

Kier Group plc

The **Corporate Responsibility Index** is the UK's leading voluntary benchmark of Corporate Responsibility (CR). It's a framework to help companies to integrate and improve CR throughout their operations by providing a systematic approach to managing, measuring and reporting on business impact in society and on the environment. It's a public benchmark that compares, celebrates and communicates the social and environmental performance of participating companies

Foreword

Welcome to Business in the Community's Corporate Responsibility (CR) Index 2011 Scores Report.

The CR Index has become one of the UK's leading voluntary benchmarks for responsible business. Nearing its 10th anniversary, the tool has matured both as a management tool, helping companies manage and measure social and environmental performance, and a public ranking communicating and comparing business achievement.

This report shows your organisation's score and provides feedback on your performance across the range of measures on which you responded to our questions. Your score indicates the extent to which your organisation has integrated the management of the CR agenda into core business processes.

The report also includes comparison of your results with the range of your industry sector peers, comparison of your results against the overall CR Index average over time and, where relevant, a year-on-year comparison to your own previous Index results.

The CR Index focuses on driving continuous improvement and the team at BITC are available to work with companies to progress their CR strategy and provide advice and support to implement improvements. To discuss how we can help you understand and improve your performance please contact a member of the team.

This year the CR Index will publish its annual results and ranking in the **Financial Times Responsible Business Supplement** to be published on **8 June 2011**. We invite you to join us in celebrating these results on 8th June at Delfina Restaurant, Axe & Bottle Court, 70 Newcomen Street, London SE1 1YT, from 9am to 11am. To register an interest in our event please contact Elena.Espinoza@bitc.org.uk

Looking forward, we seek to support participating companies in maximising the value from the CR Index process and results. We at BITC also seek to capture the value of measuring - and influencing - your progress. For it is only through measuring our own influence that we can learn how best to create positive change through doing good business.

