvement programmes in some of our top priority sites, as well as finalise and roll out a global water awareness programme. We will continue to gather actual water data where it is available to us.

We calculate (based on country-specific benchmark water consumption figures, a dataset of AMEC office locations and size, and actual water usage data where available) that AMEC has an annual water consumption of 473,738m³. The countries in which we have the highest water consumption are show in the graph below. They contribute 94 per cent of AMEC's overall annual water consumption.

Externally, we will continue to support our clients assessing and managing business water risks – see amec.com for examples of our recent water projects and services.

Fig 17: Top 5 countries by water consumption (m³ / year calculated)



Responding to climate change

2013 marks the first milestone in our carbon reduction strategy (more detail on which can be found in previous sustainability reports). Back in 2008 we set ourselves the target of reducing carbon emissions by 80 per cent by 2050, with four milestones against which to track our progress:

1. 15 per cent reduction in CO₂e by 2013
2. 40 per cent reduction in CO₂e by 2020
3. 60 per cent reduction in CO₂e by 2030
4. 80 per cent reduction in CO₂e by 2050

This year has been a particularly busy one for our carbon programme. There have been a number of new developments including a review of carbon emission factors, rolling out Joulex (our networked IT power management tool) globally and taking stock of our carbon performance. We said, in last year's report, we would need to re-baseline our benchmark year as the business had changed significantly and our accounting processes had improved. We have now completed this exercise.

Re-baselining our data

Since 2008, our initial baseline year, there have been a number of changes. Our business has changed: we have grown organically and through

acquisition, we have expanded our geographic spread and we are now managed geographically rather than by division. We have also significantly improved our ability to account for our carbon emissions. The Greenhouse Gas Protocol, which we use to inform our accounting processes, suggests that if there are significant changes in the organisation then an assessment should be made as to whether baseline data should be updated. We undertook this exercise in 2013 and asked our carbon experts in our Environment & Infrastructure business to assist. A summary of their findings is shown below.

- Our original carbon baseline estimation for 2008 was **57,898** tCO₂e.
- Our revised carbon baseline estimation for 2008 is **82,912** tCO₂e.

We found a number of omissions from our original footprint calculation. For example, there was a significant under reporting of natural gas, travel data and electricity consumption in the Americas. Using the knowledge and experience of the Environment & Infrastructure team, working with the Sustainability Director in Americas, we were able to restate the 2008 numbers to reflect our current organisation.

Table 23: Carbon 2008 rebaseline, by business unit

Business unit	Scope 1 – fuel	Scope 2 – electricity	Scope 3 – passenger transport	Total emissions
	tCO ₂ e	tCO ₂ e	tCO ₂ e	tCO ₂ e
Americas	2,624	21,717	13,538	37,879
Europe	12,092	13,135	5,022	30,249
Growth Regions	4,182	3,885	6,717	14,784
Total	18,898	38,737	25,277	82,912

Table 24: Carbon performance

Benchmark indicators	2013	2012	2008		Change	
			New baseline	Original baseline		
Tonnes of CO ₂ e per person per year	2.58	2.86	3.72	-31%	2.65	-3%
Tonnes of CO ₂ e per £m turnover	18.61	19.57	31.82	-41%	22.21	-16%

Table showing indicators calculated using DEFRA emission factors.

Carbon performance 2013

Based on our revised baseline indicator figures, we can confirm that we have achieved our first milestone target of a 15 per cent reduction in carbon. Even compared with our original target, we have seen a marked improvement in performance.

This is very gratifying and reflects the focus we have placed on a culture of 'doing more with less' in terms of carbon intensity. For example, we have put greater emphasis on travel efficiency and have encouraged greater use of video conferencing as Microsoft Lync extends across the company. Our success has also been helped by the evolutionary shift in the type of work we undertake and by greater awareness of the cost benefit of carbon reduction. In addition, the global economic recession and favourable weather conditions will have played a part in reducing demand for energy.

In total AMEC emitted 73,956 tonnes of carbon during 2013 (using DEFRA emission factors), 9 per cent below 2012.

Carbon emission factors

Our carbon data has, so far, been based on UK DEFRA emission factors though Europe now represents only 37 per cent of our business (measured by employees). We do not believe that these emission factors remain representative of our growing business. We have therefore decided to use domestic emissions factors where they exist and can be relied upon, which principally means adding US and Canadian carbon emission factors to our carbon accounting software. This makes our carbon footprint more accurate because it will now reflect the best available emissions factors for each region.

Fig 18: Tonnes CO₂e per person per year

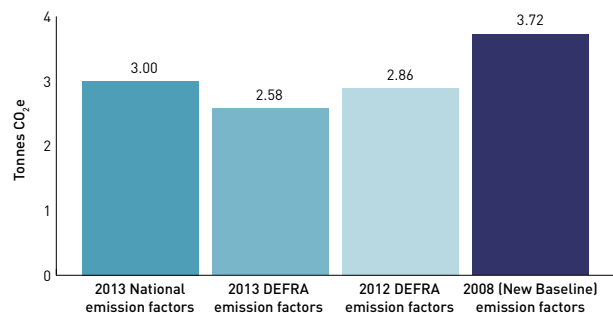
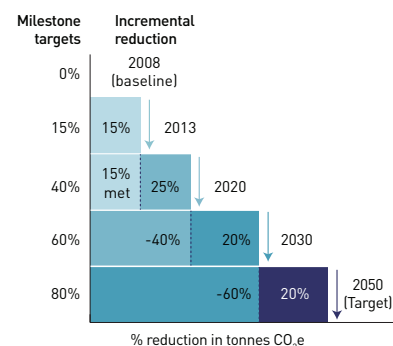


Fig 19: % reduction in tonnes CO₂e



Reduction



Unfortunately comparable US and Canadian emission factors were not published in 2008, which makes any future comparison to our 2008 baseline year misleading. Using the regional emission factors does have a significant effect on our footprint for 2013: 73,956 tonnes when calculated using DEFRA emission factors, yet increasing to 86,155 tonnes using domestic emission factors.

Going forward we will adopt the 2013 figures, calculated using domestic emission factors, as our new baseline.

Restated carbon performance in detail

We have restated our 2013 and 2012 performance using our new set of emission factors, to provide a better comparison with 2013. On a restated basis, carbon emissions fell 5 per cent from 90,786

tonnes in 2012 to 86,155 in 2013. As part of this we have also reviewed and amended our carbon reporting year to allow us to continue to report on a full year of actual data. Our carbon reporting year will now run from quarter four of the previous year to quarters 1, 2 and 3 of the current year. Our reporting year for 2013 therefore includes quarter 4 2012 and quarters 1, 2 and 3 2013. This has been applied to all years in the graph below.

Restated total scope one – emissions from direct energy

Scope 1 emissions for 2013 were 24,449 tonnes, making up 28 per cent of our total footprint and showing a slight decrease compared to 2012 (27,747 tonnes). This is due to a reduction in the use of generator fuel in Europe, as a number of on-site projects came to a close. We have continued to review our office space requirements and

Fig 20: Tonnes CO₂e per £million turnover

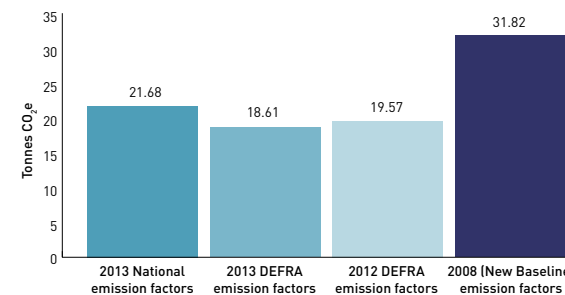


Table 25: Carbon reduction targets (using 2013 as new baseline)

NEW 2013 Benchmark indicators	2013	2020 target	change
Tonnes of CO ₂ e per person per year	3.00	2.25	-25%
Tonnes of CO ₂ e per £m turnover	21.68	16.26	-25%

Table showing indicators calculated using new emission factors

consolidated into one location where possible. We have also seen a reduction in natural gas usage in our Americas' offices due to an improvement in the data reporting system. We are now tracking actual use of natural gas rather than using estimates, as previously.

Restated scope two emissions from indirect energy

Our scope two emissions associated with our office locations continue to be the biggest contributor to our carbon footprint, accounting for 36 per cent of the total (2012: 39 per cent). We have been able to track and reduce our energy consumption related to office computers using our energy management software, Joulex. We are now also able to monitor utility usage at an individual office level through our carbon management software. This allows us to track performance, identify possible areas for improvements and implement informed strategies.

