

2007

CORPORATE RESPONSIBILITY AND SUSTAINABILITY SUMMARY REPORT

# COMMITTED TO RESPONSIBLE MANAGEMENT



**Balfour Beatty**

**Balfour Beatty has a firm and explicit commitment to fulfilling its responsibilities to all its stakeholders.**

**The long-term success of our business depends not just on the continuing delivery of the highest quality technical skills and disciplines, but also demonstrable commitment to, and achievement in, fulfilling our wider responsibilities.**

**We create and care for essential assets – hospitals, schools, road, rail and utility systems and structures of all kinds. We seek to benefit the communities in which we**

**operate, not only through our work but also by engaging positively and helping deliver additional social benefits.**

**Our framework for managing and reporting safety, health, environmental impacts, people and community involvement is an integral part of our business processes.**



## Safety and Health

It's our responsibility to protect our employees and the general public from the potential hazards involved in the construction process and its products. Safety is our number one priority.

page 08/09



# 65,000

days safety training in 2007

# 16%

reduction in Group-wide accident frequency rate during 2007

## Environment

Being efficient in the way we use resources creates savings for our business and is value-adding for our customers. We continue to drive environmental best practice throughout all our operations.

page 10/11



# 24%

relative reduction in UK waste generation in 2007

# 30%

reduction in our relative UK contribution to global warming over the last five years

## People

Construction is a people business and it is vital that we attract, retain and motivate the best talent to ensure we deliver what our customers need. This means supporting and investing in our employees.

page 12



# 10%

reduction in voluntary employee turnover in 2007

# £13m

invested in training in 2007

## Community

The projects we build have significant impacts on the communities we serve. We work to maximise the benefits of our involvement in local communities.

page 13



# £115,000

raised for the children's charity, NCH, in the first year as our preferred corporate charity

# £1.7m

pledged to sponsor the London Youth Games to 2013





**Sir David John KCMG**  
Chairman

**This is Balfour Beatty's seventh Corporate Responsibility Report, continuing the Group's commitment to fulfilling the full range of its responsibilities to all its stakeholder groups and report, openly, on its progress in so doing.**

We regard this reporting process as of great importance, not only in communicating our approach and achievements, but also to demonstrate to our customers that we aim to match or even surpass the very high standards of responsible conduct which they set themselves and their supply chain partners.

I am very pleased to report a continuation of the progress we have made in recent years. Our record profits, earnings, order book and growing employee numbers demonstrate our economic contribution.

We have continued to reduce our accident frequency rate, found better ways of managing our environmental impacts and both fine-tuned and augmented our corporate citizenship credentials. I believe our improving environmental and social performance has also made us an even more sustainable organisation.

#### **Governance and management**

We have continued to evaluate, critically, all our governance and management systems to ensure their suitability for purpose. Policies have been renewed and, where necessary, restated. We are updating the terms of reference of the Business Practices Committee so that it can monitor, evaluate and guide our non-financial performance more effectively.

We are improving the process of training all our people in our ethical standards and have reinforced the attitudes and behaviour expected of them when they are acting in Balfour Beatty's name.

#### **Safety**

Senior management focus on safety continues to increase. It is our stated aim that it should be no more hazardous to go to work on one of our construction sites than it is to one of our offices. Although, sadly, fatalities have continued to occur, we achieved a further 16% reduction in the underlying accident frequency rate in the year. Since 2002 we have reduced accident frequency by 65%, despite more than doubling the size of the business. Particular emphasis has been, and continues to be, given to the process of designing hazards out of the construction process, for example, with increasing use of off-site prefabrication and assembly.

#### **Health**

We continue to seek ways in which the rigorous standards of safety management required around the Group are applied, equally, to occupational and public health. Our range of programmes aimed at dealing with such issues as health screening, drug and alcohol testing, stress, hand-arm vibration and manual handling, is growing all the time.

#### **Environment**

Our programmes to reduce waste, energy consumption, emissions, the use of non-sustainable materials and water consumption continued to be developed, and delivered another year of improving practices. We are becoming increasingly successful in spreading good practice to all our operating companies across the globe.



