



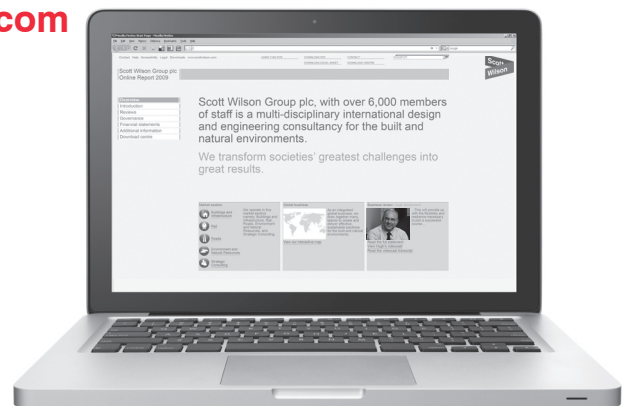
# CORPORATE STATEMENT

Scott Wilson Group plc is a global integrated design and engineering consultancy for the built and natural environments. With its headquarters in the UK, the Group has a worldwide network of 80 offices and over 6,000 staff. Scott Wilson offers Strategic Consultancy and multi-disciplinary professional services in the Railways, Buildings & Infrastructure, Environment & Natural Resources and Roads Sectors.

**Vision:** to help transform societies' greatest challenges into great results.

**Mission:** to be a leading integrated global enterprise committed to fulfilling the development and environmental needs of our clients by providing responsive solutions delivered locally.

Access our online corporate responsibility report  
[crr09.scottwilson.com](http://crr09.scottwilson.com)



IFC CORPORATE STATEMENT

01 HIGHLIGHTS

02 MESSAGE FROM THE CHAIRMAN

04 ENVIRONMENT

08 SOCIAL ISSUES

14 ANNEX 1: SCOTT WILSON'S PERFORMANCE  
AGAINST THE UNGC PRINCIPLES 2008-09

20 ANNEX 2: CARING FOR CLIMATE: THE BUSINESS  
LEADERSHIP PLATFORM

24 COMPANY INFORMATION

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# HIGHLIGHTS

- Publication and distribution of new policy booklet **The way we do business** to all our staff
- Group Sustainability Board appointed to advise on sustainability in our corporate governance, design services and as a discrete consultancy offering
- New Group Supply Chain Manager appointed to develop sustainable procurement procedures
- New improved reporting on Carbon Footprint
- Installation of SMART electricity meters in our Basingstoke, Chesterfield, London and Nottingham offices
- Significant increase in staff support to the Scott Wilson Millennium Project
- Mike Pidgeon awarded Young Consultant of the Year at the British Expertise Awards for his work with the Millennium Project
- Continued sponsor of RedR, an organisation that provides engineers to support disaster relief
- Acting as advisers to governments, government agencies and private developers on the environmental and social impacts of their proposals

# MESSAGE FROM THE CHAIRMAN



**GEOFF FRENCH**  
GROUP CHAIRMAN

**It is my firm belief that our business goals can best be achieved through honesty, fairness and integrity in everything we do.**

This year we have chosen to provide a combined Corporate Responsibility Report and our third Communication on Progress related to the United Nations Global Compact (UNGC) as an annex to our Annual Report and Accounts. This innovation reflects both the importance we attach to corporate responsibility and the integral role that the UNGC principles play in shaping our activities as a business. The Report covers the period from May 2008 to April 2009.

I am pleased to reaffirm our support for the UNGC and to report continued progress during a period of considerable economic change and uncertainty.

It is my firm belief that our business goals can best be achieved through honesty, fairness and integrity in everything we do. I believe that this is particularly important in a time of economic uncertainty when there is widespread concern about business ethics and practices.

Scott Wilson operates globally and we recognise our responsibility to act in a manner which helps to create a more sustainable planet. The UNGC was built on the idea that business could contribute solutions to problems of environmental change, social exclusion and corruption. Scott Wilson is an international provider of planning, design and engineering solutions and thus is particularly well placed to contribute to positive change.

We would welcome comments on this Report and suggestions as to how we may improve our performance. To this end, the Report is available in hard copy and on our website.

A handwritten signature in black ink that reads "Geoff French". The signature is written in a cursive, flowing style.

**GEOFF FRENCH**  
GROUP CHAIRMAN  
30 JUNE 2009

## INTRODUCTION

Scott Wilson's aim is to be a sustainable business providing market-leading services for sustainable development. We seek to facilitate development that safeguards the environment, enhances social wellbeing and inclusion and brings economic benefits to our clients and the wider community.

One of the ways in which we seek to ensure that our business is sustainable is through our commitment to the UNGC. We became a signatory to the UNGC, the world's largest corporate responsibility initiative, in 2005. The initiative seeks to engage the support of the private sector for a series of universally accepted principles relating to human rights, labour, environmental protection and anti-corruption. Scott Wilson seeks to promote these principles in its own operation and to our clients and other stakeholders. We also report annually on our progress.

A summary of progress against each of the ten UNGC principles is appended as Annex 1 whilst the Report itself provides a commentary on the principles and our wider efforts to be a sustainable business.

The Chairman of Scott Wilson, Geoff French, leads on corporate responsibility. He is assisted and advised by the Sustainability Board and by a UNGC Advisory Group.

## THE SUSTAINABILITY BOARD

Scott Wilson's Sustainability Board was established in 2008 to manage a sustainability initiative within the Group and to advise the Main Board on sustainability issues. Sponsored and chaired by the Group Chief Executive, Hugh Blackwood, the Board comprises senior representatives of each of the regional and sector-based businesses, the Director of Business Systems, the SQE Director and an employee representative. The Board has three specific goals:

- to ensure that we operate as a sustainable business (corporate governance);

- to ensure that we proactively offer sustainable design services that address current and future concerns including climate change; and
- to ensure that we provide high level sustainability advice to government and corporate clients (sustainability as a discrete service offering).

We believe that this is a distinctive approach to sustainability linking directly our internal performance and our external services.

The Board met four times during the reporting period.

## THE WAY WE DO BUSINESS

A major landmark in 2008 was the publication of **The way we do business**, a comprehensive collation and update of all Scott Wilson's corporate policies. The document was published on our intranet and as a booklet which was provided individually to every staff member. The booklet was launched through a series of presentations in each of our offices.

The document makes direct reference to our UNGC commitments and has helped to create and strengthen awareness of it amongst staff.

Revised policies include statements on:

- Values and Ethics
- Dealing with a Concern
- Working with the Community
- Supply Chain Management and Procurement
- Sustainability
- The Environment

**The way we do business** is seen as a live document and will be updated, on the Group's intranet, every six months. The first update is almost complete.

## THE TEN PRINCIPLES OF THE GLOBAL COMPACT

1. Support and respect the protection of human rights
2. Not be complicit in human rights abuses
3. Uphold the freedom of association and the right to free collective bargaining
4. Eliminate all forms of forced and compulsory labour
5. Ensure the effective abolition of child labour
6. Eliminate discrimination in respect of employment and occupation
7. Support a precautionary approach to environmental challenges
8. Promote greater environmental responsibility
9. Encourage the development of environmentally friendly technologies
10. Work against all forms of corruption, including extortion and bribery



# ENVIRONMENT

In recent years we have all become much more aware of the fragility of the environment on which we depend. **Scott Wilson is committed to working with its clients to try and reverse adverse changes and to conserve natural resources and processes.**

## INTRODUCTION

In this section we set out our approach to corporate environmental responsibility by reference to our internal organisation, external relationships and in relation to our skills, services and projects.