Restated scope three – emissions from business travel

Travel remains important as we continue to grow as a business and our workforce become increasingly mobile. We have seen an increase in our non-company cars and air travel in the past year as we continue to expand our areas of operation internationally. In 2013, travel accounted for 35 per cent of our total footprint.

UK Carbon Reduction Commitment Energy Efficiency Scheme

The British government introduced the CRC Energy Efficiency Scheme in April 2010. It is designed to encourage large public and private sector organisations to reduce their carbon dioxide (CO₂) emissions through energy efficiency. AMEC met the criteria for inclusion on this scheme for both Phase 1 and the new phase 2 due to start on 1 April 2014.

The legislation underpinning this scheme is continually evolving. There were significant changes in the 2012/13 year, aimed at simplifying the process. As a result, some types of fuel were excluded from our annual report return in line with the legislation review.

The result of the change saw a marked reduction in AMEC's annual qualifying emissions.

Carbon Disclosure Project

AMEC has been reporting in line with legal and voluntary carbon reporting requirements such as the Carbon Reduction Commitment, Carbon Disclosure Project and the Dow Jones Sustainability Index for the last five consecutive years. Each year has seen an improvement in the extent and quality of our reporting, leading to greater transparency in terms of the emissions

Table 26: Qualifying emissions reports

Year	Total CO ₂ e tonnes reported	Note
2010/11	13,946 tonnes	Generator fuel included
2011/12	13,413 tonnes	Generator fuel included
2012/13	5,876 tonnes	Impact of generator fuel exclusion in regulatory revision

(Scope 1 and 2) associated with the operation of our offices, as well as the extent of company car use and other travel across the business.

Looking forwards

We finalised our water strategy during 2013 and we now have the challenge of implementing it throughout our business. This will be one of our key focus issues throughout 2014 and beyond. Water will be an ever-increasing priority in our business, both from an operational perspective and in terms of shaping the services which we offer.

Maintaining our momentum on carbon reduction will require increasing effort and commitment. We will need to maintain and promote leadership in this area in order to achieve our next milestone.

We have a number of tools which we will target for implementation throughout 2014. These include the roll out of an office based toolkit,

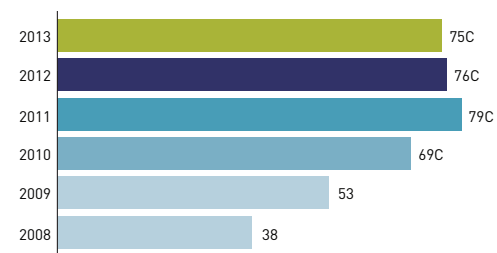
Electronic communication roll out

We wanted to reduce the need for physical travel, so during 2013 we rolled out an electronic communication tool across all our offices globally. This software allows staff to make free national and international telephone calls, send messages and make file transfers using their computers. The aim is to encourage the use of virtual meetings and telephone calls and therefore reduce travel where feasible. It is too early to assess success but we will continue to monitor progress.

comprising of efficiency guides with supporting assessment tools. The toolkit aims to increase awareness of possible low carbon options / choices amongst our employees. As part of our carbon reduction strategy we can also promote low carbon thinking at home, so contributing to our Beyond Zero HSE programme – taking our environmental responsibilities home and into the communities where our people live and work.

During 2014 we will roll out the new sustainability training and awareness package which highlights to our people how their choices impact AMEC's carbon footprint. We will use our 2014 Sustainability Awareness week to encourage, reinvigorate and engage our people on our journey to our next carbon milestone.

Fig 21: AMEC annual Carbon Disclosure Project results



Integrity

Living our values



Today's high-intensity and increasingly global business environment makes it even more important that we demonstrate, day by day, our value of acting with integrity. Ethical conduct can create a positive image that boosts growth and confidence in the company. Equally, that confidence can easily be lost by behaviour which is inconsistent with our values.

Every AMEC employee is expected to abide by our Code of Business Conduct (CoBC). We also have in place a supply chain code of business conduct and have appointed ethics officers across the company demonstrating that ethics and integrity are important to us.

Ethical business conduct

Our CoBC is a clear and straightforward guide to how we need to behave every day as AMEC. It is equally valid wherever we work in the world and whoever we are working with. It is the practical application of our values. A copy of the CoBC is available on amec.com.

We will never accept or excuse behaviours that are inconsistent with those laid out in our values and our Code of Business Conduct. We have procedures in place to report, investigate and deal with potential, suspected or actual breaches. Any suspected breaches may be reported either directly to a line manager, ethics officer, or via the ethics helpline or website, or to the General Counsel & Company Secretary. The ethics hotline is administered by an independent third party, and supported in many different languages, 24 hours a day.

Ensuring our workforce has read and understood the CoBC is key in its effective implementation. For this purpose, hard copies of the CoBC are provided to all employees when they join AMEC. Additionally, regular communications are made

explaining how important it is to the business as a whole. In the autumn of 2013, an online awareness training package was rolled out to all employees focusing on anti-bribery and corruption, which is one element of the CoBC. Almost 21,000 employees completed the training. A face-to-face anti-bribery and corruption training package was also rolled out to certain employees.

In 2013 we had 46 reports of potential breaches of the CoBC, 29 of which were made via our ethics helpline / website. All of these were investigated and action taken, up to disciplinary level, as appropriate. The number of reports via the helpline / website increased marginally compared to 2012, and we hope that the roll out of training, a marketing campaign and other initiatives will further increase awareness of the importance of ethical behaviour in 2014.

AMEC takes ethical conduct very seriously, but it is also essential to our customers. By acting with integrity, we sustain our relationships with our customers, earning and retaining their trust and respect." Alison Yapp

The ethics committee of the board is chaired by one of the independent non-executive directors and comprises all of the independent non-executive directors. It upholds AMEC's core values of honesty, integrity and respect and reviews and monitors compliance with all relevant legislation, regulation and current best practice regarding such matters as the prevention of bribery and corruption, government contracting, competition laws and import / export restrictions and trade compliance.

The ethics committee is also responsible for the review and approval of the CoBC at least annually to ensure that it addresses the above issues. It considers and reviews the scope and planning of all compliance activity within AMEC and reviews the extent and effectiveness of AMEC's internal training and external reporting of compliance and ethics matters.

In the event of an actual or suspected material breach of the CoBC or any relevant legislation, a member of the committee will take responsibility for, and manage any investigation into, the relevant matters with the support of the General Counsel & Company Secretary. The committee may use internal resources and is also authorised to employ external consultants to carry out any such investigation.

Our ethics officers provide support in setting ethical standards, communicating them, integrating them into the culture of the business and holding individuals accountable for them. The ethics officers report into the Chief Ethics Officer (the General Counsel & Company Secretary of AMEC plc) who supports the ethics committee in its activities.

Anti-bribery and corruption

In addition to the online and face-to-face training described above, we have a number of procedures

and initiatives in place to ensure that our people and partners are aware of and comply with our anti-bribery and corruption policies including:

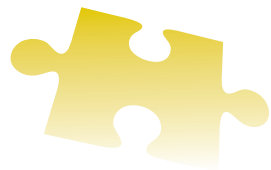
- A confidential helpline and website managed by an independent third party for employees to raise concerns (anonymously if desired) without fear of reprisal
- Due diligence of business partners and other third parties
- Monitoring and assurance with the assistance of our Group Internal Audit function

Along with the CoBC, these are regularly reviewed as part of our ongoing commitment to anti-bribery and corruption.

Human rights

Our commitment to human rights is shown in our CoBC, where we set out specific behaviours and expectations. We support the elimination of forced or child labour, respect the human rights of any individual or community in which we work and are committed to providing a workplace environment free of gender, race, religious or other discrimination, that is safe and secure and that offers fair and equal opportunity for advancement and promotion.

The CoBC outlines the practical application of our core values – in particular acting with integrity. Underpinning and supporting the CoBC are a number of specific policies, procedures, practices and commitments. These mandatory policies set out a robust and traceable framework across our commercial and risk management (commercial, information and security risk management), human resources, financial practices, and safety, environmental and sustainability functions.



AMEC aims to engender a culture throughout the company that supports human rights as a core principle integrated into our company practices. These practices include specific communications on AMECnet, ethics hotline and the training of ethics officers, mandatory online bribery and anti corruption training and auditing of AMEC's compliance with internationally recognised human rights standards and protocols.