**Ian Tyler**  
Chief Executive



**“We are becoming increasingly successful in spreading good practice to all our operating companies across the globe.”**



**“We are improving the process of training all our people in our ethical standards.”**



### The wider community

Balfour Beatty's work enhances the physical environment. It creates educational, healthcare, transportation and other social capital. The Group believes that it has a responsibility to extend the positive impact which its work has on the lives of users, to the wider community in which the company operates.

A key theme in Balfour Beatty's Corporate Responsibility activities is enhancing the lives of young people, particularly those at risk or at some disadvantage, and improving the communities in which they live and grow. This theme finds expression through a number of initiatives, at corporate, operating company and local and individual project level.

Notable amongst the progress made in 2007 was our decision to assume name sponsorship of the London Youth Games, Europe's largest youth sports programme. Sport achieves many things for young people. It promotes personal well being. It breeds confidence and a sense of purpose.

It offers opportunity where there may be few alternatives. It acts in support of social cohesion and against social exclusion.

When the opportunity to impact positively the lives of every single child who attends a state school in London over the next six years arose, we didn't have to think very hard or very long.

We have worked hard on developing and growing a number of other programmes during the year.

### Office of Fair Trading

You may have seen that the Office of Fair Trading has been conducting an investigation into construction tendering activities in the UK construction industry, as a whole. We have undertaken a thorough review of all our business and are confident that we are fully compliant with UK Competition law. We neither promote or condone anti-competitive behaviour and are committed to the highest standards of ethical behaviour.

### The future

As we wrote last year, the Group will continue to be judged by its stakeholders not just on its size and profitability but also on how well it manages its affairs beyond financial performance. We work very hard on this aspect of the Group's affairs and believe we will be able to continue to make progress this year and beyond.

Sir David John, KCMG, Chairman

Ian Tyler, Chief Executive



**£7,488 million**

worldwide revenues in 2007, up 36%



**zero**

serious environmental incidents during the year



### Sustainable construction

**Sustainable construction is the way in which a profitable and competitive industry delivers built assets to enhance quality of life and stakeholder satisfaction – now and in the future.**

In 2002, we explored the key role that the construction industry has to play in the quest for a sustainable future. The industry has an opportunity to transform the way that infrastructure is created, by rethinking the way it designs and uses resources to build and maintain assets that meet the needs of society.

Key concepts are partnership and innovation. By engaging with customers, end-users and local communities, a shared understanding of the needs and impacts of schemes can be created, alongside a view of what is technically possible and affordable.

Translating this into reality means designers, contractors and suppliers working together to embrace new ideas and technology and to generate innovative solutions.

One phrase summarises our basic approach – doing business with integrity. This means that we aim to:

- create shareholder value through meeting clients' expectations;
- ensure the safety and health of our workforce and others;
- engage with communities and those affected by our activities; and
- protect the environment.

Our day-to-day activities already incorporate many aspects of good practice and contribute to sustainable development. But building on this and integrating it into all our activities will be critical to our future success.

In order to attract high-calibre employees, create long-term partnerships with asset owners, thrive financially and maintain the confidence and support of our shareholders, we need to embrace the sustainable development agenda fully.

Full details of our progress on Sustainable Construction issues, including our work on Private Finance Initiative (PFI) projects, can be found in our full report online:

[www.balfourbeatty.co.uk/bbeattycr07/cr07/managingcr/sustainableconstruction](http://www.balfourbeatty.co.uk/bbeattycr07/cr07/managingcr/sustainableconstruction)

### Managing corporate responsibility

**The Board is committed to the principles of good governance set out in the Combined Code on Corporate Governance. It sets policy and takes responsibility for Balfour Beatty's performance in safety, health, the environment, business ethics, risk management, human rights and other social issues.**

In early 2001, the Business Practices Committee of the Board was established to review policy, practice and performance in these areas. It meets four times a year. We produced our first set of Company Principles in 1986. Since then they have been regularly reviewed and updated, most recently in 2006. Two companion codes were also developed at the same time, "Business Conduct Guidelines" and "Stakeholder Codes of Practice."

We have clearly stated policies for risk management, health and safety, environment, human rights, drugs and alcohol abuse, equal opportunities and whistleblowing.

**"The industry has an opportunity to transform the way that infrastructure is created."**



### All employees

to receive training on business ethics

### Independent audit

conducted of the data in our Corporate Responsibility Report



A Group-wide risk management framework provides a common system for reporting and escalating risks of all types. Safety and health issues are line management responsibilities. They are subject to rigorous measurement and external audit and are reviewed regularly by the Group Health and Safety Council.