In terms of internal organisation, we describe our policies and practices related to the environment, our ISO 14001 certification, carbon footprint and procurement.

For our external relationships, we describe our policies and practice related to the precautionary principle, promoting awareness and environmental technologies.

## WITHIN SCOTT WILSON ENVIRONMENTAL POLICY

All our activities are shaped by our Environment and Sustainability Policies. Overall responsibility for the implementation of the policies rests with the Main Board and is delegated as appropriate to the Executive Committee.

We have committed to reducing the amount of resources we use, to increasing the use of recycled paper and other products and to informing and educating employees, clients and other stakeholders as to their impact on the environment and the ways in which it can be reduced. In terms of service delivery we continue to apply our Project Environmental Management System (PEMS) to avoid or mitigate any direct adverse environmental impacts and to encourage our clients to act sustainably.

An Environmental Committee has been established in order to help drive new initiatives. The Committee meets monthly and is chaired by the Group Environmental Manager and is attended by the Group Business Systems Director, Group Facilities Manager, Regional Systems Managers, Supply Chain Manager and other key representatives as and when required. The Committee is responsible for all environmental and sustainability initiatives including but not limited to energy management, waste minimisation and recycling, sustainable procurement and ongoing staff training.

To date, the Committee has implemented the SMART metering initiative (see 'Carbon Footprint' on the opposite page) and is now focussing on extending this to more offices. Going forward, the Committee is seeking the means of capturing accurate CO<sub>2</sub> emissions data for other fuels and for Group travel. The Committee is in the process of developing an action plan for measures to be taken over the next financial year to reduce the Group's CO<sub>2</sub> emissions.

## ISO 14001

Scott Wilson received its first ISO 14001 certification in 2002 and has retained it ever since, through the development and ongoing application of our Environmental Management System (EMS). During the year, the Group extended its environmental certification to cover the Brisbane office and six acquired businesses all of whom had previous certification. The EMS seeks to manage

the environmental aspects and impacts associated with both our operational and project activities. The EMS is under continual review to achieve improved outcomes.

### ENVIRONMENTAL MONITORING

A large and ever changing portfolio of office and site locations ensures that monitoring and data collection is one of our main challenges. A move towards fewer, larger offices will in some ways facilitate simpler data collection however this often results in co-occupation with other organisations within the same building. This can result in the need to apportion our share of the environmental impact which can be difficult and can result in inaccuracies.

### CARBON FOOTPRINT

Recognising that monitoring and managing our carbon footprint is vital we are continually seeking means to identify improved ways of capturing energy use data.

Scott Wilson has established an extensive skills base in the field of carbon management. This expertise enables us to have a greater understanding of the causes and effects of climate change. The skills and expertise of our in-house experts are playing an important role in developing strategies to reduce Scott Wilson's carbon footprint year on year.

During this period we have seen the successful installation of four SMART electricity meters in our Basingstoke, Chesterfield, London and Nottingham offices together with the appointment of a dedicated energy consultancy to host and manage the web-based data portal.

Eighteen offices, where Scott Wilson is directly responsible for purchasing energy, continue to procure electricity produced from Good Quality CHP sources.

In 2007 a carbon management scoping review was undertaken in order to begin to understand our carbon footprint for UK operations. The outcome of this study was an estimated carbon footprint for 2006. Subsequently we began to establish means of better gathering energy use and travel data and were able to produce a further estimation of our carbon footprint based on actual data for 2007.

For the period January 2008 to January 2009 an improved calculation was undertaken to determine the carbon footprint of our UK operations using the best practicable methods and following the Greenhouse Gas Protocol principles. The outcome of this exercise recorded Scott Wilson's total UK emissions of CO<sub>2</sub> as just under 9,052 tonnes.

### CARING FOR CLIMATE: THE BUSINESS LEADERSHIP PLATFORM

In July 2007, Scott Wilson was one of the first global businesses to sign up to the Caring for Climate Initiative. We remain fully committed to confronting the various uncertainties and challenges of climate change and publish a progress report as an annex to this Report on pages 14 to 19.

### SUSTAINABLE PROCUREMENT

The appointment of a Group Supply Chain Manager in 2009 is seen as a major step in our endeavours to procure goods and services with a reduced environmental impact. The Manager has started a review and evaluation of existing procurement policies and procedures. The first phase involves identifying and meeting key stakeholders and suppliers and is under way. The next stage will be to undertake a Supply Chain Capability Review (SCCR) across all parts of the business identifying how and at what cost products and services are procured. Action plans will then be prepared for sustainable, cost effective procurement procedures.

### SCOTT WILSON UK 2008 CARBON FOOTPRINT

#### ELECTRICITY

56%

#### AIR TRAVEL

20%

#### COMPANY OWNED AND LEASED VEHICLES

12%

#### OTHER TRAVEL – RAIL, STAFF OWNED AND HIRE CARS

7%

#### GAS

5%

# ENVIRONMENT CONTINUED

Scott Wilson operates globally and we recognise our responsibility to act in a manner which helps to create a more sustainable planet.

## **WITHIN SCOTT WILSON (CONTINUED) ENVIRONMENTAL INCIDENTS**

No environmental incidents were reported during the period.

## **REGULATORY COMPLIANCE**

Our annual review of compliance with legislative and other requirements concluded that we are compliant with all applicable environmental legislation and other requirements to which we subscribe. We have received no cautions, warnings or prohibition notices and have not been prosecuted for any breach of environmental law.

## **EXTERNAL RELATIONSHIPS THE PRECAUTIONARY PRINCIPLE**

Much of our work is associated with assessing the likely impacts of policies, programmes and projects. Through tools such as Sustainability Appraisals and Environmental Impact Assessments we seek to apply the precautionary principle and create better environmental outcomes. Over the year, we have advised governments, government agencies and private developers as to the environmental impacts of their proposals and have successfully modified their plans to make them more environmentally sensitive.

Examples are discussed on the following pages in relation to specific projects.

## **PROMOTING AWARENESS**

We are involved both in developing projects and campaigns with government to promote environmental awareness and in encouraging our clients to enhance their environmental performance.

We manage the National Industrial Symbiosis Project (NISP) in London, the south east and the east of England. The goal of the project is to reduce the overall amount of waste sent to landfill and to promote reuse and recycling. During the year, our efforts helped divert 565,600 metric tonnes of material from landfill and reduced associated carbon emissions by 252,200 metric tonnes.

We encourage our clients to consider sustainability in all projects. We have pioneered a questionnaire for new clients designed to enable them to provide their current views on and aspirations for sustainability so that we may tailor our advice appropriately. Our staff includes registered assessors for all the main sustainability assessment tools (BREEAM, LEAD, CEEQUAL) and we encourage their use wherever possible.