We recognise that we include amongst our customers some of the largest extractives companies who are all signatories to the Voluntary Principles on Security and Human Rights, and who contractually or otherwise have an expectation that we understand and where appropriate apply those voluntary principles. We ensure our operating units are aware of their responsibilities regarding the understanding and application of the voluntary principles by including checks and balances within our security risk assessment process for all new business development and new project support activity, and our security assurance processes.

We have in place a supply chain code of business conduct developed to ensure that our suppliers understand and act in a manner consistent with

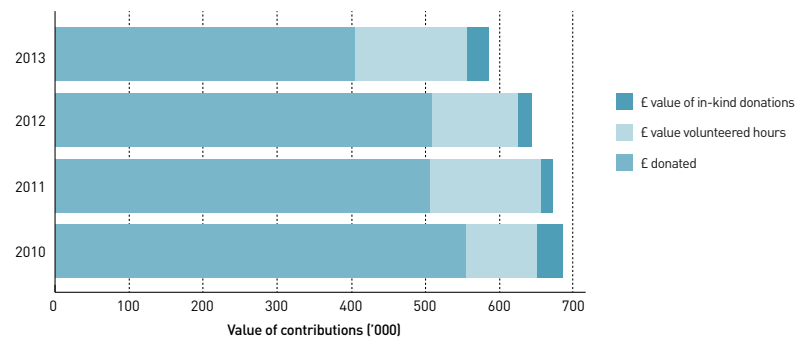
our values. The supply chain code of conduct covers topics including environment, health and safety, ethics and legal requirements, gifts and hospitality as well as human rights and human resources. It is a requirement for all suppliers to sign up to the code prior to contract award.

We acknowledge there is further work to do where our sphere of influence is indirect e.g. within our supply chain and contracting organisations.

Community investment

In 2013 AMEC donated £403,000 to good causes and charitable institutions worldwide, including matching employee volunteer fundraising. At 0.12 per cent of profit this is significantly down on the previous year, largely a result of the restructuring of the business. This meant some initiatives took a little longer to get off the ground than originally anticipated. As we rely on matching the fund raising efforts of our employees and do not normally give donations, we do see some volatility in our figures. There is a huge amount of enthusiasm going forward and we are working towards bringing our community investment spend back up above £500,000.

Fig 22: Community contributions



AMEC promotes STEM to the next generation of engineers



Employees from across our London offices took part in a week of activities promoting Science, Technology, Engineering and Mathematics (STEM) at a local primary school in North London.

As part of the Science Week, staff volunteered from two hours to a whole day presenting activities to various classes of thirty children ranging from 4 to 11 year olds. One of our senior project directors held an assembly and a Q&A session with the whole school and AMEC personnel visited each classroom and encouraged the children to think about

which everyday items have been engineered and how important engineering is to our society. They conducted a number of team exercises to simulate the daily activities of working as an engineer and expanding the children's ideas on renewable energy. The activities included building different structures out of spaghetti and marshmallows to see which structure was the strongest and building paper helicopters with different sized propellers to see which design fell to the ground the slowest. Students were grouped into teams and encouraged to watch others as they took part, encouraging teamwork, communication and project management skills. This was a great opportunity for students to get a first hand understanding of how science and mathematics can prove to be a successful future career.

A video showing some of the highlights from the week can be found at amec.com/stem

The graph on the previous page shows the total contribution from AMEC, including time volunteered during work hours and in kind donations.

Our employees continue to drive our charitable fundraising and community investment efforts. In addition to the contributions made by AMEC via matched funding and other activities; a further £612,578 was raised by our employees, a drop of 47 per cent on 2012 figures. Although we believe that our employee contributions in 2012 were above trend, we will look in more detail during 2014 to understand and manage the volatility of these contributions, as well as how we can improve reporting in this area. In addition to this, our employees volunteered 6,045 hours of their own time to raise money or to support their local communities.

We continued to use the London Benchmarking Group model to record and analyse our community contributions over and above cash contributions from the business. Cash donations continue to be concentrated to social development and health, with emergency relief efforts in 2013 going to both the natural disaster in the Philippines and

the ongoing crisis in Syria. Education and young people dominate, with 60 per cent of the volunteer hours spent. This is a result of the efforts to support STEM activities and our long term strategic recruitment activity.

For AMEC, education has a much longer lasting benefit than just providing charitable donations. AMEC continues to form community and educational partnerships with local institutions; each designed to draw on the talents of our employees with the objective of building skills. These partnerships are often long-term relationships and activities can include:

- Work experience days
- Supporting national events
- Tutoring / lecturing
- Supporting schools with STEM projects

Examples of some of the projects we have undertaken during 2013 follow, and more can be found on amec.com

AMEC supporting transitional shelters



Meeting shelter needs in the aftermath of disasters and crises remains a major challenge for governments, humanitarian agencies and, most importantly of all, for the affected populations themselves.

Beyond survival, shelter is an essential contributor to security, personal safety, protection from the climate and resistance to ill health and disease. Adequate shelters provide disaster-affected households with a place from which they can address their other needs, promoting the use of existing capacities, resources and social networks.

AMEC has developed a relationship with International Federation of Red Cross and Red Crescent Societies (IFRC) through involvement by both organisations with the Disaster Response Partnership. As a result, IFRC requested AMEC to provide technical support for the preparation of a Transitional Shelter design catalogue. IFRC provided ten designs which had been previously used in disaster response by either IFRC agencies or other humanitarian agencies in Burkina Faso, the Philippines, Haiti, Sri Lanka, Pakistan, Bangladesh and Afghanistan; the primary criteria being that these designs had successfully been used in the field.

AMEC provided engineering analysis for each of these shelter designs to review and improve the shelter structural design, taking into account potential future adverse weather events. The following services were provided by AMEC for each of the shelter designs:

- Analysis and interpretation of building codes in relation to transitional housing
- Application of code requirements for the desired structure life span
- Structural calculations to determine impact of design storm and seismic events
- Assessment of applicability of design for differing regions and climates
- Recommended design improvements
- Bills of Quantities for shelter materials to assist relief providers in planning for and reacting to disasters.

The IFRC Transitional Shelter catalogue document was published by IFRC in October 2013. AMEC participated in the presentation of the document at an international conference in Geneva in October 2013 to a consortium of humanitarian organisations that respond to post-disaster shelter needs.

More examples of the work we do to support our communities can be found at amec.com/aboutus

Delivering locally, Acting personally – Supporting our local communities

Johannesburg office, supporting children



For the last five years, the charity committee for the Johannesburg office has run initiatives to raise funds for the Zevenfontein Education Fund. The fund provides uniforms, food parcels, extra lessons, educational outings and transport to and from school for disadvantaged youth and learners. Every year the office runs a winter warmers campaign to provide the children with blankets, hats, scarves, gloves and their favourite hot chocolate and marshmallows. Every Christmas they are provided with food hampers. Johannesburg, South Africa

AMEC supports Movember

AMEC offices around the world have been raising awareness of men's health issues through their participation in Movember for the past two years! In 2013, 22 AMEC teams worldwide raised almost US\$50,000

AMEC and Heart to Heart Shanghai Community Outreach

Since 2007, AMEC in China has been supporting the Heart to Heart Shanghai Community Outreach organization, which helps disadvantaged children to undergo heart surgery to correct congenital heart defects. To date we have raised funds for 22 children to undergo the surgery they required. Shanghai, China

Promoting biodiversity and improving the environment

One of our AMEC employees in Texas is actively engaged in promoting the wildlife and native habitat of his local area by planting and maintaining native plant beds that attract birds, butterflies, bees, and other pollinators; almost completely eliminating pesticide use; minimizing water consumption, removing non-native, invasive species; conducting periodic wildlife inventories; providing supplemental food and water, especially during drought. He also volunteers for educational and scientific activities (leading field trips, giving presentations, wildlife censuses) for local conservation organizations such as KPC and the Houston Audubon Society.

Bob Honig, Houston, Texas US

Supporting Save the Children

In Baku, Save the Children supports refugees and their children from Iran, Afghanistan, Chechnya and Pakistan who requested asylum in Azerbaijan. In order to help the children get the aid and education they need, employees from our office in Baku provided school uniforms and a supply of materials for 112 children at the refugee clinic in order for them to attend school.

Baku, Azerbaijan



AMEC Australia raising money for Starlight



AMEC Australia has appointed the Starlight Children's Foundation as its national charity for two consecutive years providing much needed financial contributions to the charity. Starlight is a charity that supports seriously ill children by providing them with the opportunity to laugh and play while they are receiving treatment. A three week campaign was held in 2013 with a number of staff engagement activities in both the Brisbane and Perth offices including go-karting, bake sales and quiz nights. A total of over \$41,000 was raised beating the target of \$40,000.