With best wishes,



Toby Shillito

Director, Director CR Index and Advisory Services

Business in the Community

April 2011

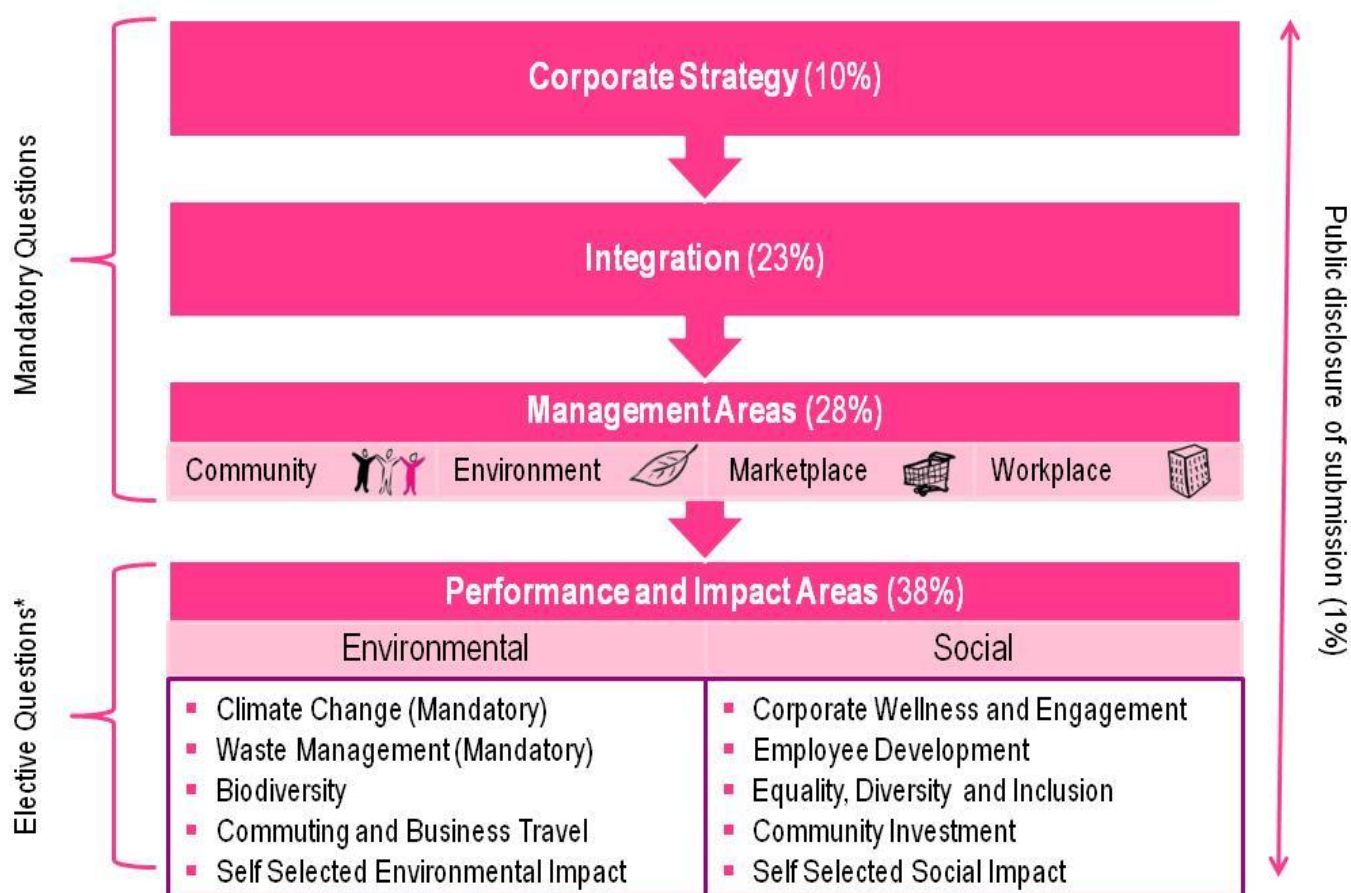


CR Index Model

The CR Index takes the form of an online survey designed to provide large organisations with a simple framework for managing CR. This framework helps integrate and improve CR throughout the organisation by providing a systematic approach to managing, measuring and reporting on business impacts in society and on the environment.

Participants are scored according to the extent to which responsible practices are embedded within an organisation's corporate strategy and operations. This percentage score is then grouped into performance bands (Platinum, Gold, Silver and Bronze), which make up the public CR Index annual ranking. This is published on our website and with our media partners.

The questionnaire is divided into four sections, which are individually weighted (see diagram below). The questionnaire covers **four key management areas** (Community, Environment, Marketplace and Workplace) and asks companies to report on **six key impact areas** (3 environmental and 3 social).



Executive Summary

Congratulations on completing the 2011 Corporate Responsibility (CR) Index, the UK's leading voluntary benchmark of Corporate Responsibility.

This scores report, summarising your 2011 CR Index results, includes a comparison of your organisation's performance over time, against peers in your sector¹ and against all CR Index participants. Additional feedback is available from BITC's Integration and Advice Team, the options for which are explained at the end of this report.

Your results, along with all the other participating companies, will be ranked and published in the Financial Times Responsible Business supplement on **Wednesday 8 June 2011**.

CR INDEX PERFORMANCE

	Score ³	Band
2011	85%	Silver

ENVIRONMENT INDEX PERFORMANCE²

	Score
2011	74%

PERFORMANCE IN PREVIOUS YEARS

2009	78%	Bronze
2008	58%	Not Listed
2007	n/a	Not Participated

INDUSTRY SECTOR INFORMATION

Your Sector: Construction & Materials	Benchmarking Sector⁴: n/a
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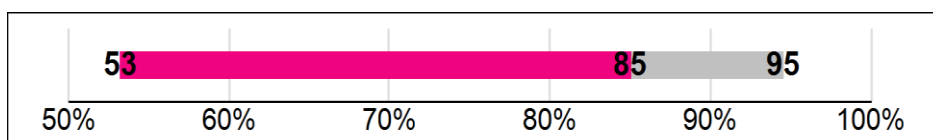
Benchmarking comparators:

BAM Construct UK Ltd, Costain Group PLC, Eurovia Group Limited, Laing O'Rourke, Mace Group, Marshalls PLC, Morgan Sindall plc, Morrison, Rio Tinto, The Clancy Group Plc, Willmott Dixon Capital Works Ltd., Xstrata plc

* Company reporting on UK operations only

SECTOR PERFORMANCE OVERVIEW

This chart provides the range of overall CR Index scores within your benchmarking sector. It also plots your company's overall score in order to provide a top-line performance benchmark.