## ENVIRONMENTAL TECHNOLOGIES

Scott Wilson seeks to promote new technologies to its clients to enhance environmental performance and provide more sustainable solutions. Total Integrated Earthworks Solution (TIES) is a unique product/working methodology developed by Scott Wilson that allows the compression of earthworks programmes by up to 20 per cent. This is achieved through improved efficiencies, waste reduction, material reuse and the single rather than double or even triple handling of materials. On one major project involving moving 300,000m<sup>3</sup> of material, we saved the contractor 15 per cent of his overall costs and compressed his programme by 20 per cent (in time).

We have also been working in West Africa with a view to developing projects under the Clean Development Mechanism. These projects are likely to involve the introduction of new technologies related to waste disposal including methane collection and anaerobic digestion.

## SKILLS, SERVICES, PROJECTS AND AWARDS

### RANGE OF SKILLS/SERVICES

Scott Wilson possesses a very wide range of environmental skills which enable us to provide comprehensive advice to clients on all aspects of sustainability. These include air quality, building physics, carbon management, ecology, energy, landscape, noise, planning and sustainable construction.

### NOTABLE PROJECTS

We have chosen five projects to profile our active involvement in promoting environmental best practice.

### ECO TOWNS

During the year, we undertook a sustainability appraisal of the UK Government's eco towns programme. This controversial programme has been designed to encourage the development of sustainable new settlements in England. We advised on the draft Planning Policy Statement (PPS) on eco towns and carried out a sustainability appraisal of the 15 shortlisted sites and alternatives.

## RECYCLING IN CONSTRUCTION

We carried out a study for the UK Government-funded WRAP (Waste and Resources Action Programme) to establish a target market for a minimum level of recycled content in construction projects. The research project involved identifying best practice and encouraging other consultancies, local authorities and decision makers to incorporate the targets into the planning policy.

## CHANGI AIRPORT, SINGAPORE

We have been appointed to undertake a review of the environmental impacts of Changi Airport in Singapore and to make proposals for this multi-award winning airport to enhance its environmental performance.

## ENVIRONMENTAL MANAGEMENT SYSTEMS

Scott Wilson offers advice to companies and organisations across a range of different sectors on developing environmental management systems and assisting with external certification. During the year, we worked with OMV (UK), a subsidiary of the Austrian oil and gas company, and helped them to develop their EMS and obtain their ISO 14001 certification as well as developing a compliant system for OMV Norway.

## SECONDMENTS

Our growing environmental expertise has seen a number of staff seconded to UK government departments to undertake specific research studies. Secondments in the year included to the Department for Communities and Local Government (DCLG) with a focus on eco-development and UK Trade and Investment (UKTI) with a focus on exporting UK expertise in green buildings.

## AWARDS

The Orchard Building at Stranmillis College, Belfast has won no less than six awards for its design and sustainability. Scott Wilson was the Design Architect and Client's Technical Adviser providing architectural, structural and civil engineering and landscape architecture services.

## STRANMILLIS COLLEGE, BELFAST



Our aim was to produce a scheme which was a flagship for sustainability and a building which provided a modern and comfortable teaching environment. The Orchard Building has exceeded our expectations...

College spokesman

# SOCIAL ISSUES

We must value other people as we ourselves would wish to be valued.

## INTRODUCTION

In this section we set out our approach to corporate responsibility by reference to our internal organisation, external relationships, and in relation to our skills, services and projects.

In terms of internal organisation, we describe our policies and practice related to employment, occupational health, safety and welfare, stakeholders and the activities of the Millennium Project, our staff charity.

In terms of our external relationships, we describe our policies and practice related to human rights, discrimination and anti-corruption.

## WITHIN SCOTT WILSON EMPLOYMENT

Scott Wilson's goal is to "be an employer of choice".

Our relevant policies relate to Internal and External Communications, Dealing with a Concern, Recruitment & Employment, Learning & Development, Reward & Recognition and Use of Drugs & Alcohol.

Scott Wilson employs approximately 6,000 people, across 80 offices. Its key operating regions are the UK, Asia Pacific, Europe, India and the Middle East.

One of our key tools for seeking to be an employer of choice is our Graduate Development Programme. This provides a planned training programme for all new graduates designed to equip them with the skills necessary to be successful consultants. During the year, notwithstanding the difficult economic circumstances, there were 480 graduates enrolled in the programme. This represented a 20 per cent increase on the previous year.

We also seek to measure our success as an employer by reference to the number of voluntary leavers. During the year, the percentage of voluntary leavers as a proportion of the total workforce was 14 per cent. This represented a 12 per cent decrease on the previous year.

Dealing with a Concern, the Group's whistleblowing policy, recognises that staff can face issues of conscience and could be confused as to the appropriate action. The policy gives practical guidance on how to act and provides safeguards against dismissal or victimisation when reporting malpractice. No cases of malpractice have been identified over the past year although individual staff have sought guidance from their mentors in relation to how to deal with client relationships.

In the current economic climate, Scott Wilson has had to implement redundancies. In order to ensure that this process is as transparent as possible, an Employee Council has been formed. The Collective Redundancies Consultation Committee is a group of employees nominated to represent Scott Wilson's regions and sectors, for the purposes of collective consultation over the three months following redundancy announcements.

The UK Railways Sector operates a Company Council where employee representatives and the Transport Salaried Staffs' Association (TSSA) meet regularly with senior management for consultation on matters affecting the business.

Scott Wilson has recently elected staff representatives to consult on TUPE transfers mainly in the acquisition of Benaim and the transfer out of AMscott.

### **OCCUPATIONAL HEALTH, SAFETY AND WELFARE**

Our relevant policy relates to Health, Safety and Welfare at Work.

We record data on both the number of days lost due to accidents and the accident frequency rate. During the year, the accepted indicator of days lost due to accidents was 1,345 per 100,000 employees and the accident frequency rate 0.05 per 100,000 employees.

### **STAKEHOLDER ENGAGEMENT**

Our relevant policies relate to Internal and External Communications and Client Satisfaction.

Our stakeholders include our shareholders, public and private sector clients, sub-consultants, suppliers and the communities in which we work. The key attributes of our approach are good communications, the willingness to listen and learn and the ability to resolve problems and realise community growth and cohesion.

A Group Supply Chain Manager was appointed in March 2009 and has begun to review and refine Scott Wilson's procurement policy. The intention is that more goods and services will be procured centrally rather than by individual offices. This will, amongst other things, enable closer scrutiny of a more limited number of suppliers. The aim is that suppliers should subscribe to the principles which we use in our own business.

We continue to act as a sponsor for RedR, the organisation that provides engineers to support disaster relief. We provide financial support to the organisation and we have meetings with the senior staff of RedR to discuss ways that the organisation can make more use of volunteers from member companies. As a result of these discussions, Martin McCann, RedR's Chief Executive, visited six of our offices and made presentations to interested members of staff.

**480 graduates**  
up 20% this year

**Accident frequency rate** 0.05 per 100,000 employees

Through NISP our efforts helped **divert 565,600 metric tonnes of material from landfill**

# SOCIAL ISSUES

## CONTINUED

### THE MILLENNIUM PROJECT

The Millennium Project is a staff initiative designed to assist children in developing countries. During the year, the project assisted children in China, Ghana, India, Moldova, Mozambique, Serbia and Sri Lanka.