Environmental issues are reviewed, performance is audited regularly and Group-wide statistics collated in respect of our major impacts.

Community initiatives are driven at both corporate and operating company level within a clear policy framework.

Operating companies are required to develop specific policies and practices relevant to their areas of work in respect of all aspects of corporate responsibility.

For a full description of how we manage corporate responsibility please go to:  
[www.balfourbeatty.co.uk/bbeattycr07/managing\\_cr/](http://www.balfourbeatty.co.uk/bbeattycr07/managing_cr/)

#### Corporate responsibility reporting

**We aim to do business with integrity, aspiring to the highest standards of safety and health, managing our environmental impacts and being committed to delivering on our full range of social responsibilities.**

Our projects directly improve the lives of people and their communities. Understanding their expectations is critical to our future as a business.

Our approach and management systems cover our global activities and we report on incidents and penalties on a global basis.

We collate safety data for all of our wholly-owned activities and for those joint ventures where we have management control. Subcontractor safety performance is included for all activities apart from the US, where it is not common practice.

Our environment data is reported worldwide for all wholly-owned businesses, outside the US. Our other overseas businesses are progressing towards reporting environmental performance to the same standards. We report on employee data for all our wholly-owned businesses worldwide.  
[www.balfourbeatty.co.uk/bbeattycr07/cr\\_in\\_our\\_business/](http://www.balfourbeatty.co.uk/bbeattycr07/cr_in_our_business/)



### Highlights

Group accident frequency rate down 16% in 2007 and 65% since 2002

Accident Frequency Rate reduced by 77% in our US operating companies since 2002

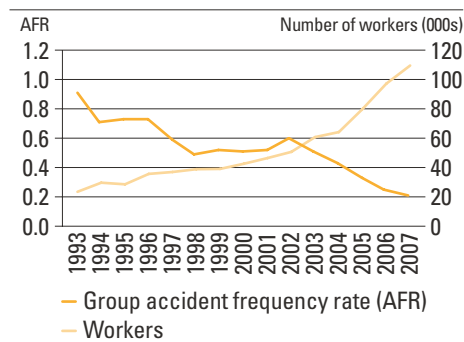
All non-US business units certified to OHSAS 18001

Over three million man-hours worked by Balfour Beatty on Heathrow Terminal 5 with zero reportable accidents

261 schools visited with more than 6,000 children given presentations on safety

Reported injury rates 31% below HSE construction industry rate

### Improving safety performance despite rapid growth



**The safety of our employees and others impacted by our activities is a fundamental priority. So we were especially saddened by an increase in fatalities in 2007 and have further reinforced our efforts as a result.**

#### Aims and strategy

Balfour Beatty's stated aim is zero fatalities, zero permanent disability injuries and to be accident free overall. Specifically, we aim to have an absolute ceiling on our accident frequency rate (AFR) of 0.2 by the end of 2010. Our overall AFR at the end of 2007 was 0.21. We take a structured, risk-based approach to safety management across the Group.

Our strategy has three principal components.

- First, to build a positive safety culture around our well-developed safety management systems, through consistent demonstration of leadership and employee engagement which changes fundamental attitudes and behaviour.
- Second, to ensure that we apply the same level of diligence to public safety as we apply to occupational safety.
- Third, to design both permanent and temporary works so that safety risks are eliminated at source or reduced substantially.

#### Management systems

Our Group-wide policy and our formal expectations for management are clearly set out and communicated together with policy and guidance documents on a number of key issues.

The Chief Executive chairs a Health and Safety Council which develops policy, reviews performance and facilitates the sharing of best practice across the Group. Each business segment has its own Health and Safety Forum and its own health and safety manager. Our operating companies are expected to achieve certification to OHSAS 18001. They are independently audited by Det Norske Veritas (DNV).

The Group uses tr@ction, a recording and monitoring system, to report and analyse accidents and incidents across Balfour Beatty to provide the data for the development of policies and practice. Subject-specific task groups study and recommend solutions for issues

such as temporary traffic management, service strikes, driving safely and tower cranes. To achieve our aim of operating with no harm to our workers or the public, our operating companies each have an annual Safety Plan and Safety Targets. These incorporate the operating company response to corporate objectives and also addresses its own specific safety issues, which are determined by risk assessment and by analysing its own accident record.