¹ For some CR Index questions/industry sectors there were insufficient participants for benchmarking. Minimum of 4 companies are required.

² The Environment Index score is a combination of your Corporate Strategy, Integration, Environment Management, Environmental Impact and Assurance scores.

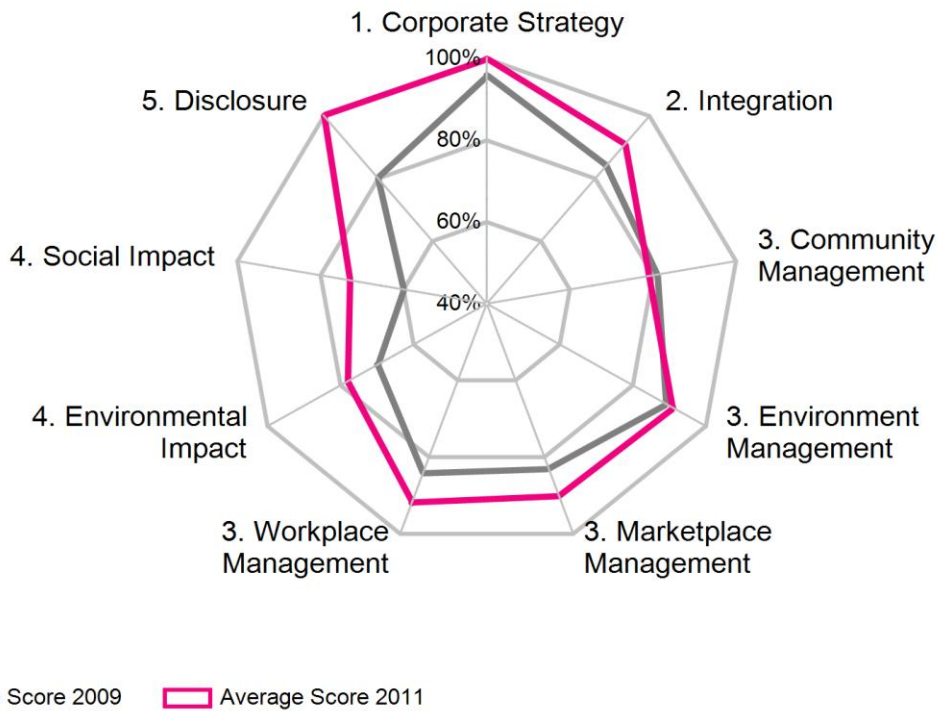
³ CR Index Performance Band Thresholds: **Platinum** (≥ 94.76%); **Gold** (≥ 89.76%); **Silver** (≥ 79.76%); **Bronze** (≥ 70%)

⁴ Where there are insufficient industry sector participants, your company may be assigned to a wider "Benchmarking" sector.

Section Level Summary

PERFORMANCE BY CR INDEX SECTION

This chart summarises your company’s performance across each section of the CR Index Survey. If the CR Index was completed in 2009, this chart will also provide a year-on-year performance comparison.



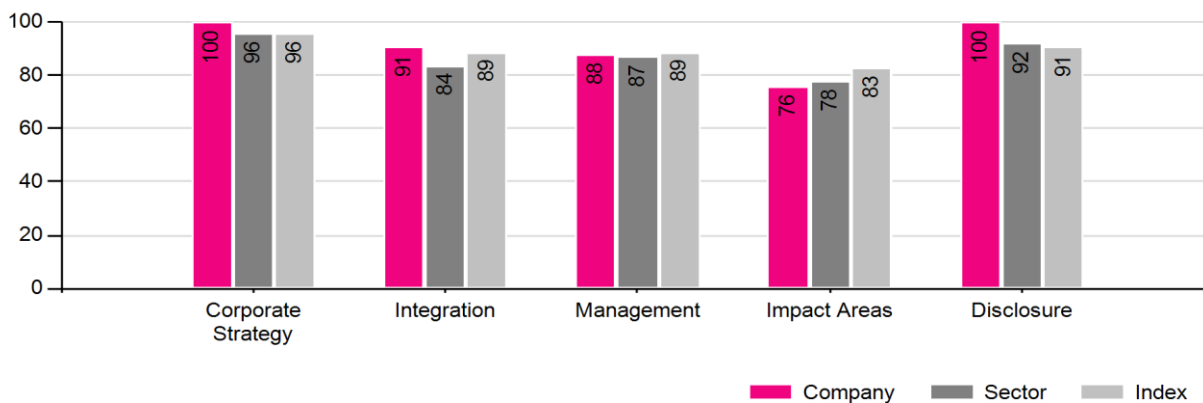
- Environmental Impacts:
 - 2009 - Climate Change, Waste and Resource Management, Biodiversity
 - 2011 - Climate Change, Waste Management, Local Impact
- Social Impacts:
 - 2009 - Health, Safety and Well-Being, Employee Development, Equality, Diversity & Inclusion
 - 2011 - Employee Development, Equality, Diversity and Inclusion in the Workplace, Governance