We reported last year on the activities of our staff and specifically their success in building a new school in Mozambique. We indicated that we were now reflecting on the experiences and formulating guidelines for future similar projects. The organising staff have contributed the following thoughtful post-project evaluation.

"The school was constructed over a period of three months from May to July 2008. Although the project was completed on time and to budget, we have learned a host of lessons which will be applied to similar projects in the future. This was the first such ambitious project for the charity and the challenges included establishing a relationship with a project partner, coordinating the involvement of 43 Scott Wilson volunteers and working in a country where Portuguese is the national language.

The project has significantly increased the profile of the Millennium Project and has undoubtedly been fundamental in the huge increase in funds raised in the past year. This in turn means that we are able to fund further projects on this scale and makes it even more important that we apply the lessons learned from the Mozambique experience.

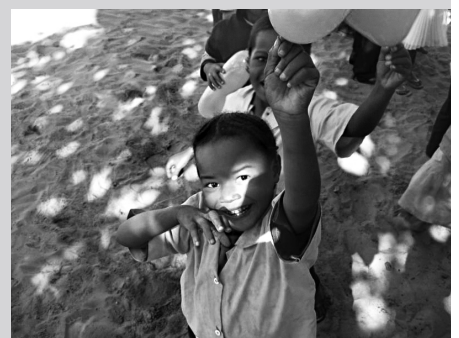
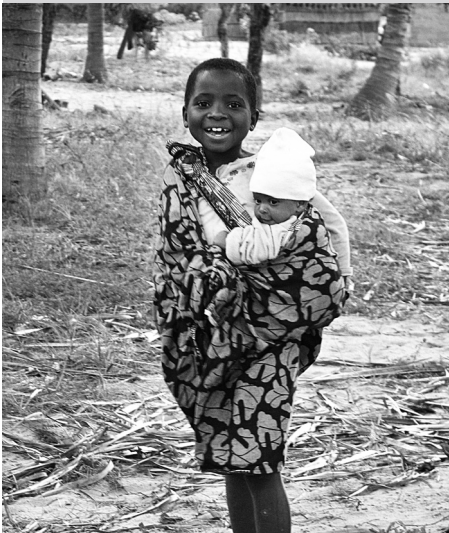
Managing the expectations and preparations of the volunteers was a real challenge and we have learned a lot about how to prepare people for their experience as a volunteer, how to cater for their needs during the project and how to manage ongoing involvement in a controlled way.

The logistics of the construction process provided some difficulties. Material deliveries were unreliable, which often resulted in idle periods for the volunteer labourers. In future we will arrange deliveries in advance to avoid this happening. We also would like to make use of Scott Wilson's engineering expertise in new projects, playing a part in designing as well as constructing the building.

Perhaps the most important lesson we have learned is that it is crucial to manage the expectations of the local community. Very clear communication is required to ensure that the recipients do not have inflated expectations from the charity and therefore avoid disappointment. Although we want to help as much as we possibly can, we have limited funds and our ethos is to spend these wisely, where maximum impact can be achieved. It is important to ensure that any facilities we provide are diligently maintained and looked after, to avoid unnecessary maintenance costs or, worse, equipment breaking and becoming disused."







# SOCIAL ISSUES

## CONTINUED

### PROJECTS IN COUNTRIES WITH NON-DEMOCRATIC REGIMES AN APPROACH TO ENGAGEMENT

- 1 What is the FCO guidance on the country?
- 2 What are the client's corporate responsibility (CR) policies?
- 3 Is the client committed to any global CR norms/practices, e.g. UNGC?
- 4 Is the client committed to striving to implement international best practice, e.g. IFC Performance Standards and supporting EHS guidelines?
- 5 What is the relationship between the client and the regime?
- 6 How will the project benefit the regime?
- 7 Will stakeholder participation be possible, free and open?
- 8 What has been the experience of other consultants/developers working in the country?
- 9 Is there a realistic opportunity of raising awareness of and implementing international best practice in relation to environmental and social sustainability?
- 10 What are the potential reputational risks to working in the country?

### EXTERNAL RELATIONSHIPS HUMAN RIGHTS

Our relevant policies relate to Working with the Community and in particular to our commitment to respect the protection of internationally proclaimed human rights and to make sure we are not complicit in human rights abuses.

Scott Wilson is a global enterprise and receives requests to work in many countries. Some of these countries may have non-democratic regimes and in some there may be evidence of human rights abuses, forced labour or child labour. We need to assure ourselves that anything we do cannot result in such abuses. Accordingly, and on the basis of experience, we have now developed a checklist of actions when considering requests to work in 'difficult' countries. This is reproduced above and we would welcome comments.

### DISCRIMINATION

Scott Wilson encourages diversity and recruits, promotes and rewards employees on the basis of merit alone.

### ANTI-CORRUPTION

Our relevant policies relate to our Values and Ethics and Share Dealing.

Scott Wilson is committed to trying to eradicate corruption which distorts markets and can result in projects yielding fewer environmental and social benefits than planned. We continue to play an active role in the Anti-Corruption Forum in which one of our staff members has acted as voluntary Coordinator of the Developing Countries Working Group. We have also gained a greater understanding of the issues associated with combating corruption through a number of project appointments which are described opposite.



## SERVICES, PROJECTS AND AWARDS RANGE OF SKILLS/SERVICES

Our staff include individuals with professional skills and experience in communications, community engagement, equalities, health, resettlement and social impact assessment.

## NOTABLE PROJECTS

We have chosen five projects to demonstrate our professional involvement in projects designed to promote community engagement and empowerment, anti-discrimination and anti-corruption.

### BLACKWALL REACH, TOWER HAMLETS

Scott Wilson's Social Regeneration and Engagement team has designed and implemented a wide ranging, innovative and effective community engagement strategy for a multi-cultural, but predominantly Bangladeshi, community in Tower Hamlets. This neighbourhood renewal project, led by the Homes and Community Agency (HCA), involved exploring the concept of sustainable communities with residents, local voluntary organisations, the local school and a mosque group, through facilitated discussions, workshops and public events. Using a wide range of communications and engagement approaches we have facilitated the debate around key options and more recently an emerging master planning strategy to develop a consensual approach to the regeneration of the neighbourhood. Scott Wilson is currently developing a unique Community Charter with the community against which to measure forthcoming regeneration and procurement proposals.

### EQUALITIES IMPACT ASSESSMENT

The Equalities Impact Assessment (EqIA) of the London Development Agency's Corporate Investment Strategy 2009-2013 (CIS) was undertaken to demonstrate the potential benefits and recommend ways to avoid discriminatory or negative consequences for a particular group. This high level EqIA established the baseline using existing reports,

explored the potential implications of the 17 CIS programmes before examining the distribution of effects across eight equality groups. Recommendations were then made focusing upon the specification of the programmes, their delivery and monitoring.

### DIBAMBA RESETTLEMENT ACTION PLAN, CAMEROON

The Dibamba Resettlement Action Plan was prepared for a major power company in Cameroon. This Plan was based on international best practice providing for reinstatement of livelihoods and not just direct financial compensation for crops and other assets as per the national legislation. We also facilitated the appointment of local NGOs to facilitate livelihood reinstatement training and incorporated community representatives into the compensation overseeing committee.