Our accident and incident investigation system is thorough and structured. By the end of 2007 over 600 investigators had received formal training in the process. Serious accidents are reviewed by the Chief Executive.

#### Audit

Our systems and performance are the subject of both internal and external audit scrutiny. External audit against OHSAS 18001 is required in all businesses, except in the US where these standards are not well recognised, and is being extended to cover all businesses outside the UK. All operating companies maintain programmes for internal audit.

#### Training

Our comprehensive training programmes to ensure the competence of all job holders continued to be implemented in 2007. Over 65,000 man days of safety training took place in 2007, representing an average of 1.3 days per employee.

#### Key performance indicators and benchmarking

Our AFR improved for the fifth successive year, this time by 16%. Since 2002, our AFR has been reduced by 65%.

However, we were deeply saddened by the loss of four colleagues in our operating companies and 14 from our joint venture businesses in Dubai and Hong Kong during 2007.

We benchmark our safety performance against safety norms in all the territories in which we operate. Our performance in the UK, US, Germany and Hong Kong compares favourably with the relevant local industry statistics.



600

individuals trained in formal accident investigation



**Highlights**

**11th year of absence cause monitoring**

**11,662 drugs and alcohol tests carried out in the UK and the US**

**An 11% reduction in the number of hand-arm vibration cases identified during the year**

**Increased use of stress management counselling, awareness and recognition services**

**Further guidance issued on safe manual-handling techniques**

**53% increase in audiometric testing across the Group**

**Related links**

- > [www.balfourbeatty.co.uk/bbeattycr07/safety\\_and\\_health/](http://www.balfourbeatty.co.uk/bbeattycr07/safety_and_health/)
- > [www.balfourbeatty.co.uk/bbeattycr07/case\\_studies/](http://www.balfourbeatty.co.uk/bbeattycr07/case_studies/)

**The Balfour Beatty Group is now seeking to apply the same rigorous standards of management and measurement to the occupational health of its workforce as it does for occupational and public safety.**

**Aims and strategy**

Our aim is to ensure that no harm to our employees' health occurs as a result of our activities and to improve the monitoring and control of those activities that have the potential to impact on health.

Cases of occupational ill-health are often the result of prolonged exposure to a condition or substance, or prolonged or repeated undertaking of an activity.

During 2002, we reviewed our approach to occupational health and, over the last five years, have increased the focus on managing occupational health systematically and effectively in our operating companies.

**Management systems**

Occupational health management is subject to the same structure as for safety. There is a Group policy, and formal expectations set the context for the operating companies, together with policy and guidance documents on a number of key issues.

The Group measures sickness absence data to provide a comprehensive view of the nature and scale of health issues among our workforce and to assist in setting priorities.

**Health screening**

In the UK, 76% of operating companies undertook occupational health screening in 2007.

Across the Group, 5,613 employees received occupational health screening during the year. Of those screened, 76% were referred for further medical examination and 1% subsequently had their duties restricted.

Some major projects employ resident occupational health nurses to carry out pre-employment and ongoing health screening and general health promotion. In 2007, Balfour Beatty engaged Norwich Union to offer a comprehensive occupational health service, including health screening, health referrals and advice on fitness for work and general wellbeing.

Screening is also conducted in our European and US businesses and Malaysia.

**Action on occupational health hazards**

Our operating companies have particular programmes for those health issues most relevant to our industry. These include, most notably, hand-arm vibration syndrome (HAVS), manual handling risks, audiometric disorders, stress, drugs and the abuse of alcohol and handling and exposure to substances hazardous to health, including asbestos. Where uncharted asbestos is encountered, the issue is handed over to accredited experts.

**Health promotion**

A growing number of Balfour Beatty operating companies encourage employees towards a healthy lifestyle outside the workplace.

**Stress**

Several of our businesses have introduced stress management arrangements, including counselling, awareness and recognition training.

**Drugs and Alcohol**

11,662 alcohol and drug tests were carried out in the UK and US in 2007. As testing increases, the deterrent effect produces a reducing number of positive results tests.