The following graphs provide a summary of your performance in each of the main components of the CR Index. Each graph provides three data sets. This first is your company's score; the second is the average score across your benchmarking sector; and the third is the average score for all CR Index participants.

Your company's performance within each section of the CR Index is examined in more detail in the pages that follow.

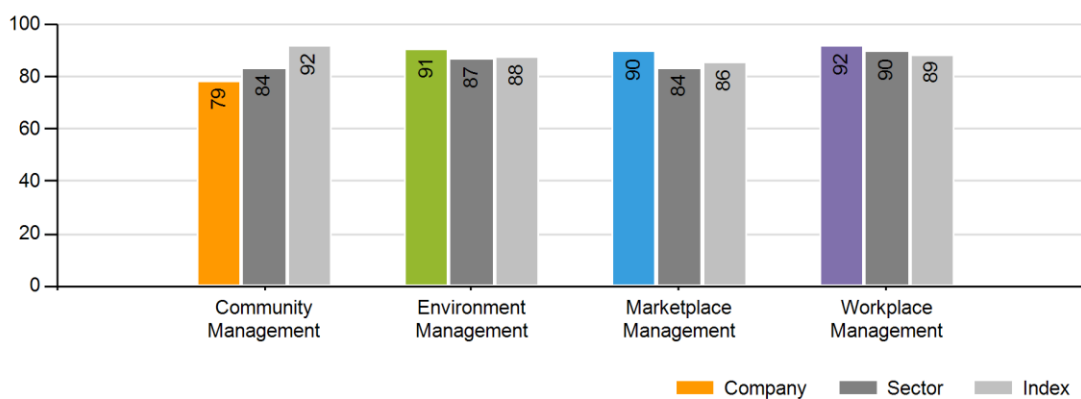
STRATEGY, INTEGRATION, MANAGEMENT PRACTICES AND ASSURANCE

This first graphs compares your overall score by section in the CR Index against your peers and the overall index participants.



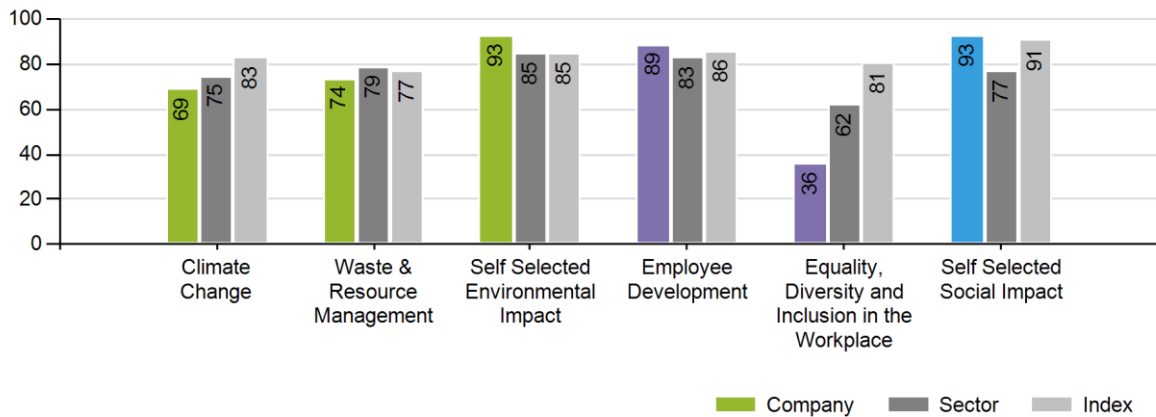
MANAGEMENT AREAS

The next graph compares your performance in the management section of the CR Index. This section looks to evaluate if your company has set objectives and targets for each management area, as well as the designation of responsibilities and monitoring and disclosure of all management processes.