### ANTI-CORRUPTION

One of our consultants undertook a diagnostic study of corruption in the construction sector for the World Bank in Ethiopia. The study report was recognised as having contributed to Ethiopia's subsequent decision to join the international Construction Sector Transparency (CoST) initiative. We were also appointed as Monitoring and Evaluation Consultant for the pilot phase of the CoST initiative. Participating countries are Tanzania, Zambia, Malawi, Ethiopia, Vietnam, the Philippines and the UK.

### AWARDS

We reported last year on the Millennium Fund and specifically the role of our staff in planning and constructing a new primary school in Mozambique. We were delighted when Michael Pidgeon, a member of the organising team, was declared Young Consultant of the Year at the British Expertise Awards for his work in Mozambique.

## SCOTT WILSON AND THE WENCHUAN EARTHQUAKE



Scott Wilson responded swiftly to the devastating Wenchuan Earthquake that rocked Sichuan and Gansu provinces in China in May 2008. The Scott Wilson Group immediately gave funds to the International Red Cross and the Chinese Central Disaster Relief Fund and generated more than £15,000 from staff via our charity, the Scott Wilson Millennium Project. Scott Wilson's local staff from offices throughout China and Hong Kong gave generously of money, time and professional services. Some staff took leave to enter the quake zone to assist in emergency relief efforts. One of our China JVs was assigned to manage the reconstruction of the Mianzhu Second Ring Road, an important arterial route for the transport of food and relief materials to the affected areas.

Within days of the quake, we donated massive tents to our Scott Wilson Millennium Project partner, the Wolong schools. When the heavily-damaged schools were shut down for the rest of the academic year, the authorities used the tents as the operational command centre for Wolong, famous for its Giant Panda Research Centre which sadly was destroyed. While we are relieved that there was no loss of life among Wolong students, we were saddened to learn that some students have lost a parent and other parents have been permanently handicapped and can no longer earn income. We are exploring ways to assist these students' families.

Scott Wilson was honoured to attend the ceremony on 12 May 2009 commemorating the first anniversary of the quake at the relocated Wolong Middle School in Longchang County, Sichuan as guests of the local authorities and school.

# ANNEX 1:

## SCOTT WILSON'S PERFORMANCE AGAINST THE UNGC PRINCIPLES 2008–09

### PRINCIPLE 1: BUSINESS SHOULD SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS

<b>COMMITMENT</b>	Group Policies on Values and Ethics, Recruitment and Employment, Learning and Development, Reward and Recognition, Risk Management, Training and Continuing Professional Development, Health, Safety, Welfare and Security, and Dealing with a Concern.
<b>SYSTEMS</b>	Human Resources; Supply Chain Management and Procurement, Risk Management.
<b>GOALS FOR 2008–09</b>	<ul style="list-style-type: none"> <li>• Publish and distribute the new consolidated policy statement: <b>The way we do business</b>.</li> <li>• Follow-up with training and raise awareness with reference to the UNGC Principles.</li> <li>• Review the experience of the Millennium Project in building a school in Mozambique and formulate plans for future activities.</li> <li>• Report on the working experience and future development plans with our NGO partner and other potential partnerships.</li> <li>• Develop metrics system to monitor global office risk assessments and other key indicators.</li> </ul>
<b>ACTIONS AND ACHIEVEMENTS 2008–09</b>	<ul style="list-style-type: none"> <li>• Publication and distribution of new policy statement <b>The way we do business</b>. Seminars in every office and a hard copy distributed to all staff. The new Values and Ethics Policy now includes requirement for 'promoting human rights' within our sphere of influence.</li> <li>• Continued support in-house Millennium Project and lessons learned from Mozambique School Project.</li> <li>• Response to Wenchuan Earthquake in China, giving generously of money (£15,000), time and professional services.</li> <li>• Continued patronage of RedR.</li> <li>• Updated intranet resources and promotion of UDHR.</li> <li>• Client attention drawn to core labour standards</li> </ul>
<b>PERFORMANCE INDICATORS 2008–09</b>	<ul style="list-style-type: none"> <li>• No record of any 'whistleblower' or other complaints from internal or external stakeholders.</li> </ul>
<b>GOALS FOR 2009–10</b>	<ul style="list-style-type: none"> <li>• Continue to promote awareness of human rights to staff and clients.</li> <li>• Assist in defining new major project for the Millennium Project.</li> </ul>



## PRINCIPLE 2: BUSINESS SHOULD MAKE SURE THAT THEY ARE NOT COMPLICIT IN HUMAN RIGHTS ABUSES

<b>COMMITMENT</b>	Group policies as per Principle One plus Dealing with a Concern supporting procedure and the intranet page 'Human Rights – Group Expectations'.
<b>SYSTEMS</b>	Strategic and Operational Risk Assessment; Procurement.
<b>GOALS FOR 2008–09</b>	<ul style="list-style-type: none"> <li>• Appoint new Group Supply Chain Manager and review global procurement procedures.</li> <li>• Identify new systems for implementing and monitoring human rights compliance in our supply chain.</li> <li>• Incorporate specific human rights risk awareness in our guidelines for working in different countries.</li> </ul>
<b>ACTIONS AND ACHIEVEMENTS 2008–09</b>	<ul style="list-style-type: none"> <li>• New Group Supply Chain Manager appointed.</li> <li>• Review of procurement under way.</li> <li>• <b>The way we do business</b> booklet published and distributed to all staff. The Dealing with a Concern Policy and procedure provides a more appropriate channel for escalating concerns on human rights issues to management.</li> <li>• Further development of specific human rights awareness, particularly using a preliminary checklist for considering involvement in projects in countries with non-democratic environments.</li> </ul>
<b>PERFORMANCE INDICATORS</b>	<ul style="list-style-type: none"> <li>• No instances of actual/potential abuse of human rights reported within sphere of influence.</li> </ul>
<b>GOALS FOR 2009–10</b>	<ul style="list-style-type: none"> <li>• Develop new procurement policies with reference to human rights.</li> <li>• Roll out and review checklist to be used across project opportunities in countries with non-democratic environments.</li> </ul>

## PRINCIPLE 3: BUSINESS SHOULD UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING

<b>COMMITMENT</b>	Group Policies on Recruitment and Employment, Learning and Development, Reward and Recognition, and Dealing with a Concern.
<b>SYSTEMS</b>	Human Resources (e.g. 'Time off for Trade Union Duties Policy' defined within our Employment Policy and Procedures Handbook), Supply Chain Management and Procurement.
<b>GOALS FOR 2008–09</b>	<ul style="list-style-type: none"> <li>• Establish the Sustainability Board to advise the Group's Main Board on sustainability in our corporate governance, our design services and as a discrete consultancy offering.</li> <li>• Monitor and report outcomes on staff raising ethical issues.</li> </ul>
<b>ACTIONS AND ACHIEVEMENTS 2008–09</b>	<ul style="list-style-type: none"> <li>• Sustainability Board established.</li> <li>• Continued support for staff membership of professional bodies (Company pays membership fee).</li> <li>• Continued Company Council (employee consultation group) in the Railways Division.</li> <li>• Staff representatives elected to consult on TUPE transfers.</li> <li>• Collective Redundancies Consultation Committee, a group of employees nominated to represent Scott Wilson's regions and sectors, for the purposes of collective consultation over the three months following redundancy announcements.</li> </ul>
<b>PERFORMANCE INDICATORS</b>	<ul style="list-style-type: none"> <li>• Good relationship with trades unions representing staff where present in the business.</li> </ul>
<b>GOALS FOR 2009–10</b>	<ul style="list-style-type: none"> <li>• Maintaining staff morale in difficult economic conditions.</li> <li>• KPIs for Sustainability Board.</li> </ul>