**Performance**

In 2007, there were no UK fatalities or retirements arising from work-related ill-health.



**65%**

reduction in AFR since 2002



**5,613**

individuals screened for occupational health issues in 2007

## ENVIRONMENT

### Highlights

**No environmental incidents classified as serious**

**Sixth year of comprehensive environmental impact data for the UK businesses**

**ISO 14001 or equivalent systems are in place across the Group**

**UK inert material recycling increased by 70% in 2007**

**Momentum maintained in reducing the relative impact of CO<sub>2</sub> emissions from our vehicle fleet**

**Seventh year of participation in the Business in the Environment Index. 7% increase in overall score over 2006.**

### Related links

- > [www.balfourbeatty.co.uk/bbeattycr07/environment/](http://www.balfourbeatty.co.uk/bbeattycr07/environment/)
- > [www.balfourbeatty.co.uk/bbeattycr07/case\\_studies/](http://www.balfourbeatty.co.uk/bbeattycr07/case_studies/)

**On behalf of our customers and ourselves, we take every precaution to prevent our activities causing environmental harm. We seek, where possible, to encourage more sustainable design options to enhance the environment through our work and measure our impacts.**

### Aims and strategies

Our environmental policy has three main goals: to work with customers to achieve more sustainable design solutions; to be a leader in environmental practices on all our operational sites; and to improve progressively the environmental performance of our own offices, depots, manufacturing facilities and vehicle fleet.

### Measuring our impacts

While the range and nature of environmental risk varies widely in each operating company, we review our overall progress by monitoring: the robustness of environmental management systems; environmental incidents and prosecutions; and trends in specific environmental indicators, such as energy and global warming contribution, waste and recycling, resource usage, water consumption and biodiversity.

### Management systems

Environmental issues are monitored and reviewed regularly.

Each operating company has a nominated board director with environmental responsibility. Most are certified to ISO 14001, or its equivalent and audit and benchmark performance regularly. New acquisitions are expected to follow suit.

### Training

During 2007, we have continued to improve environmental training to ensure that our employees are aware of the environmental consequences of their activities and know how to protect the environment.

Environmental training days worldwide increased by 15% to 3,381 during the year.

### Audit and benchmarking

Audit is a key element of managing environmental risk. As well as external benchmarking, our operations are subject to both internal and external audit.

During 2007, we spent a total of 3,740 days conducting internal environmental audits and inspections, an increase of 30%, and 616 days on external audit, an increase of 64%.

For the seventh year in succession we participated in the Business in the Environment Index. Our scores in strategy, assurance and disclosure reached 100% and we improved our scores on integration and performance. Our overall score increased to 85% compared to 80% the previous year.



**4,356**

days spent conducting internal and external environmental audits in 2007



**30%**

reduction in contribution to global warming since 2002



**Key UK performance indicators**

No serious environmental incidents and no prosecutions or convictions were reported. One notice of intention to prosecute was received.

Balfour Beatty represented the UK construction industry at the 2007 G8 summit in Berlin advising on the Timber Purchasing Directive.

The total amount of waste generated in the UK per £m Net Sales Value (NSV) at 152 tonnes represented a 24% reduction over 2006.

The proportion of our timber purchased from fully-certified sources fell slightly in 2007 as we reviewed our standards for the chain of custody.

The amount of material that Balfour Beatty recycled in the UK increased by 65% in 2007.

In 2007, Balfour Beatty consumed 6% more water per £m NSV than in 2006.

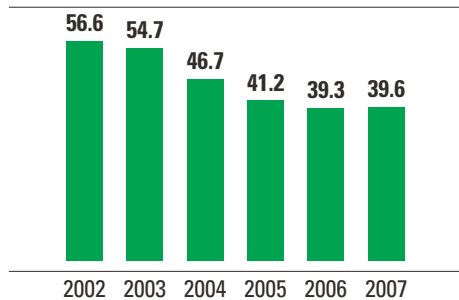
We have succeeded in reducing our relative contribution to global warming by 30% over the last five years.