ENVIRONMENTAL AND SOCIAL IMPACT AREAS

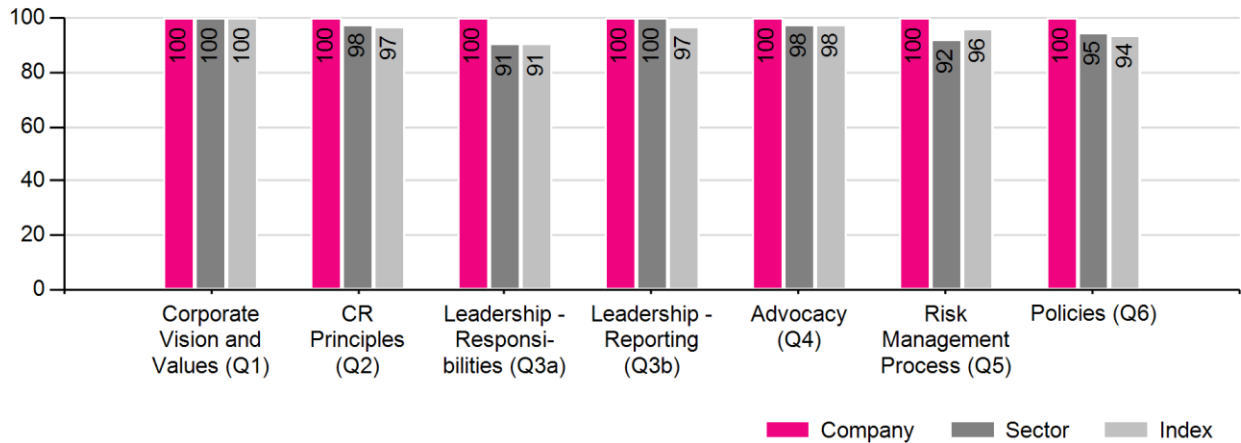
The environmental impact areas include two core or mandatory impacts, Climate Change and Waste Management, plus one self-selected area of material significance to the business. For their social impact areas companies are able to choose between Corporate Wellness and Engagement, Employee Development, Equality, Diversity and Inclusion in the Workplace, Community Investment, International Development or another self-selected impact area. Your company reported on the following social and environmental impacts:



Performance by Section

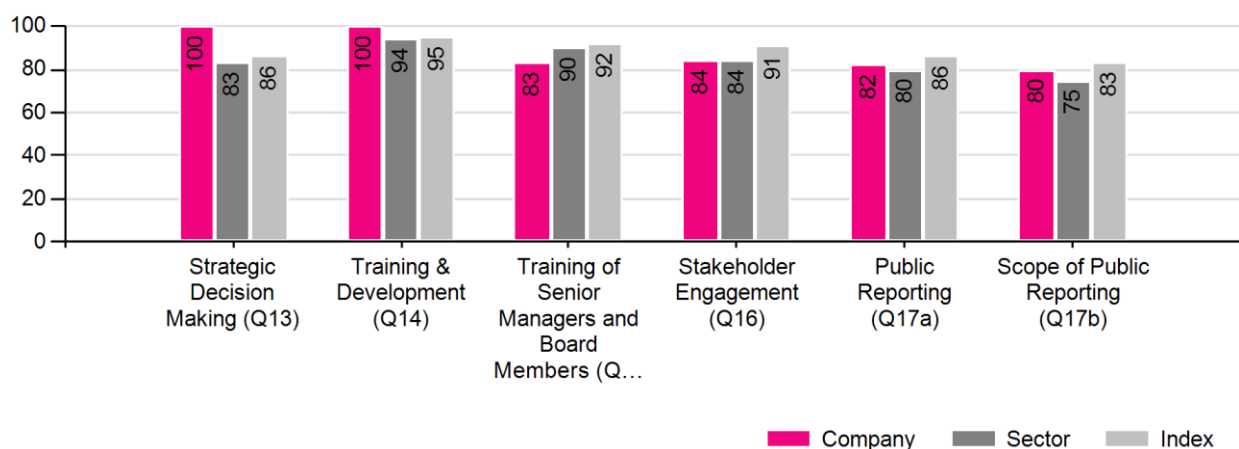
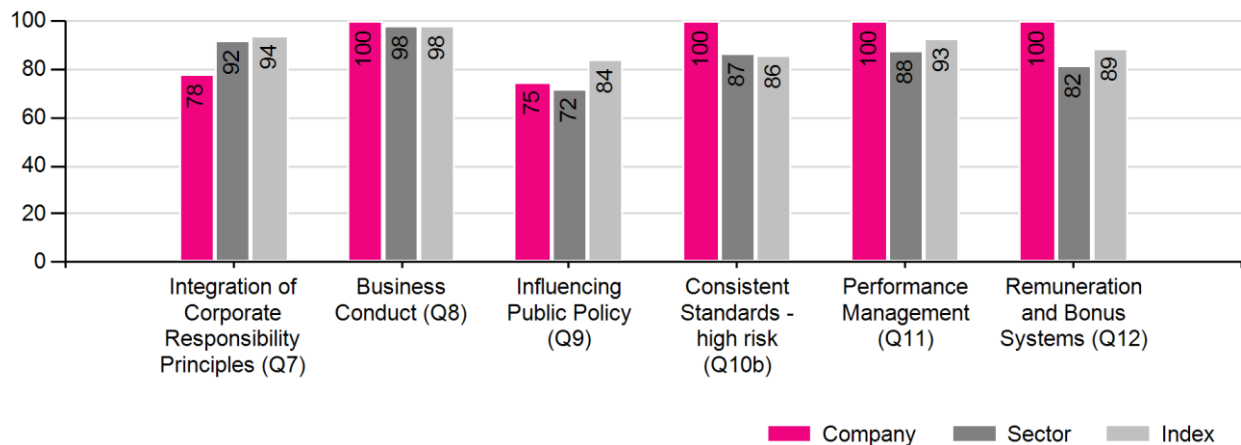
SECTION 1: Corporate Strategy