# ANNEX 1:

## SCOTT WILSON'S PERFORMANCE AGAINST THE UNGC PRINCIPLES 2008–09 CONTINUED

### PRINCIPLE 4: THE ELIMINATION OF ALL FORMS OF FORCED AND COMPULSORY LABOUR

<b>COMMITMENT</b>	Human Rights – Group Expectations.
<b>SYSTEMS</b>	Human Resources; Strategic and Operational Risk Assessment, Supply Chain Management and Procurement.
<b>GOALS FOR 2008–09</b>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
<b>ACTIONS</b>	<ul style="list-style-type: none"> <li>• Review and reissue of labour corporate policy statements in <b>The way we do business</b> booklet.</li> <li>• Assessment of project opportunities in countries where there have been issues of forced and compulsory labour.</li> <li>• New checklist for considering project opportunities in countries with non-democratic regimes.</li> </ul>
<b>PERFORMANCE</b>	<ul style="list-style-type: none"> <li>• No actual or potential situations reported.</li> </ul>
<b>GOALS FOR 2009–10</b>	<ul style="list-style-type: none"> <li>• Consider experience and practices of other UNGC signatories.</li> <li>• Apply and monitor checklist for considering projects in countries where there may be concerns about forced and compulsory labour.</li> </ul>

### PRINCIPLE 5: THE EFFECTIVE ABOLITION OF CHILD LABOUR

<b>COMMITMENT</b>	Human Rights – Group Expectations.
<b>SYSTEMS</b>	Human Resources, Strategic and Operational Risk Assessment, Supply Chain Management and Procurement.
<b>GOALS FOR 2008–09</b>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
<b>ACTIONS AND ACHIEVEMENTS 2008–09</b>	<ul style="list-style-type: none"> <li>• Review and reissue of all corporate policy statements in <b>The way we do business</b> booklet.</li> <li>• Continue to develop staff guidance.</li> </ul>
<b>PERFORMANCE INDICATORS</b>	<ul style="list-style-type: none"> <li>• No actual or potential situations reported.</li> </ul>
<b>GOALS FOR 2009–10</b>	<ul style="list-style-type: none"> <li>• Continue to monitor relevant staff/NGO/client concerns.</li> </ul>

## PRINCIPLE 6: THE ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION

<b>COMMITMENT</b>	Mission and Values, Group Policies on Recruitment and Employment, Learning and Development; and Dealing with a Concern.
<b>SYSTEMS</b>	Recruitment and Selection Policy' and 'Diversity and Equality Policy' within our Human Resources' Employment Policy and Procedures Handbook.
<b>GOALS FOR 2008-09</b>	<ul style="list-style-type: none"> <li>• Promote the Dealing with a Concern policy.</li> <li>• Develop metrics to report progress in diversity/non-discrimination in different offices.</li> </ul>
<b>ACTIONS AND ACHIEVEMENTS 2008-09</b>	<ul style="list-style-type: none"> <li>• Review and reissue of non-discrimination corporate policy statements in <b>The way we do business</b> booklet.</li> <li>• Continued development of staff guidance (e.g. 'cultural sensitivity' on Company intranet).</li> </ul>
<b>PERFORMANCE INDICATORS</b>	<ul style="list-style-type: none"> <li>• No reports of any form of discrimination received from internal or external stakeholders.</li> </ul>
<b>GOALS FOR 2009-10</b>	<ul style="list-style-type: none"> <li>• Collect data on ethnic background of Scott Wilson integrated global enterprise.</li> </ul>

## PRINCIPLE 7: BUSINESS SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES

<b>COMMITMENT</b>	Group Policies on Management Systems, Continuous Improvement, Sustainability and Environment.
<b>SYSTEMS</b>	ISO 14001 accredited Environmental Management System in the UK and abroad.
<b>GOALS FOR 2008-09</b>	<ul style="list-style-type: none"> <li>• Publish and distribute the new consolidated policy statement: <b>The way we do business</b>.</li> <li>• Establish the Sustainability Board to advise the Group's Main Board on sustainability in our corporate governance, our design services and as a discrete consultancy offering.</li> <li>• Develop improved EMS/ISO 14001 systems to obtain data from global offices.</li> </ul>
<b>ACTIONS AND ACHIEVEMENTS 2008-09</b>	<ul style="list-style-type: none"> <li>• <b>The way we do business</b> booklet issued.</li> <li>• Scott Wilson's Sustainability Board established.</li> <li>• Continued support for the UNGC Caring for Climate initiative.</li> <li>• Sustainability statement prepared for use in project submissions.</li> <li>• EMS reorganised so that responsibility for environmental impacts related to UK premises has been transferred to professional Facilities Management function.</li> <li>• Ongoing project environmental risk assessment.</li> <li>• Brisbane office now ISO 14001 accredited.</li> </ul>
<b>PERFORMANCE INDICATORS</b>	<ul style="list-style-type: none"> <li>• Only minor non-conformities revealed in third party ISO 14001 review.</li> </ul>
<b>GOALS FOR 2009-10</b>	<ul style="list-style-type: none"> <li>• Undertake a participatory review of the effectiveness of the EMS and review/revise where necessary.</li> <li>• Promote revised EMS to employees and increase awareness.</li> </ul>

# ANNEX 1:

## SCOTT WILSON'S PERFORMANCE AGAINST THE UNGC PRINCIPLES 2008-09 CONTINUED

### PRINCIPLE 8: BUSINESS SHOULD UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY

<b>COMMITMENT</b>	Group Policies on Management Systems, Continuous Improvement, Sustainability, and Environment.
<b>SYSTEMS</b>	ISO 14001 accredited Environmental Management System in UK and creation of new Sustainability Board.
<b>GOALS FOR 2008-09</b>	<ul style="list-style-type: none"> <li>• Develop improved EMS/ISO 14001 systems to obtain data from global offices.</li> <li>• Improve data collection with particular reference to business travel and energy consumption.</li> <li>• Implement initiatives to minimise waste and promote recycling and track performance.</li> </ul>
<b>ACTIONS AND ACHIEVEMENTS 2008-09</b>	<ul style="list-style-type: none"> <li>• New, improved report on Carbon Footprint 2008-2009.</li> <li>• Improved data collection with particular reference to business travel and energy consumption.</li> <li>• New green travel plans (e.g. Glasgow and Nottingham offices).</li> <li>• Continued EMS training and communications programme.</li> <li>• Clients encouraged to review environmental commitment through CEEQUAL/BREEAM.</li> <li>• SQE staff have set up a metrics system to obtain data on electricity, gas and travel from different offices.</li> </ul>
<b>PERFORMANCE INDICATORS</b>	<ul style="list-style-type: none"> <li>• Range of energy conservation (e.g. use of renewable and CHP electricity) and waste recycling initiatives promoted by local offices.</li> </ul>
<b>GOALS FOR 2009-10</b>	<ul style="list-style-type: none"> <li>• Trial monitoring of waste and recycling in selected offices.</li> <li>• Consider signing up to the Halving Waste to Landfill initiative.</li> <li>• Promote BREEAM, LEAD and CEEQUAL to clients.</li> <li>• Extend Green Travel Plans to other offices.</li> </ul>