**Waste and recycling**

	%
2007	33.76
	66.24
2006	50.73
	49.27
2005	66.80
	33.20
2004	61.84
	38.16
2003	70.54
	29.46
2002	99.24
	0.76

■ % of waste disposed  
 ■ % of materials recycled

**UK tonnes equivalent CO<sub>2</sub> per £m NSV 2002-2007**



**24%**

reduction in relative production of total waste, in the UK since 2006



**15%**

increase in the number of environmental training days worldwide in 2007

**Highlights**

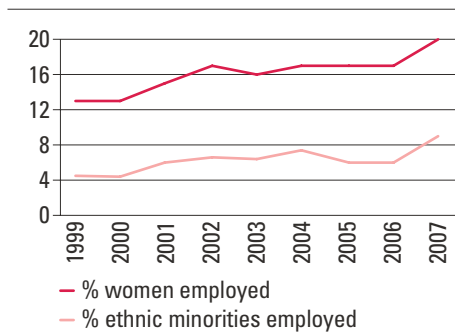
**E-learning programme developed to embed Business Conduct Guidelines**

**Increasing proportion of employees drawn from women and ethnic minority groups**

**Annual graduate induction conference extended**

**Employment opportunities continue to expand with Group success and growth**

**Voluntary turnover and absence reduced again**

**Diversity in the workplace (2003-2007)****Related links**

- > [www.balfourbeatty.co.uk/bbeattycr07/our\\_people/](http://www.balfourbeatty.co.uk/bbeattycr07/our_people/)
- > [www.balfourbeatty.co.uk/bbeattycr07/case\\_studies/](http://www.balfourbeatty.co.uk/bbeattycr07/case_studies/)

**Balfour Beatty seeks to utilise the full talents and skills of all its people and aims to create a safe, healthy, challenging, rewarding, participative and fair working environment.**

**Aims and objectives**

Our explicit objectives are: to provide an open, challenging and participative environment; to enable all employees to utilise their talents and skills to the full, through appropriate encouragement, training and development; to communicate a full understanding of the objectives and performance of the Group and the opportunities and challenges facing it; to provide pay and other benefits which reflect good local practices and reward individual and collective performance; and to ensure that all applicants and employees receive equal treatment regardless of age, origin, gender, disability, sexual orientation, marital status, religion or belief.

**Employee attitudes and opinions**

Surveys of employee attitudes, needs and opinions are conducted in the great majority of our operating companies. During 2007, a Group-wide survey was undertaken in order to assess employee attitudes and experiences and to provide a basis on which to improve our policies and practices.

**Training and Development**

The Group invested over £13 million in training during 2007 – representing an average of 3.5 days of training per employee. Formal performance and development reviews, provide regular opportunities for employees to identify and agree development objectives with their managers.

The Group has a comprehensive organisation and people review process which links the aspirations, talents and development plans of individual managers

to the anticipated future needs of the business. Wherever possible, we seek to promote from within the Group.

**Communications**

All employees receive a six-monthly magazine that covers in detail the latest financial information, news and events from around the whole Group, including safety, health and environment topics and matters of general employee interest.

Individual businesses use a variety of methods to communicate key business goals and issues to employees and also to consult and involve their employees.

**Diversity**

In 2007, 20% of our UK employees were women and 9% were of ethnic minority origin. This is an increase on 2006 of 18% and 50% respectively.

185 UK graduates were recruited in 2007 (2006: 150), 19% of whom were women and 9% from ethnic minorities.

**Turnover and absence**

The retention of motivated, qualified staff is critical to the future success of the business. Voluntary employee turnover reduced further from 16% in 2006 to 14.4% in 2007. The absence rate also continued its downward trend to 2.1% from last year's 2.3%.

**Whistleblowing**

There is a Group-wide whistleblowing policy in place. During the course of 2007, 16 cases were raised and all the cases raised have been addressed and successfully concluded.

**36,080**

full-time Balfour Beatty employees at end 2007

**855**

graduates recruited between 2001 and 2007

**20%**

of UK employees are women

**Highlights**

**Balfour Beatty commits to supporting London Youth Games to 2013**

**"Get into Construction" initiative continues to accelerate**

**500 children benefiting from Stoke Football Action scheme**

**Highly successful first year of charitable relationship with NCH**

**More projects sponsored in conjunction with Groundwork UK**

**Charitable donations  
(UK 1997-2007)**

2007	£400k
2006	£306k
2005	£265k
2004	£75k
2003	£30k
2002	£40k

**Related links**

- > [www.balfourbeatty.co.uk/bbeattycr07/community/](http://www.balfourbeatty.co.uk/bbeattycr07/community/)
- > [www.balfourbeatty.co.uk/bbeattycr07/case\\_studies/](http://www.balfourbeatty.co.uk/bbeattycr07/case_studies/)