Excellent project delivery

We develop long-term relationships by meeting and exceeding the expectations of our clients. Creating a sustainable business is not driven by cost alone although it is a fundamental element in the competitive markets in which AMEC operates. Our differentiator is our culture, driven by our people – our success is down to the people who work for us and with us.

Consistent delivery

Delivering excellence through AMEC Academy

AMEC is a people business and we recognise that an investment in our people is an investment in our future. That is why in 2010 during the operational excellence campaign the AMEC Academy was established, to deliver global solutions to develop our people.

The AMEC Academy is the vehicle that underpins and integrates all the various areas of individual/team development and delivers these via a consistent integrated and accessible global approach.

AMEC Academy supports the business strategy of, '2015 and beyond', by designing and delivering leading individual career and team development to meet the challenges of the future vision and aspirations of the global business. We achieve this by:

- **Collaborating** across business / geography / function to draw on experience to build best in class development solutions
- **Improving** performance by developing / equipping our employees through practical learning
- **Growing** the capabilities needed by a more diverse, globally mobile workforce
- **Achieving** our goals by developing future leaders and managers.

AMEC Academy supports AMEC in delivering world class projects?

- We improve the knowledge of our teams through new and refreshed learning materials located in the Knowledge Portal – a free resource available to all employees. This content is updated on a regular basis to ensure that the latest learning is available
- Through the use of the career path tool each and every employee can look at current or future requirements for a specific role and plan their development to that end goal. In 2013 we reviewed the use of the career path and started mapping out a revised edition to help identify development tools currently available within AMEC
- We collaborate with HR and L&D to organise development programmes to suit business needs. In 2013 we delivered 55 classroom programmes to a total of 1086 AMEC employees
- We are collaborating with the functions and business leads on the delivery of toolkits and awareness programmes. In excess of 350 people undertook manager toolkit sessions in 2013 and almost 30,000 people completed an online awareness programme, including the new travel security lite and sustainability awareness. In addition, almost 300 people completed the online introduction to project controls or the introduction to project management training modules.

- We support the growth of rising stars through the accelerated development programmes. In 2013 we saw 53 people pass through these programmes
- We promote the People Handbook to educate others on all that AMEC has to offer its employees. This handbook has grown in size and audience during 2013. Originally designed for the managers to use, it soon became apparent that the information was for everyone within AMEC and so its name changed from Manager handbook to People handbook with new chapters being added all the time.

Aligned supply chain

AMEC believes that successful relationship management within our supply chain is fundamental to our delivery of safe and excellent projects for our customers.

Our Supply Chain Management (SCM) function is responsible for the end to end management of the external supply chain. Over the past two years new systems have been developed and introduced (Supplier Performance Assessment system, and Supplier Registration and Qualification system) to give a structured and consistent approach to pre-qualify and assess our suppliers on a global basis. More information on these systems can be found within the 2011 and 2012 sustainability reports.

In 2013 SCM commenced a focus on a strategy entitled 'AMEC informed buyer' with a series of focus areas with associated tactics and actions in support of 'Excellence in project delivery'.

The focus areas relate to:

- Understanding both a supplier's capability and their performance when executing work on our projects, by undertaking analysis of data in

the supplier registration and qualification and performance assessment databases. This data can be combined with information on the value of purchase orders and subcontracts into a supplier dashboard

- Obtaining supply market intelligence, by participating in joint industry programmes and undertaking our own specific periodic surveys with supplier's to gain insight into supply market trends and potential influence on projects
- Developing the capability to undertake analysis of project execution dynamics in order to explore opportunities for project management improvements. This also encompasses analysing the amount of spend that AMEC manages with suppliers.

Ensuring satisfied customers

Focus on customers has been one of our priorities and an integral part of our values for years. We are now taking our approach to the next level, creating Customer Essentials during 2013, a global programme aimed at building a more customer-centric organisation. "Customer Essentials will be piloted in 2014 in Europe and then the programme will be rolled out into the organisation," explains London-based Claire Day, Customer Satisfaction Lead.

The programme has been developed based on customer feedback, so its based on what our clients told us they want to experience when working with us. It is about understanding the customer and what our mutual success looks like. The programme aims to give people the tools, skills and knowledge to think differently about how they interact with their customers, day to day.



Oil & Gas

The oil & gas market contributes about half of AMEC's revenues and has been growing well in 2013. There continues to be a lot of activity in the UK North Sea, with our brownfield business particularly strong.

What we do

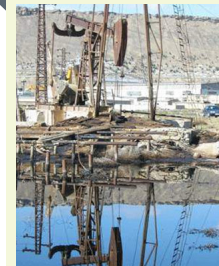
We offer a wide range of services to a broad range of customers, including IOCs, NOCs and independent operators in Europe, Americas, Middle East and Africa, the Caspian, South-east Asia and China. We do not operate in early cycle exploration or drilling, but are involved in every part of the project delivery phase.

In general, oil and gas resources are increasingly difficult to extract. Projects have become larger and more complex and environmental pressures have increased.

Oil and gas producers need companies like AMEC, to provide experts with proven experience in delivering projects on time, on budget, without harming people or the environment. Assets are maturing, with declining reservoir production and ageing infrastructure, at the same time that the number of offshore facilities is increasing, to over 9,000 globally. These factors are increasing the focus on the offshore maintenance, modifications and operations. More sophisticated performance and efficiency improvement solutions are required, particularly in brownfield operations.

The IEA forecasts that oil demand will increase to 101mb/d by 2035 driven by the transport sector in China, India and Middle East and occurs despite the dampening effect of efficiency measures, environmental policies and relatively high prices in OECD countries. It is clear that Oil & Gas remains a market where AMEC's mix of skills will be needed long into the future.

BP - growing into large projects



Baku Yard in 2002



ATA yard in 2004



Today - world class fabrication facility

Over the years, AMEC has grown remarkably in Azerbaijan. "14 years ago, we had a shop window with two or three people bidding very small projects – and now, we are a tier 1 provider of engineering, project management, construction management for brownfield and greenfield projects. And then we entered into a consortium with Turkish Tefken and Azeri Azfen (ATA)," shares Martyn Trench, ATA Consortium Senior Construction Manager, Baku, Azerbaijan.

"ATA has gained a hard-won track record of asset development, management, conceptual and detail design procurement, construction management, onshore and offshore completion. As part of ATA we undertook work on three major decks for the Central Azeri Compression and Water Injection Platform (C&WP), Process, Compression, Water Utility (PCWU) and Chirag Oil Project – West Chirag (COP – WC)."

On the COP project, ATA developed the site, hired and trained new people and built a new fabrication shop; and for the first time, the primary steelwork and the exotic material pipe spools were all fabricated in-country on the ATA facility. "And in September 2013, we celebrated the completion of the project with the sail-away of the largest COP topsides ever built in Baku."

"The conditions for this particular project were not always ideal and we had to cope with severe winters and very hot summers, but we delivered successfully. In addition, we have achieved over 20 million man-hours LTI free," concludes Martyn.

"It never ceased to amaze me that we had 15 different nationalities, 4,000 workers, numerous different languages and cultures to work together safely and go home without a serious incident taking place over all these years. The safety focus on the project was right from Day 1 and stayed that way till the end. If there was a Safety issue it was discussed, acted upon and closed." Donnie Nicholson. COP-WC Drilling Delivery Manager

Our story in Azerbaijan to date;

- In 1997 AMEC became the first British owned engineering and construction services contractor to establish a permanent presence
- In May 2002 AMEC entered into its first consortium agreement with local partners Tefken and Azfen for fabrication of C&WP topside
- At the end of 2013 we employed 499 people in Azerbaijan
- 33.5 million man hours have been completed without a lost time incident – 27 million of which were site based, which presents our biggest risk
- AMEC invests heavily in enhancing the competency and contribution of the local workforce, training around 1,400 local employees in core skills such as welding, pipefitting, plating and rigging. All of which are transferable to other industries in Azerbaijan. Internationally recognised qualifications were used where available
- More than a million man-hours have been invested in training and development
- The Chirag project was delivered with one hundred per cent in-country fabrication, the first of its kind. It also met 15 million man hours with no lost time incidents
- At the end of 2012 the COP-ATA project won AMEC's Chief Executive award for HSSE excellence and was recognised by our client as a world class project with outstanding HSSE performance
- The Baku offices actively support its local community, recent projects include
 - AMEC Gives Back project where AMEC employees raise and donate funds to orphanages and spend a day with children
 - Clean-up day for SOS Children: Volunteers from AMEC Baku office and the Green Baku organisation came together to clean Baku beaches and raise money for the SOS village in Azerbaijan. This activity is part of an international set-up called Let's do it! that organises clean-up days across the world using local volunteers.