## PRINCIPLE 9: BUSINESS SHOULD ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES

<b>COMMITMENT</b>	Group Policies on Management Systems, Continuous Improvement, Sustainability, and Environment.
<b>SYSTEMS</b>	ISO 14001 accredited Environmental Management System.
<b>GOALS FOR 2008–09</b>	<ul style="list-style-type: none"> <li>• Install SMART meters in selected offices to monitor electricity consumption.</li> <li>• Encourage use of new technologies throughout the Group and establish a system to capture data.</li> </ul>
<b>ACTIONS AND ACHIEVEMENTS 2008–09</b>	<ul style="list-style-type: none"> <li>• Introduction of SMART automatic energy meters and monitoring systems into four offices to monitor electricity consumption.</li> <li>• Involvement in Clean Development Mechanism projects including development and diffusion of environmentally friendly technologies e.g. waste-to-energy.</li> <li>• Total Integrated Earthworks Solution developed and promoted to clients.</li> <li>• Involvement in WRAP project encouraging other consultancies, local authorities and decision makers to incorporate recycling targets into planning policy.</li> </ul>
<b>PERFORMANCE INDICATORS</b>	<ul style="list-style-type: none"> <li>• Active involvement in research and information dissemination relating to resource efficiency.</li> </ul>
<b>GOALS FOR 2009–10</b>	<ul style="list-style-type: none"> <li>• Install further SMART meters in selected offices.</li> <li>• Monitor data from SMART meters and use this as baseline to enhance the carbon footprint exercise.</li> <li>• Refine and implement policies to reduce carbon footprint.</li> <li>• Invest in the utilisation of new environmentally friendly technologies in selected offices as a trial e.g. grey water recycling.</li> </ul>

## PRINCIPLE 10: BUSINESS SHOULD WORK AGAINST CORRUPTION IN ALL ITS FORMS, INCLUDING EXTORTION AND BRIBERY

<b>COMMITMENT</b>	Group Policies on Values and Ethics; Share Dealing, Dealing with a Concern.
<b>SYSTEMS</b>	Group Secretariat procedures and Employee Handbook, Strategic and Operational Risk Assessments, Supply Chain Management and Procurement.
<b>GOALS FOR 2008–09</b>	<ul style="list-style-type: none"> <li>• Link anti-corruption to human rights' guidelines (raising awareness).</li> <li>• Integrate business integrity management system within planned training.</li> </ul>
<b>ACTIONS AND ACHIEVEMENTS 2008–09</b>	<ul style="list-style-type: none"> <li>• Review and reissue of all corporate policy statements in <b>The way we do business</b> booklet.</li> <li>• New Group Secretariat procedures on Facilities Payments, Financial Inducements, Business Gifts and Hospitality, Political Contributions and Activities, Use of Third Party Agents and Dealing with a Concern.</li> <li>• Continued support for the UK Anti-Corruption Forum (i.e. founder/member and presentations at annual conference).</li> <li>• Voluntary contributions to consultative processes.</li> <li>• Delivery of anti-corruption consultancy services.</li> </ul>
<b>PERFORMANCE INDICATORS</b>	<ul style="list-style-type: none"> <li>• No reported allegations or incidences of corruption or malpractice from internal or external stakeholders.</li> </ul>
<b>GOALS FOR 2009–10</b>	<ul style="list-style-type: none"> <li>• Introduce some basic guidance on Unite for anti-corruption.</li> <li>• Review our experience from consultancy projects to strengthen our approach to anti-corruption.</li> </ul>

# ANNEX 2: CARING FOR CLIMATE: THE BUSINESS LEADERSHIP PLATFORM

We are pleased to outline our current progress and plans in regard to climate change:

## 1 RISKS AND OPPORTUNITIES

## 2 OUR GOALS

## 3 PROGRESS AND PLANS:

- (a) Greenhouse gas inventory and public disclosure
- (b) Practical measures to improve energy efficiency and reduce emissions
- (c) Capacity building
- (d) Engagement and collaboration

## REPORT ON PROGRESS 2009 INTRODUCTION AND CONTEXT

Against a background of growing scientific certainty about the impacts of climate change and the seriousness of the challenges they present to the world, Scott Wilson was one of the first global businesses to lend its support to this unique initiative in July 2007.

At that time, we had already converted a number of our offices onto certified renewable electricity contracts and we were in the closing stages of an internal review of our carbon footprint of our UK operations.

The output from that exercise helped us fully appreciate what we need to do as a business, not only in regards to our contribution to global climate change through reducing the emission of greenhouse gases (GHGs) resulting from our activities, but also in relation to the need to adapt the designs, advice and consultancy we offer our clients.

That review underlined shortcomings in accessible GHG data and correcting those deficiencies has been our first priority in order to better inform decision-making within our carbon management programme.

## 1 RISKS AND OPPORTUNITIES

Given the nature of our global professional services business, we are very well placed to exploit the undoubted commercial opportunities that will accrue, especially once the need for improved adaptation strategies becomes more generally appreciated.

Nevertheless, the Group will not be entirely immune from the various impacts of climate change and our risk management and mitigation processes are being developed accordingly:

- **Physical risks:** as we have no substantial physical assets, we consider that there are no major risks to the business. Most offices are based in leased premises and only a small proportion of them are located in areas likely to be impacted by rising sea levels or major flood events. However, we have yet to fully ascertain the indirect effects of the physical consequences of climate change in regard to staff homes and disruption to transport and utilities infrastructure. More importantly perhaps we recognise the potential for adverse economic impacts of climate change on our clients – especially those engaged in the sectors at greatest risk. We shall therefore remain vigilant and seek to identify any potential ramifications for our business as they become apparent.

- **Regulatory risks:** whilst we are unlikely to be affected by any new legislation in regards to site or process permitting, we are keeping under review market-based regulations including the UK government's Carbon Reduction Commitment (CRC). We anticipate other legally binding initiatives are likely to be introduced to stimulate further cuts in emissions. Although the financial implications of such measures are likely to be manageable in the short-medium term, we shall need to monitor the evolution of legal devices so that we can make any essential changes to our business model in a timely and effective manner. Further anticipated government measures that may impact upon the Company include new reporting guidelines under the Climate Change Act.

- **Reputational risks:** we believe that adoption of the UNGC Caring for Climate declaration and implementation of a programme to reduce our carbon footprint strengthens our reputation with key stakeholders. We are also aware of the true response time and the range and depth of actions needed to introduce effective changes to our operations. There is no 'quick fix' solution, hence our initial decision to offset any residual greenhouse emissions only after we have implemented a range of measures that reduce our footprint.

