

We create places for people

We build and maintain hospitals and schools; we connect communities with roads and railways; and we protect the environment for generations to come.



Our strategy for making tomorrow a better place

Our vision is to be the trusted partner for providing services, delivering infrastructure and creating places that bring lasting benefits to our customers and the communities in which we live and work.

Sustainability is a core business capability for Carillion: it is embedded in our decision-making and is fundamental to the way we create long-term value for our stakeholders. Our strategy is based on the positive outcomes of better business, better environment and better communities and reflects what matters most to our stakeholders.



“After decades of modelling our commercial performance upon our commitment to responsible business, we are now deeply honoured to have won the Queen’s Award for Sustainable Development.”



Philip Green CBE
Chairman, Carillion

Better business

Sustainability makes us a better, more resilient business and reduces risk, whilst engaging customers, suppliers and our own people. Unlike any other company in our sector, we can prove that sustainability contributes to profit, driving growth for the long term.

INVESTING IN SAFETY, HEALTH AND TALENT

- Towards zero accidents**
57% reduction in All Accident Frequency Rate (2015: 51%, 2020 target: 70%, against a 2011 baseline)
- Gender diversity**
18% of our leadership population are women (2020 target: 30%)
Top 50 Employer for Women *The Times*

CREATING CUSTOMER TRUST

- Customer satisfaction**
+22 Net Promoter Score (2015: +36)
- Profit contribution from sustainable behaviours and actions**
£36.1m net contribution (2015: £33.8m, 2020 target: £40m)

DEVELOPING SUPPLY CHAINS

- Local spend**
55% local spend including SMEs (2015: 58%, 2020 target: 60%)
- Ethical sourcing**
24% of suppliers responded positively to sourcing materials and products from responsible and ethical sources (2015: 25%, 2020 target: 100%)

Better environment

We tackle climate change, conserve resources and protect the environment. BREEAM and LEED Gold accreditations across more than 200 international contracts are an indicator of our potential to create a sustainable built environment.

TACKLING CLIMATE CHANGE

- Carbon footprint**
34% reduction in carbon footprint (2015: 31%, 2020 target: 41%)
- Leadership on climate change**
Recognised as a climate leader for third successive year (CDP)

CONSERVING RESOURCES

- Reducing our waste**
95% waste diverted from landfill (2015: 94%, 2020 target: 97%)
- Reducing our water consumption**
37% reduction (operations); 1% reduction (estate) (2015 performance: 40% operations and 24% own estate, 2020 target: maintain 28%)

PROTECTING THE ENVIRONMENT

- Habitats for biodiversity**
1.5 billion trees planted in Canada since 1985

Better communities

We create more inclusive communities by engaging with our neighbours and charity partners, empowering social mobility and inspiring the next generation of skilled workers.

BUILDING COMMUNITY RELATIONSHIPS

- Community needs**
43% of contracts audited for effective implementation of Community Needs Plans (2020 target: 33% year on year for 3 years)
- Employee volunteering**
30% of Carillion people use their volunteering allowance to support communities where we work (2015: 18%, 2020 target: 50%)

INSPIRING YOUNG PEOPLE

- Inspiring students**
Supported 49,771 students by volunteering over 11,000 hours of our time in schools, colleges and universities

SUPPORTING EMPLOYMENT

- Enabling employment outcomes**
88% UK Carillion apprentices who completed their framework had an employment outcome (2015: 89%, 2020 target: 91%)
- Jobs and training**
1,173 Ready for Work placements, and 532 people gaining work

Infrastructure that thinks for itself

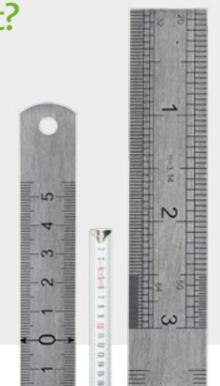
Robotics, virtual and augmented reality, advanced scanning and drones are just a handful of technologies gaining traction throughout our sector. Being bold in thinking differently about the built environment will set us apart as a game-changing infrastructure business.