**Balfour Beatty regards good corporate citizenship as an integral part of its business mission. It seeks to create positive and long-lasting relationships with all of its stakeholders and to engage proactively with them.**

**Aims and strategy**

Balfour Beatty seeks to engage fully with the groups, communities and individuals directly impacted by its project work and to add value to the work that it does in creating and caring for infrastructure assets by delivering additional community benefits.

Its project staff are expected to engage with the local communities in which they operate and to keep them fully informed of all issues which might affect them. Initiatives to bring added benefits to communities which we serve are initiated at every level in the organisation.

**Stakeholder engagement**

There is a comprehensive corporate and operating company-based communications and engagement programme, aimed at ensuring that all stakeholders, most notably employees, customers, suppliers, government, regulators and the communities around or affected by our projects, have access to the information they need and can represent their views to the company.

**Community engagement**

Balfour Beatty funds and runs a number of programmes designed to add social benefits to its core work in improving the built environment. In particular, its efforts are concentrated on contributing positively to the lives of young people, particularly those who are in some way at risk.

**London Youth Games**

The London Youth Games is Europe's largest youth sports programme. In 2007, Balfour Beatty assumed the role of lead partner to the Games until 2013 with a sponsorship contribution of at least £1.7 million over the period.

A substantial proportion of the funding is set aside for grant applications from the London boroughs for schemes that enhance grass roots participation and, in particular, promote involvement among disadvantaged groups.

**Stoke Football Action**

Over £100,000 of funding and substantial management support from Balfour Beatty has unlocked public sector funds to create a £320,000 three-year football coaching programme in Stoke, where Balfour Beatty is the PPP schools concession company. Now entering its final year, the programme has proven extremely effective in reducing vandalism and other anti-social behaviour among pupils at risk of social exclusion.

**Groundwork UK**

Balfour Beatty works with Groundwork UK, the network of local trusts which supports communities in need by working with partners to help improve the quality of people's lives, their prospects and potential and the places where they work and play.

**NCH**

NCH helps children achieve their full potential. Through its services, it supports some of the UK's most vulnerable and excluded children and young people affected by issues such as poverty, disability and abuse. The Group gave over £115,000 to NCH in 2007. Over £80,000 of this total was raised by employees through a wide variety of events and activities.

**Get into Construction**

Balfour Beatty is a founding sponsor and leading member of the Prince's Trust's "Get into Construction" initiative, whereby young customers of the Trust are given a two-to-four-week work experience programme which trains them in carpentry, plastering, bricklaying, painting and decorating.



**£1.7m**

Balfour Beatty sponsorship of the London Youth Games until 2013



**500**

young people will have been through "Get into Construction" by end 2008



**£115,000**

raised for NCH charity in 2007

## RESPONSIBILITY IN ACTION: A3 HINDHEAD



**The A3 Hindhead project will complete the dual carriageway link between London and Portsmouth and remove the current road from the Devil's Punchbowl, which is within the heart of an area of outstanding natural beauty.**

The project, one of the Government's major road improvements managed by the Highways Agency, is designed to deliver quicker, more reliable journeys on a safer road, and remove congestion from unsuitable country roads around Hindhead.

Work started in January 2007 on the new road which will be 6.5km (4 miles) long and includes 1.8km (1.1 miles) twin bored tunnels. The main tunnelling works began in February 2008 and the tunnel is due to be open for traffic in mid-2011.

Throughout the project, Balfour Beatty has paid particular attention to the concerns of all the stakeholders ensuring that the project is carried out safely in an environmentally-sensitive site alongside many neighbours.

### Health and safety

Safety in all its aspects is a top priority and all the design and construction decisions have been fully assessed with regard to the safety of the general public, road users and site staff.

A tunnel design and safety group is guiding the design and operation of the tunnels, taking advice from a range of specialists engineers and from police, fire and ambulance services.

The group agrees the basic design of the tunnels as well as the approach roads and service buildings. Procedures for the safe operation of the tunnel will be developed and tested, before opening, in a full emergency exercise.