Mining



There has been a significant downturn in the mining market, as commodity prices have weakened and our customers have reassessed their capital expenditure plans. Our business has not been immune, but we have been able to improve our positioning and win some interesting new pieces of work.

What we do

We offer mining consultancy (including ore resource estimation, mine planning and feasibility studies), design, project and construction management services and believe the provision of consulting and environmental services provides a distinct competitive advantage.

Supply issues are at the forefront as fewer easy-to-produce resources are leading to more challenging, complex and expensive developments, in more remote and riskier locations. Increasingly new mining projects are underground rather than surface mines and more logistical infrastructure and environmental controls are required. At the same time, investors are demanding better returns on the cash invested. This has led to a number of major mining companies announcing delays to projects and cost reduction programmes.

Citi Research wrote in September 2013 that it expects large miners to make significant cuts to capital expenditure compared to current levels of spend. In 2014 it expects approximately \$40 billion, compared to \$46 billion in 2013. As in oil & gas, mine developers are looking AMEC support, with proven ability in project delivery.

AMEC has long sought to mitigate the impact of economic volatility by positioning itself to support a diverse range of commodities and service markets. As well as potash, iron ore, copper and gold, our customers are producing commodities such as uranium, lead, zinc, nickel and diamonds.

ArcelorMittal – strengthening our experience in Africa

In 2010, ArcelorMittal Liberia (AML) engaged us to do a feasibility study for the Western Range Iron Ore project in Liberia, Africa. Since then, we have been working in two major areas: the Port of Buchanan where iron ore is loaded onto ships and shipped to the market; and the concentrator plant where the mine is located, about 230km from the port. This is the first project that AML is building from scratch.

Raj Punn, Project Manager, Oakville, ON, Canada, believes that this development is one of the client's flagship projects due to the positive difference it will make in the country. "Liberia went through a tough 14-year civil war and has been emerging from it over the last eight years. The client has a commitment to the government to build hospitals, schools, and improve infrastructure."

AMEC is bringing value to the country by hiring the locals, training them and providing education. AMEC is providing real support to the client by sharing the tools, training and processes developed within AMEC. "AMEC has a big part to play in supporting the clients to develop the local workforce,

our tools such as incident investigation and safety essentials are making a real difference" said Ross Robb, HSSE Director for the Growth Regions. This is essential in developing, recruiting and retaining a sustainable workforce in the region, bringing much needed jobs which in turn creates greater stability.

"AML appreciates the value we're bringing to the project. For example, we're using a 3D engineering model, which means that the client can virtually walk through the plant. In addition, we have just hit 4 million man-hours LTI free, which is a fantastic achievement in Africa."

Raj also adds: "This project doesn't have a traditional management structure. About a year ago, an integrated project delivery team was created and this team comprises AMEC as well as AML people. This means we've been able to integrate the two companies and align the goals of the project better." Successful project delivery is not only great for AMEC, it is essential to Liberia acting as a catalyst to attract further investment into the region.

Swakop Uranium – introducing the AMEC Way for success



On the Husab project we are responsible for engineering, procurement and construction management (EPCM) on a uranium mine and plant in Namibia, Africa, as part of a joint venture with Tenova Bateman. Our client is Swakop Uranium, part of Guangdong Nuclear Power Company (CGNPC) employing approximately 70 per cent Africans from Namibia and surrounding countries. CGNPC is the largest nuclear power company in China and they purchased the project to secure uranium for the nuclear power stations they are building in China. This is a typical fast track project where we are dealing with engineering and construction simultaneously. The entire project should be finished by late 2015.

The project is a challenge; the local standards of health, safety and welfare are culturally very low so we are constantly striving to improve education, challenge local

custom and instill a high regard for personal safety. The site is maturing with all significant incidents reported, investigated and subject to AMEC's incident review panel. We believe that our influence will leave the client and the workforce with a greater respect for health, safety, security and environmental management.

"From a project delivery perspective the biggest challenge, however, is the cultural difference in terms of the way business is traditionally done in the Africa versus the way it's done in the Chinese market. We have been aligning project management procedures as well as getting used to the hierarchical structure of the client. We [AMEC] have to become more culturally aware when operating in such a diverse environment, this is nothing like our traditional markets in the US, Canada, UK or Australia.

We have now reached an understanding between the parties to ensure we deliver on the project. We have had some issues but the collaboration within AMEC has helped us get over it. This is a strategic project as we're selling the wider AMEC to the local market. We're selling the model that relies on inter-office working together in close collaboration with the client, raising the standards of the local labour supply. And in terms of our performance, we have been very successful; we have achieved over 2 million man-hours LTI free. This is a great achievement for our on-site workforce and represents a step-change in safety culture for our workforce in Namibia.

Clean Energy

In recent months we have seen significant growth in our renewables business in Americas, particularly new solar projects. In Europe, the clean-up contract on the Sellafield site was renewed for a further five years and progress was made on the UK's nuclear new build programme.

What we do

We have experience of all types of nuclear technology. In renewables, our focus is on wind, solar, biomass and biofuels projects.

Clean energy provides an increasingly significant part of the global energy mix, its growth driven by increasing demand for power and environmental concerns. AMEC's proven expertise, depth of technology understanding and strong customer relationships provide further growth opportunities.

The role of nuclear power varies from country to country. Some countries, such as Germany, are looking to decommission their nuclear capacity, while others, such as the UK and China, are committed to new build programmes. Overall, the International Energy Agency (IEA) forecasts nuclear will be used to generate around 12 per cent of electricity in 2035, in line with today. The clean-up and management of the nuclear legacy is one of the most demanding challenges facing the industry. The World Nuclear Association estimates that more than 250 reactors will close by 2030 worldwide.

ExxonMobil forecasts renewable energy supplies — including traditional biomass, hydro and geothermal as well as wind, solar and biofuels — to contribute 14 per cent of the energy mix by 2040, up from 3 per cent in 2010. Growth in renewables will be driven by climate change and environmental policies, energy security concerns and by price and cost developments.

Both BP and IEA predict that fossil fuels' share of the energy mix will fall by circa 5 percentage points by 2035 as renewables continue to replace oil and coal in the mix.

Sempra US Gas & Power – delivering a large solar project successfully



In 2013 AMEC Americas were awarded a multi-million dollar engineering, procurement and construction (EPC) contract by Sempra U.S. Gas & Power to design and construct its Copper Mountain Solar 3 project near Las Vegas, Nevada.

Copper Mountain Solar 3 is the third phase of Sempra U.S. Gas & Power's landmark Copper Mountain Solar complex, currently one of the largest photovoltaic (PV) solar plants in the US. Situated on about 1,400 acres of land, Copper Mountain Solar 3 will tap into the intense desert sun in Boulder City, Nevada to produce clean energy.

Construction on the 250-megawatt (MW) solar project has already begun and will create over 300 jobs and 12 permanent operations jobs. Slated for completion in 2015, Copper Mountain Solar 3 will be capable of generating enough electricity to power approximately 80,000 homes.

Simon Naylor, AMEC's Group President, Americas said: "This contract fully aligns with our Vision 2015 growth strategy, which includes strengthening our focus on renewable and clean energy. Building on our growing solar position in the US, it demonstrates our ability to leverage our global design, engineering and project management expertise to deliver projects for our customers."

"The Copper Mountain Solar complex is among the largest photovoltaic facilities in the US and we look forward to partnering with AMEC," said Kevin C. Sagara, vice president of renewables for Sempra U.S. Gas & Power. "As a top solar developer in the US, we look forward to adding another 250-MW of clean, emission-free energy to our renewable energy portfolio."

Energy Source – winning repeat work based on excellent delivery

We completed Energy Source's Hudson Ranch Power I project successfully in 2012 on time and within budget. Subsequently were awarded preliminary design and engineering work on Hudson Ranch II.

The work for Energy Source was first executed from our Phoenix, AZ, US, office and then it was moved to Atlanta, GA, US. "Hudson Ranch is a relatively new company, established in 2006-2007 to develop geothermal resources in the Imperial Valley, California, US.