Visit our website for more
www.carillionplc.com/sustainability2016

How much carbon is in the built environment?

We are working with the UK Green Building Council (UK-GBC) and others to minimise the full cost-carbon lifecycle of the built environment. Understanding the carbon content of our buildings and infrastructure is complex to map and manage, especially across long-life assets with intricate and broad supplier networks.



Visit our website for more
www.carillionplc.com/sustainability2016

Perfect partners

Carillion is a community company and volunteering is the prime currency of community engagement for us - with up to six days of paid volunteering available to our workers. We wanted to delve deeper into our understanding of how we could establish more effective community partnerships, so we commissioned independent research in 2016 with very interesting results.



Visit our website for more
www.carillionplc.com/sustainability2016

How we're making tomorrow a better place

Sustainability Summary 2016



Sustainability makes us a better company to work for, to do business with and to invest in

“We can prove that responsible business is not only the right thing to do but also has a clear commercial case: in 2016 our sustainability strategy contributed £36.1 million to our profit.”
(2015: £33.8 million; 2020 target: £40 million)
 Richard Howson, Chief Executive Officer, Carillion

SPOTLIGHT STORY

Safety, health and wellbeing are fundamental to every single Carillion contract

Our Group-wide campaigns for zero accidents or ill-health (Target Zero) have been proven to build a better business through engaging our people.

Falls from height comprise 60% of all our high-risk accidents. As part of our Not ONE Fall campaign, we changed our messaging – from ‘working at height’ to ‘focus on falls’ – a simple shift which has contributed to a 15% reduction in falls of people or objects.



SPOTLIGHT STORY

Supporting thriving communities

Improving social mobility and breaking generational cycles of poverty is a proven way to address skills shortages. Our teams at the Royal Liverpool University Hospital offer accredited training and work placements to upskill unemployed people in the area.



“Carillion has made a massive difference to jobs, apprenticeships, training and supporting community groups. They have opened up opportunities directly and in their supply chain and have worked with the council’s in-house employment team to get local people, especially young people and those who are unemployed, into work.”
 Nick Small,
 Assistant Mayor of Liverpool Council

SPOTLIGHT STORY

Ending modern slavery and investing in worker welfare

We build better communities through ensuring decent living and working conditions, not only for our direct employees but also for the contractors working on our projects. We adhere to the UK Modern Slavery Act, the International Labour Organization’s core conventions and we are now a signatory to the UN Global Compact.



“Carillion is among a small group of companies that have taken important steps to identify risks to human rights within their operations, develop procedures to address them and report publicly on their efforts.”

Mariam Bhacker,
 Business and Human Rights Group

SPOTLIGHT STORY

Innovating for customer satisfaction

In increasingly competitive service sectors, we focused on transforming the experience of 229 customers during 2016. Our Customer Experience Centre in Sheffield is the largest facilities management sector helpdesk in the country. The team has transformed itself by focusing on team leadership, empowering advisors and encouraging ideas from the floor to solve customer problems.

British Institute of Facilities Management Award for customer experience



SPOTLIGHT STORY

Creating a better environment

We are uniquely placed to help Canada to realise its vision of a low-carbon future through installing renewable energy for customers.

Rokstad, a Carillion company, is building transmission lines that will bring wind and hydro energy into the provincial grid. We also partner with BC Hydro and Fortis to manage the Energy Conservation Assistance Program (ECAP) across British Columbia. We have delivered:

180 megawatts of wind and **820** megawatts of hydro power for the provincial grid
 Energy assessments, education and upgrades to **2,500** households through ECAP



Our wider contribution

We believe we can make specific contributions to at least nine of the United Nations’ Sustainable Development Goals – their vision for a more sustainable world by 2030. Our long-term focus is on increasing innovation, safety performance and diversity – finding new ways of reducing emissions, waste and biodiversity impacts – and continuing to support communities, education and employment.

Read more in our sustainability report at www.carillionplc.com/sustainability2016

BETTER BUSINESS



BETTER ENVIRONMENT



BETTER COMMUNITIES



See our full report at www.carillionplc.com/sustainability2016