### Environment and ecology

The management of the project's environmental and ecological issues was undertaken using a comprehensive new environmental constraints planner, which enabled licences, survey and works to be phased in the most environmentally-friendly sequence. During the woodland clearance phase of the project, suitable precautions were put in place to minimise harm to the local wildlife. This included installing dormice bridges, nest boxes and timing the tree felling to take place before hibernation periods. Reptiles were moved to National Trust and Forest Enterprise land.

All work in the Site of Special Scientific Interest has been approved by English Nature and there is ongoing consultation with interested parties on how best to protect deer and reptiles along the line of the route.

Great care is being taken to ensure that all materials used in the construction of the tunnel are acceptable to the key stakeholders, including the Environment Agency and South East Water.

The main noise issues relate to traffic noise generated by the completed scheme and noise impact created during construction. A major benefit will be the removal of the A3 from the Devil's Punchbowl and its replacement by a tunnel.

**1,200**

people were consulted about the project

**"All of the timber from tree felling was reused. Some of the very tall trees went to Germany for ships' masts."**



**English Nature**

has approved the work



**200,000**

trees and shrubs will be planted

**Highways Agency:**  
**“The project has been very challenging in terms of interactions with landowners, the public and dealing with environmental issues. Balfour Beatty has been proactive and sought continuous improvement.”**

This should effectively halve the noise in that area and so restore tranquillity to the beauty spot. Noise surveys have been undertaken at several key locations along the route and monitoring of noise, vibration and dust will continue during the life of the project.

In addition to the removal of the old A3 traffic, quiet road surfacing, barriers and bunds meant the noise from the new roads at either end of the portals will be substantially reduced.

Most importantly, the removal of the old A3 from the Devil's Punchbowl within the heart of the area of outstanding natural beauty will provide a major landscape gain and extensive woodland planting and heathland recreation is planned.

#### **Sustainability**

The design of the new road has been developed so that minimal amounts of material will be brought into the site or removed from it.

Through careful planning, suitable excavated material generated from site is being used within other areas of the works rather than being removed for off-site disposal. Retaining the site-won material within the site boundaries considerably reduces the potential impact of large vehicles importing needed material or exporting excess material.

All timber from tree felling was reused. The larger trunks were used for timber. Smaller trunks and branches were chipped and sent to a biofuel plant and the roots were ground up and mixed with the topsoil. Some of the very tall trees went to Germany for ships' masts.

#### **Community**

The team has developed good relationships with the local community and a visitor centre and viewing points were established early on to ensure that the work on the project is visible and understood by all stakeholders, including road users.

A full-time community relations manager is part of the team and formal presentations were given to over 1,200 people in 2007.

Visits were arranged to local schools to educate the children about the works, the dangers of construction sites and the importance of the environment.

A 24-hour helpline has been set up to answer any queries and a series of community exhibitions and newsletters ensures that the public are well informed.

Relationships with the job centre and other agencies nearby have also resulted in employment opportunities for local people. The site team have sponsored the local under nine's football team and raised £600 for the local Alzheimer's Society.

For 2007, the project has been awarded a silver award in the Considerate Constructors Scheme.



**1.8km**

tunnels will be bored

**This year our full report on how we manage our responsibilities can be found online.**

**Please visit [www.balfourbeatty.co.uk/bbeattycr07/](http://www.balfourbeatty.co.uk/bbeattycr07/) to read the details of our policies, processes and performance.**

**This document is a summary review to provide you with the key headlines and highlights in an easily accessible and digestible format, designed to explain, simply, what corporate responsibility means to Balfour Beatty.**

#### **Assurance Statement**

The safety, health and environment data and associated statements are covered by an assurance statement by Sd3 that is available in the full web report. Please go to:  
[www.balfourbeatty.co.uk/bbeattycr07/assurance/](http://www.balfourbeatty.co.uk/bbeattycr07/assurance/)

To provide feedback on our report please go to:  
[www.balfourbeatty.co.uk/bbeattycr07/feedback/](http://www.balfourbeatty.co.uk/bbeattycr07/feedback/)

Or if you would prefer, write to:  
Corporate Communications  
Balfour Beatty plc, 130 Wilton Road,  
London SW1V 1LQ

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