The project received numerous awards, such as the Environmental Stewardship Award and it was also named the Geothermal Project of the Year in 2012," says Atlanta-based Jeff Swoope, Senior Project Manager. "In addition, our team also received an HSE award for excellence. The client is very happy and the plant has been operating well and reliably."

Tarek Tawfik, Process Lead Engineer on the project, adds some technical details about the plant: "This is actually the first geothermal plant that AMEC has worked on. The source of the geothermal brine is underground reservoirs and these are about 7,500-9,000 feet deep, titanium lined – you know, just the fact that you're getting 500 degree steam and water out of the earth is kind of unique. The earth basically functions as a boiler."

Jeff believes that the project was also successful due to regular communication and collaboration with the client and suppliers. "We did online reviews with everybody to actually see what the plant will look like when built. We published the model weekly and everyone had access to it. We spent a lot of time in weekly review meetings. And we used other AMEC offices to help us on the project, namely Greenville, SC, US and Vancouver, BC, Canada."



Environment & Infrastructure

Our E&I market alone consists of four sectors: water, transportation / infrastructure, government services, and industrial / commercial.

What we do

We offer comprehensive broad ranging environmental consultancy supporting our key markets sectors including planning, regulatory work, impact and ecological/social studies, conservation and resource management.

The overall environmental consulting and engineering market includes services provided to all four of AMEC's markets, with the skills highly transferable across customers.

The global environmental consultancy market is estimated at £34 billion (Engineering News Record), with design and construction-specific revenue on top of this. The market has historically been both large and diverse though there has been recent consolidation as large private sector clients are increasingly looking for seamless global project delivery.

A compound annual growth rate of 3.5 per cent is expected over the next five years, with services related to climate change, energy and contaminated land/remediation expected to grow particularly strongly (Environmental Analyst). Many believe that water scarcity and environmental concerns provide additional opportunities for growth.

Growing water constraints are set to impose additional costs on the energy sector and in some cases threaten the viability of projects. The IEA suggests that the volume of water consumed to produce energy will increase by 85 per cent from

2010 to 2035. This is more than twice the rate of growth of energy demand, driven by more water-intensive power generation and expanding output of water-thirsty biofuels.

Kahramaa – using past experience to our advantage

In Qatar, our E&I team is working with local utility supplier Kahramaa to use Aquifer Storage and Recovery (ASR) technology to improve water security and fulfill some of the Qatar's ambitions for agricultural sustainability and food security. ASR is the storage of water in underground aquifers during times when it is available and its recovery from the aquifer when needed. "This is a new client and interestingly enough, we were invited to bid for this project due to the work conducted 20 years ago by Entec, a company AMEC acquired in 2010. So this is a great example how a previous high-quality project is helping us now," explains Rik Ingram, Principal Consultant Hydrogeologist, Doha, Qatar. E&I offices in the US and UK are collaborating to complete this work in the first quarter of 2015.

"The customer is pleased as we bring a lot of expertise of ASR technology, in particular from Florida which is hydrologically and geologically similar to Qatar. In addition, we've introduced Geographic Information Systems (GIS) technology to process, manipulate and store data in new ways. We've been successful when presenting data and maps to the client – here we rely on expertise from the UK, where our people use GIS regularly for ground water projects."

Warren High speaks to a group of college students along the banks of Mill Creek.



Mill Creek - one man and a river

Mill Creek flows through downtown Cincinnati, Ohio and has been rated as one of the 10 most endangered streams in the US, according to the American Rivers conservation group. More than two centuries of pollution, overflows from an outdated sewer system, and trash turned it into a symbol of what happens when industrialisation goes unchecked. Manufacturing waste, leaking abandoned landfills, combined sewer overflows and urban runoff have combined to create water that is unsafe for human contact and inhabited by only the most tolerant of aquatic organisms.

For over ten years AMEC has performed hundreds of projects and services at Mill Creek. For one of AMEC's senior associate biologists the restoration of Mill Creek has turned into a lifelong passion of more than 30 years. He does it one mile at a time – not only through his work at AMEC but also on his own time – canoeing down this stream with politicians and community leaders, leading college class tours, collecting native seeds to plant later and cutting back invasive species.

Passion for a cleaner creek filled with native fish, surrounded by parklands and the dedication to create economic growth in the surrounding area is the driving force for this successful programme. Key projects have included improving water quality, reducing flooding, creating recreational areas, public education, bioengineering the banks, removing sediments and lowhead dams, performing natural channel design, enhancing wildlife habitat, restoring wetlands and installing storm water management structures.

Sustainable Growth

We continue to see good demand for our services, despite challenging conditions in some of our markets. The balance sheet remains strong and provides a platform for future growth.

Working towards Vision 2015

Throughout the year we continued our programme of work in support of our Vision 2015 through many initiatives, including:

Collaborating through High Value Delivery Centres

A High Value Delivery Centre (HVDC), focusing predominantly on the oil & gas sector, was set up in Jakarta. There are currently over 160 people working in the office. "The HVDC supplements the businesses in other parts of the world where there may be either resource or skill shortage, so it can provide a better way to meet clients' requirements," explains Nicky Moir, Engineering Workshare Manager, Jakarta. "We have delivered some great work for the UK, Qatar and Canada but we are still at the beginning of our journey. There are many so-called 'workshare myths', but people are opening up to the idea of utilising the HVDC and we are getting more interest from other parts of the business."

Growing through expanding our customer base

RHi (Rider Hunt International), acquired by AMEC in 2008, provides project services, specialist manpower and systems to the oil & gas and energy markets. "2013 has been a year of strengthening the existing client base, as well as forging relationships with new customers," says Jeff Harrison, Managing Director, RHi Group,

Guildford, UK. RHi has been involved with several major international oil & gas projects including Kearl in Canada, Clair Ridge in the UK and Gorgon, in Korea. "We have been providing services either as part of AMEC's scope of delivery or directly to International Oil Companies.

Celebrating 30 years as a listed company

During the year AMEC achieved over 30 years as a listed company and was invited by the LSE to celebrate the milestone by performing the 'market open' ceremony, which signals the start of the day's trading.

Acquisitions

On 15 November 2013 AMEC completed the acquisition of Automated Engineering Services (AES). AES is a 175-person professional design engineering nuclear services firm based in Naperville, Illinois, US, with annual revenues in excess of US\$30 million. This acquisition builds on AMEC's nuclear position in the US and is an important addition to the existing strong positions in the nuclear markets in Canada and Europe.

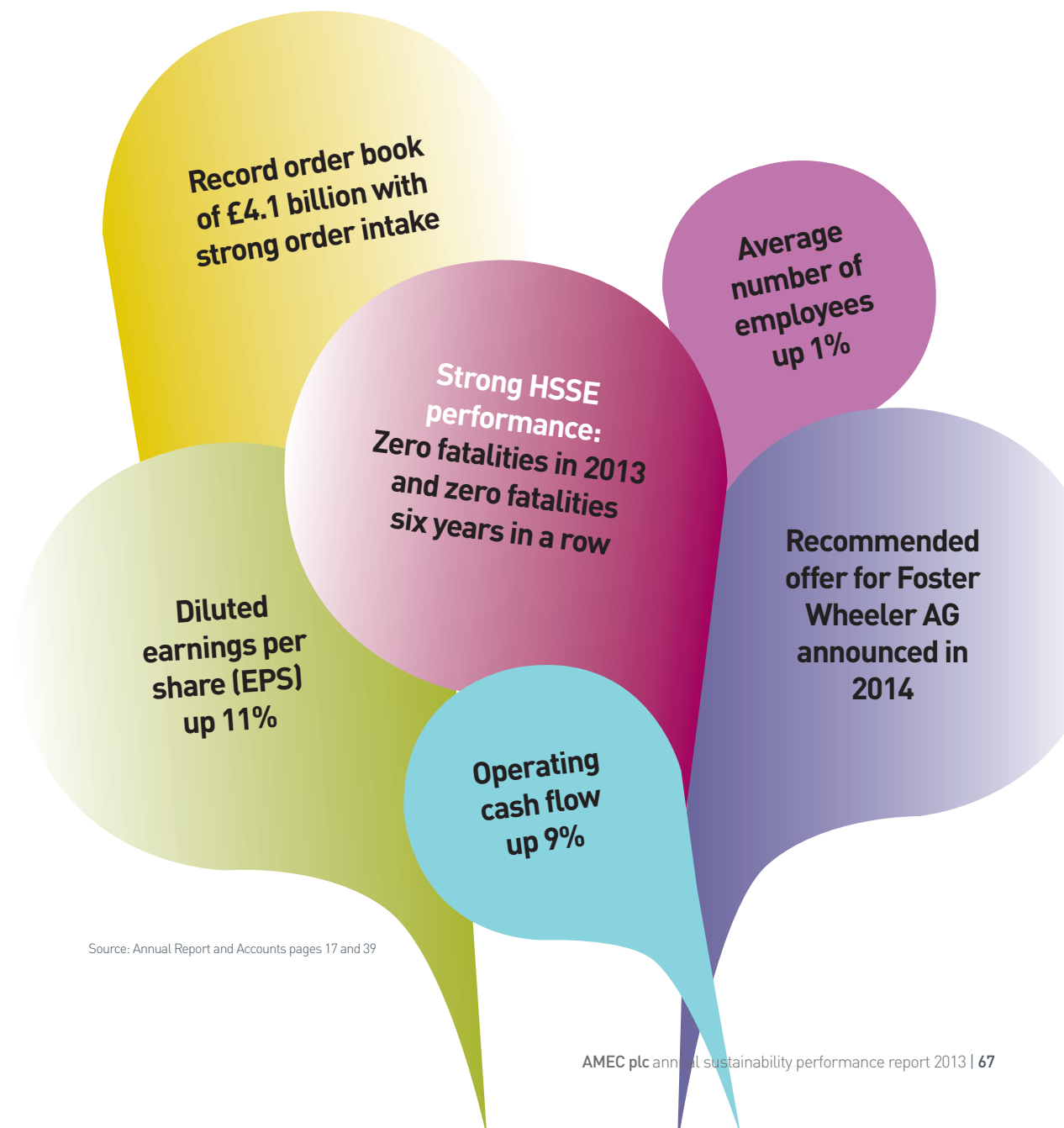
AMEC announced a recommended firm offer for Foster Wheeler on 13 February 2014.