- **Risk of litigation:** we are aware that latest body of the scientific evidence means that our designs and professional advice to clients should already incorporate appropriate climate change information. Whilst we are reasonably confident that the professional competencies of our staff are being rapidly updated and that there are no shortfalls in the quality of our client services, we will provide further training and guidance as needed to mitigate against any potential for any future litigation. We also believe that good corporate governance, together with transparent disclosure to recognised high standards in regards to our carbon footprint is another way to reduce potential litigation risks.

- **Economic risks:** given the volatility of fossil fuel costs and currency exchange rates, we will need to closely monitor the potential financial impacts of increasing costs of energy, carbon offsets and/or carbon taxes/trading mechanisms. We are also investigating the commercial opportunities from equity share or other participation in Clean Design Mechanism projects that realise quality Certified Emission Reduction offsets.

## 2 OUR GOALS

After due deliberation, we initially decided upon a balanced, long term approach to improving our energy efficiency and reducing our carbon footprint towards an eventual goal of achieving 'carbon neutrality'.

In order to achieve those goals, we will:

- **Disclose an annual inventory of our emissions** using a model based upon the internationally accepted Greenhouse Gas Protocol Corporate Standard<sup>1</sup> for reporting inventories and applying the relevant DEFRA fuel conversion factors<sup>2</sup> for calculating the weight of those emissions as their carbon dioxide equivalent. We intend to report our footprint via our annual UN Global Compact Communication on Progress, disclosing our UK inventory by autumn 2009 and the Group's global inventory by autumn 2012.
- **Implement a range of cost-effective measures aimed at reducing the greenhouse gas emissions** that make up the inventory and that we exercise management control over progressively throughout our business. Essentially, this means only those emissions falling within Scope I and Scope II of the Greenhouse Gas Protocol, i.e. those resulting from direct fuel consumption, the indirect emissions resulting from our procurement of electricity or any 'material' direct emissions of the six Kyoto gases.
- **Offset – as a last resort, our residual Scope I and Scope II greenhouse gas emissions** through the purchase of carbon credits produced by high quality schemes certified to the Voluntary Gold Standard or equivalent.

# ANNEX 2: CARING FOR CLIMATE: THE BUSINESS LEADERSHIP PLATFORM CONTINUED

## REPORT ON PROGRESS 2009 (CONTINUED)

### 2 OUR GOALS (CONTINUED)

Our strategic approach to managing our energy consumption and meeting the challenge of the low carbon economy will therefore embrace the following:

- procurement of utilities at best cost and from renewable or CHP sources wherever economic to do so;
- energy efficient design for new builds and major office refurbishments;
- operating existing offices more efficiently;
- investment in new technologies that reduce utility costs and deliver energy savings;
- providing motivational tools that enhance staff awareness of climate change issues and help modify end users' behaviour; and
- researching the various challenges, risks and opportunities to the business associated with future structural switches towards a true low carbon economy.

A Carbon Reduction Strategy is being refined to implement our plans and monitor our progress in the UK; a later version will consider what needs to be done internationally within the Group. Responsibility for overall delivery lies with the Group Executive Committee, with specific programmes delegated to the Sustainability Board, Group FM and Management Systems managers and other relevant functions.

The plan takes due account of existing measures and will be updated regularly in line with changing circumstances.

### 3 PROGRESS AND PLANS (A) GREENHOUSE GAS INVENTORY AND PUBLIC DISCLOSURE

We have been calculating our carbon footprint since 2006. However, our calculations for the calendar year 2008 are the most comprehensive yet although they still apply only to our UK operations. The exercise has used the Greenhouse Gas Protocol principles as outlined below. Our conclusion was that our emissions of CO<sub>2</sub> amounted to 9,052 tonnes or approximately 1.5 tonnes per employee. We are confident that this provides us with a reliable base for future monitoring.



In future years we will use the following reporting format to present information:

**(a) Scope I emissions** comprising all:

- gas procured by Scott Wilson for use in fuel boilers or other heating systems;
- oils used in back-up generators or heating systems;
- ozone depleting substances such as refrigerants released from air conditioning, chilling or fire suppression systems, if material (i.e. > 1% of total emissions); and
- fuels (petrol, diesel and LPG) used in Company owned or leased vehicles in support of site operations.

**(b) Scope II emissions** comprising:

- electricity directly procured by Scott Wilson (i.e. excluding any procured by landlords on our behalf)<sup>3</sup>.

**(c) Scope III emissions** comprising the following subject to test of 'materiality':

- business travel – air/rail journeys, car travel including 'grey fleet' business mileage, plus any freight or courier use – but excluding all home-work commuter travel.
- other sources of emissions such as other 'Scope I/II' type emissions where we have no direct control (i.e. joint ventures like Chongqing; permanent offices where Scott Wilson does not control utilities procurement or building plant/equipment; temporary project offices that are often housed in client premises; etc.).

**(B) PRACTICAL MEASURES TO IMPROVE ENERGY EFFICIENCY AND REDUCE EMISSIONS**

In 2008 we commissioned a Carbon Trust study across a representative sample of our UK offices to help us identify which specific energy efficiency improvement and technological measures to target, and quantify the likely emissions reductions and associated costs and returns on investment. Once prioritised, any proposed technical solutions are likely to be phased in over the next few years.

However, we anticipate some quick, modest savings in emissions will be realised from installing the new electricity monitoring system,

whilst other relatively low cost measures such as correction of time clocks and improved labelling will lead to other reductions. In addition, planned changes to our internet servers in 2008–2009 will also make a substantial contribution to improved energy efficiency and lower carbon emissions.

**(C) CAPACITY BUILDING**

One initiative in response to the rapidly evolving climate change agenda consisted of an internal Sustainability Conference in January 2008. This resulted in the formation of a new Sustainability Board made up of Sector Directors to take the matter forward on behalf of the Group as a whole.

We have also established a new Environmental Committee to drive forward environmental and climate change initiatives within the Group.

Scott Wilson established a dedicated carbon management team in the UK in 2006 to provide cutting edge climate change services to existing clients and to develop advisory business services as a retained consultant of the Carbon Trust. Today, we are progressively rolling out these services throughout our global network of offices with the UK-based team acting as a centre of excellence to provide technical support worldwide.

**(D) ENGAGEMENT AND COLLABORATION**

During the year, we organised a series of monthly breakfast seminars to demystify some of the complex issues surrounding climate change. The topics covered included:

- Responding to Policy;
- Corporate Climate Change Strategies;
- Flood Risk and Water Supply;
- Sustainable Design and Construction;
- Managing Travel Demand and Climate Change;
- The Economics of Climate Change;
- Consultation, Engagement and Behavioural Change;
- Low carbon Energy Solutions; and
- Biodiversity Challenges of Climate Change.

1. The Greenhouse Gas Protocol, A Corporate Accounting and Reporting Standard: Revised Edition (2004) – World Resources Institute/World Business Council for Sustainable Development.

2. No decision has been taken yet in regard to which specific overseas conversion factors will be used to calculate any GHG emissions from our offices in China, India or elsewhere.

3. Note that we intend to use the DEFRA 'brown' conversion factor initially but, given our current preference for obtaining electricity from renewable and CHP energy sources, we may recalculate in the future using a suitable 'green' energy tariff pro rata to the supply mix as/when suitable conversion factors emerge.

# COMPANY INFORMATION

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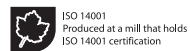
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