For more information and fuller details of our financial data please see AMEC plc 2013 annual report and accounts at amec.com.

Table 27: Financial performance

	2013	2012	2011
Continuing operations: Revenue (£millions)	3,974	4,088	3,133
Adjusted profit before tax (£millions)	332	327	323
Adjusted diluted earnings per share (pence)	87.2	78.6	73.2
Dividends per share (pence)	42.0p	36.5p	30.5p

Note: please see 2013 annual report and accounts for full definitions and details



Source: Annual Report and Accounts pages 17 and 39

AMEC Sustainability Report 2013: Assurance Statement and Commentary, Summary

The scope of our assurance

AMEC has commissioned Corporate Citizenship to provide external assurance and a commentary on its Sustainability Report 2013. The content of the report is entirely and solely the responsibility of AMEC. Corporate Citizenship is responsible for its assurance.

The assurance provides the reader with an independent, external assessment of the report against the principles of the AA1000AS standard (2008). The AMEC report is intended for the general reader and for more specialist audiences who have a professional interest in AMEC's sustainability performance.

Our assurance is a Type 2 assurance as defined by the standard, in that it evaluates the nature and extent of adherence to the AA1000AS principles of inclusivity, materiality and responsiveness and assures the performance of the organisation as reported here. Our assurance used disclosed information as its starting point and then investigated the underlying systems, processes and sustainability performance information to arrive at its conclusions. In addition, it has verified the reliability of selected reported sustainability performance information.

We considered specific sustainability performance information relating to:

- Scope 1, 2 and 3 greenhouse gas (GHG) emissions
- Environmental incident reporting
- People
- Ethics
- Community affairs

The scope of our assurance of sustainability performance information is restricted to the calendar year ended 31 December 2013. However, we have given consideration to the wider context in which that this sustainability performance information is being reported and the key messages conveyed. In terms of GHG emissions data, we have used the WBCSD Greenhouse Gas Protocol as a reference standard in order to verify the relevance, completeness, consistency, transparency and accuracy of GHG reporting. For other aspects of sustainability performance information, we have referenced GRI Principles for Defining Report Content and Quality.

This was a 'moderate' level assurance that is to say that we believe there to be sufficient evidence to support the statement such that the risk of the conclusion being in error is reduced. Pages 72- 74, (AMEC's UNGC and GRI tables) content derived from AMEC's Annual Report and Accounts and the advisory notes on page 6 do not form part of our assurance.

A detailed note of our assurance methodology appears at the end of this statement.

Opinion and conclusions

In our opinion the AMEC's Sustainability Report 2013 reflects the principles of AA1000AS (2008): inclusivity, materiality and responsiveness. We comment on each individually below.

Inclusivity- the commitment to be accountable to those on whom AMEC has an impact and who have an impact on AMEC, and to enable their participation in identifying issues and finding

solutions. We found clear evidence of robust processes in place. AMEC's response to the inclusivity principle was reinforced this year through the company's direct engagement of an external stakeholder panel.

Materiality – determining the relevance and significance of issues to AMEC and its stakeholders. Over the past three years AMEC has sought to balance the business' priorities with the perspectives from key stakeholder groups through a variety of stakeholder engagements. This has provided AMEC with a reporting framework that addresses the relevant issues.

Responsiveness - response to stakeholder issues that affect AMEC's sustainability performance. We found evidence of a well-managed process that responds to key groups. In responding to the findings of the stakeholder panel this report includes more detailed description through case studies of the active management of sustainability. The challenge is to build on this while responding to significant changes brought about by AMEC's potential purchase of Foster Wheeler and the reporting scene in the coming months.

Progress on AMEC's responsiveness to the comments made in last year's assurance statement has been strong with important improvements in AMEC's approach to diversity and inclusion.

Sustainability performance information

Based on the work performed, nothing has come to our attention to suggest that the specified GHG performance information is materially misstated. AMEC's GHG reporting aligns with the principles of the WBCSD Greenhouse Gas Protocol, and

systems, processes and procedures are in place to facilitate robust reporting of GHG performance over time.

Our review of the community data suggests a level of under reporting of the amount of employee volunteering both during and outside working hours and hence the overall value gained by the business. AMEC's commitment to review these processes in 2014 and better understand the value of community investment is welcome. Consistently applied targets tracked year on year are a feature of reporting good practice. We recommend AMEC continue to build on its target development processes to increase the specificity and measurability of targets.

Looking forward

Overall business restructuring has meant progress in 2013 has been less pronounced than in 2012. However we note AMEC is already planning for sustainability in 2015 and beyond. AMEC's expansion agenda will also be in focus in the coming months and maintaining momentum in a changing business will require further effort. Following the roll out of AMEC's diversity and inclusion framework, we look forward to enhanced reporting of this key area for AMEC and the development of further measurement and evaluation approaches.

Methodological notes

The assurance work was commissioned in July 2013 and completed in April 2014. Detailed records were kept of meetings, assurance visits and correspondence relating to the inclusivity, materiality and responsiveness of the report, as well as to technical matters relating to the accuracy and presentation of data. A team of four, comprising

Signposting our Sustainability Report

a Director, two Associate Director, and a senior researcher undertook the assurance and commentary process. The team has a variety of professional and technical competencies and experience. For further information please refer to our website www.corporate-citizenship.com.

Our external assurance and commentary process for AMEC's 2013 reporting has involved, but not been limited to, the following elements:

- Understanding AMEC, its own and broader cultural contexts; its approach to and understanding of sustainability; how it identifies issues material to its operations and in particular how this was shown through its sustainability strategy development and implemented in different markets;
- Detailed interviews with AMEC's employees including, functional heads, senior management and sustainability staff about reporting the company's approach, policies, governance, performance measures, benchmarks, stakeholder relations and future plans;
- A detailed evaluation of AMEC's 2013 reporting against the principles of AA1000AS;
- A review of the use of sustainability report data and an evaluation of how the efficiency of the reporting could be improved;
- Examination of the reporting at set stages in its development and testing of the assertions throughout on a section-by-section basis, drawing from evidence and supporting documentation, reporting mechanisms, frameworks and processes;
- An evaluation of data for specific environmental incident reporting, community, and ethics data sets including an overview of an internal audit process for Europe division's HSSE incident reporting data;

- Review of systems, documentation, processes and underlying data used in generating group-wide GHG emissions performance data;
- Checks on a sample basis of elements of the report contents to underlying records.

Our work did not extend to a complete audit of the report's contents. We have not been responsible for the preparation of AMEC's 2013 reporting nor in devising the internal management and reporting systems that yielded the data contained therein. This was an independent assurance with no member of our team having otherwise worked with AMEC during the reporting period. The fees for this assurance make up less than 0.5% of Corporate Citizenship's revenue for the reporting year.

The opinions expressed in this external assurance statement and commentary are intended to extend understanding of AMEC's non-financial performance and should not be used or relied upon to form any judgments or take any decisions of a financial nature.

This is the third year we have provided AMEC with assurance, a process that commenced by convening and facilitating an external stakeholder forum in November 2013.



London
15 April 2014



Global Reporting Initiative

Our report has been produced in alignment with the GRI 3.0 standard. We have self-assessed the report to C+ application level.

GRI section no	Standard disclosure	Page	GRI section no	Standard disclosure	Page
1.1	Statement from CEO	5-7	EN3	Energy consumption	48
2.1-2.10	Organisational profile	12	EN18	Initiatives to reduce GHG emissions	46-49
3.1-3.8	Profile and boundary	15-18	EN23	Spillage	43
3.10 - 3.12	Restatement	15-18	EN28	Environmental compliance	43
4.1 - 4.4	Governance	13-14	LA4	Collective bargaining	31
4.16 - 4.17	Stakeholder engagement	19-23	LA7	Rates of injury	9, 35
EC1	Direct economic value	67	LA12	Career development reviews	8, 26-27
EC8	Community infrastructure	52	S03	Training in anti-corruption	11, 50-51

UN Global Compact

AMEC is a participant in the UN Global Compact – the tables below show how we are responding to the UN Global Compact principles and where in the report you can find further information.

Global Compact Principle 1 – “Businesses should support and respect the protection of internationally proclaimed human rights.” How AMEC has responded to support this principle:

		Page
Code of Business Conduct	Providing clear principles applicable globally, including human rights statement	50-52
HSE Management System	Ensuring our employees globally have a safe environment to work	32-40
Supply chain Code of Conduct	In support of our code, ensuring suppliers are aware and aligned with our expected behaviours	52
Employee training and awareness	Revised online awareness training rolled out during 2013	50
Security standards	Supporting principles set out in the universal declaration of human rights	40-41, 51-52

Global Compact Principle 2 – “Businesses should make sure they are not complicit in human rights abuses.” How AMEC has responded to support this principle:

Code of Business Conduct	Providing clear principles applicable globally, including human rights statement	50-52
Supply chain code of conduct	In support of our code, ensuring suppliers are aware and aligned with our expected behaviours	52
Employee training and awareness	Revised online awareness training rolled out during 2013	50
Ethics hotline	Confidential ethics helpline, available 24hrs a day, supporting many different languages	50
Ethics officers	Ethics officers appointed globally	50-51

Global Compact Principle 3 – “Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.”

How AMEC has responded to support this principle:

Code of Business Conduct	Providing clear principles applicable globally, including human rights statement	50-52
Statistical data	Collection of data relating to coverage	31

Global Compact Principle 4 – “Businesses should uphold the elimination of all forms of forced and compulsory labour.” How AMEC has responded to support this principle:

		Page
Code of Business Conduct	Providing clear principles applicable globally, including human rights statement	50-52
Supply chain code of conduct	In support of the code, ensuring suppliers are aware and aligned with our expected behaviours	52
Employee training	Revised online awareness training rolled out during 2013	50
Ethics hotline	Confidential ethics helpline, available 24hrs a day, supporting many different languages	50
Ethics officers	Ethics officers appointed globally	50-51

Global Compact Principle 5 – “Businesses should uphold the effective abolition of child labour.”

How AMEC has responded to support this principle:

Code of Business Conduct	Providing clear principles applicable globally, including human rights statement	50-52
Supply chain code of conduct	In support of our code, ensuring suppliers are aware and aligned with our expected behaviours	52
Employee training	Revised online awareness training rolled out during 2013	50
Ethics hotline	Confidential ethics helpline, available 24hrs a day, supporting many different languages	50
Ethics officers	Ethics officers appointed globally	50-51

Global Compact Principle 6 – “Businesses should uphold the elimination of discrimination in respect of employment and occupation.” How AMEC has responded to support this principle:

Code of Business Conduct	Providing clear principles applicable globally, including human rights statement	50-52
Ethics hotline	Confidential ethics helpline, available 24hrs a day, supporting many different languages	50
Equal opportunities	Global equal opportunities policy revised during 2013	25, 30-31

Global Compact Principle 7 – “Businesses should support a precautionary approach to environmental challenges.” How AMEC has responded to support this principle:

HSSE Management system	Detailing our environmental management objective designed to enhance our management approach	32-36
Environmental standards	Setting clear group-wide standards, supporting our core expectations	42
HSSE leadership team	Reviewing key HSE risks across the business	33
Water management	High level assessment undertaken of AMEC’s exposure to water risks and impacts	44

Global Compact Principle 8 – “Businesses should undertake initiatives to promote greater environmental responsibility.” How AMEC has responded to support this principle:

HSE Road map	Setting performance standards across the group	32
CO ₂ target	Setting and monitoring reduction targets across the group	45-48
Supply chain	Inclusion of environmental aspects in group-wide procurement evaluations	57
Incident reporting / investigation	Trackwise reporting, trending and investigation gateway	34-40
Development of HSE volume of standard project man. plans	Standard Project Management Plan template across operations covering mandatory H, S & E controls	32

Global Compact Principle 9 – “Businesses should encourage the development and diffusion of environmentally friendly technologies.” How AMEC has responded to support this principle:

Water management	Service provision focusing on water supply, storm water, water quality and water treatment	44, 64-65
Renewables	Service provision in Wind, Solar, Biomass, Biofuels and Geothermal	62-63
Clean energy	Life cycle service for nuclear industry	62-63
Sustainability services	Environment and Infrastructure services	64-65

Global Compact Principle 10 – “Businesses should work against corruption in all its forms including extortion and bribery.” How AMEC has responded to support this principle:

Policy	Anti-bribery and corruption policy	51
Employee training	Revised online training rolled out in 2013. Face-to-face training continued where appropriate.	50
Helpline	Confidential helpline for employees to raise concerns	50
Due diligence	Due diligence of business partners and other third parties	51
Assurance	Monitoring and assurance by AMEC’s internal audit function	51

Performance table

AMEC in numbers	2013	2012	2011	2010
People				
Average number of employees (FTE) (as stated in annual report)	28,687	28,405	25,757	21,973
Number of strategic recruits**	412	521	471	114
% Internal promotion rate**	6.52	7.70	7.20	3.87
% Employee instigated turnover	10.6	10.8	11.0	10.8
% Total workforce				
Male	74	75	77	76
Female	26	25	23	24
% Senior managers female	13	11	11	10
% Managers and professionals female	15	19	19	17
% board members female	13	13	*	*
% Workforce covered by collective bargaining agreements	11.8	5	9	15
Safety				
Number of fatalities				
Employees	0	0	0	0
Subcontractor	0	0	0	0
Other	0	0	0	0
LTIFR (per 200,000 man hours)	0.04	0.03	0.04	0.06
TRCFR (per 200,000 man hours)	0.26	0.38	0.37	0.42
AIIFR (per 200,000 man hours)	1.56	2.36	3.12	3.54
No. prosecutions	0	1	0	0
No. fines	0	1	0	0
No. prohibitions	0	0	0	0
No. improvement notices	0	0	2	2
Occupational health days lost	592	817	505	1,333
Occupational health cases	9	12	15	22
Environment				
Regulatory action	0	0	0	1
No. environmental incidents	87	99	179	160
Total volume spilled (litres)	3,314	4,529	7,149	*
Absolute carbon	86,155	90,786	59,336	45,135
Tonnes carbon per employee	3.0	3.2	2.4	2.1
Tonnes carbon per £million turnover	21.68	22.21	18.94	16.20
Total Scope 1 ('000 tonnes carbon)	24.4	34.1	20.1	7.5
Total Scope 2 ('000 tonnes carbon)	31.4	33.7	18.0	17.2
Total Scope 3 ('000 tonnes carbon)	30.3	23.0	21.2	20.4
Water (estimated m ³)	473,738	504,156	*	*
Integrity				
Reports of potential breaches of our code of business conduct	46	41	31	47
£'000 donated to charity by AMEC	403	507	506	553
Total hours volunteered by our employees	9391	10,545	10,725	10,895
Total community contribution ***	£1.20m	£1.98m	£1.52m	£1.15m

* Not previously collated

** Includes figures from divisions only

*** Include AMEC donation, employee and other contributions, in kind donations and volunteer hours in work time.

Notes

Current carbon reporting year 1st October 2012 to 30th September, 2013

All carbon figures based on new emission factors see page 48 for more detail.