This section rewards companies for placing CR values at the core of their business strategy. It asks whether there is a system to identify key social and environmental risks and opportunities, and whether these are addressed by principles and policies. Companies must be able to demonstrate leadership and commitment at the highest level, internal reporting to the board, and public advocacy of responsible business practice.



SECTION 2: Integration

It is not enough simply to have a strategy; it needs to be implemented and embedded throughout the business. This requires internal communication and training employees so they understand the key CR issues for the company, building CR related performance criteria into appraisal and remuneration systems, undertaking stakeholder engagement and ensuring it contributes to CR strategy, demonstrating social and environmental issues are incorporated into strategic decision making, and transparency through external reporting on CR management practices and impacts.

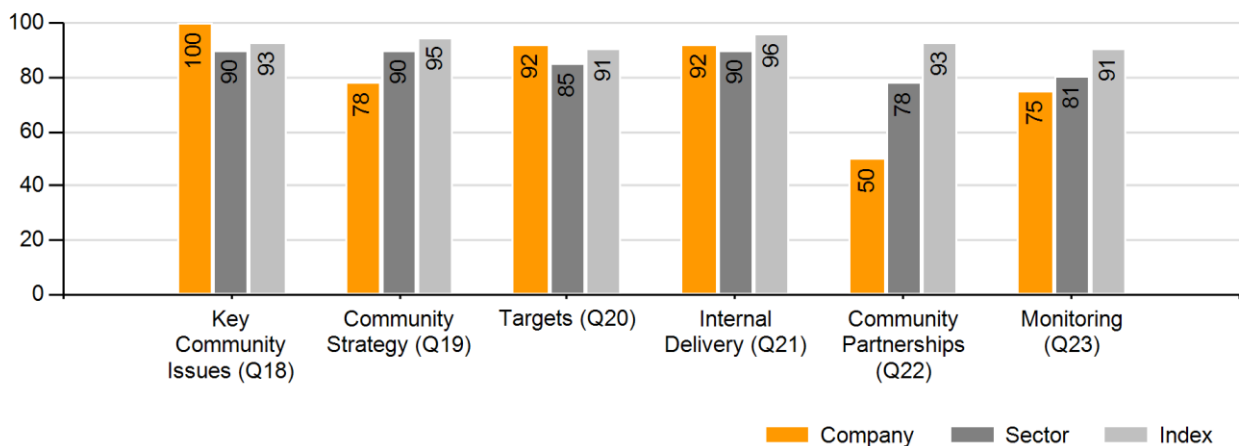


SECTION 3: Management Practices

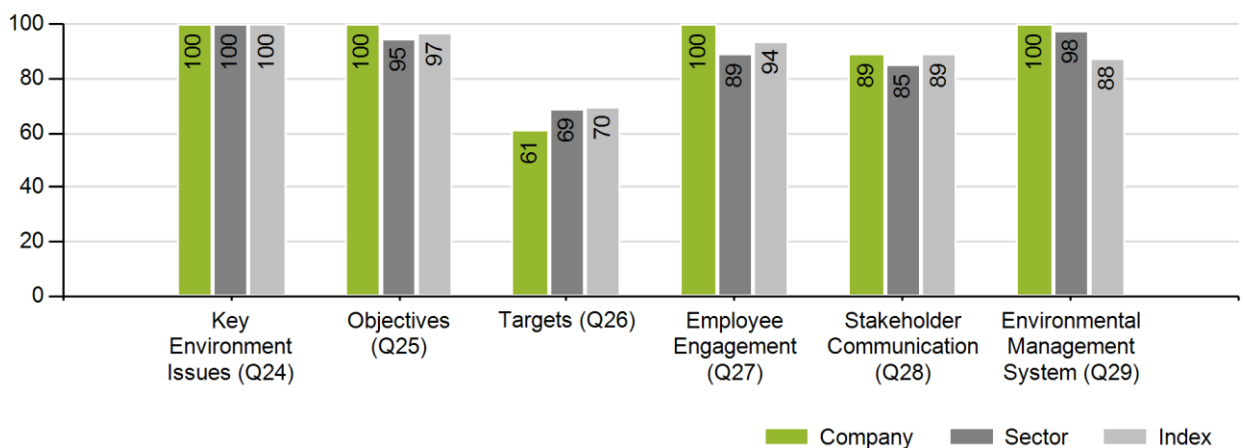
Section 3 assesses whether a company has developed management practices to address materially significant CR issues across four areas: Community, Environment, Marketplace and Workplace. Leading companies are able to demonstrate:

- = policies that ensure responsible behaviours across the business
- = objectives and targets that drive continuous improvement
- = clear responsibilities defined at all levels
- = effective communication systems to share knowledge and the latest information
- = training provided to relevant staff to ensure competency and delivery of objectives
- = a process for stakeholder consultation and engagement across all key areas
- = monitoring systems to measure, assess and report on progress
- = key issues, targets and performance reported publicly

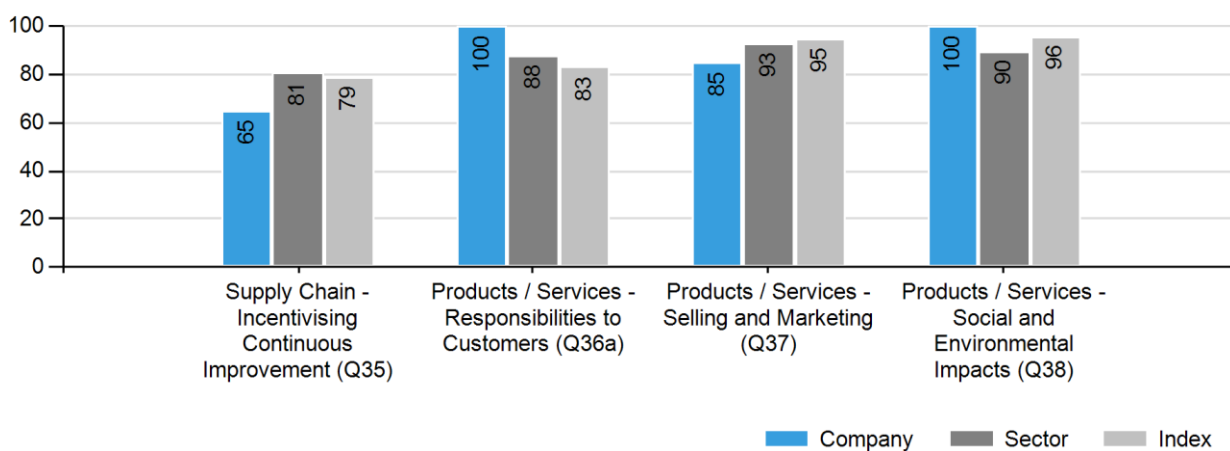
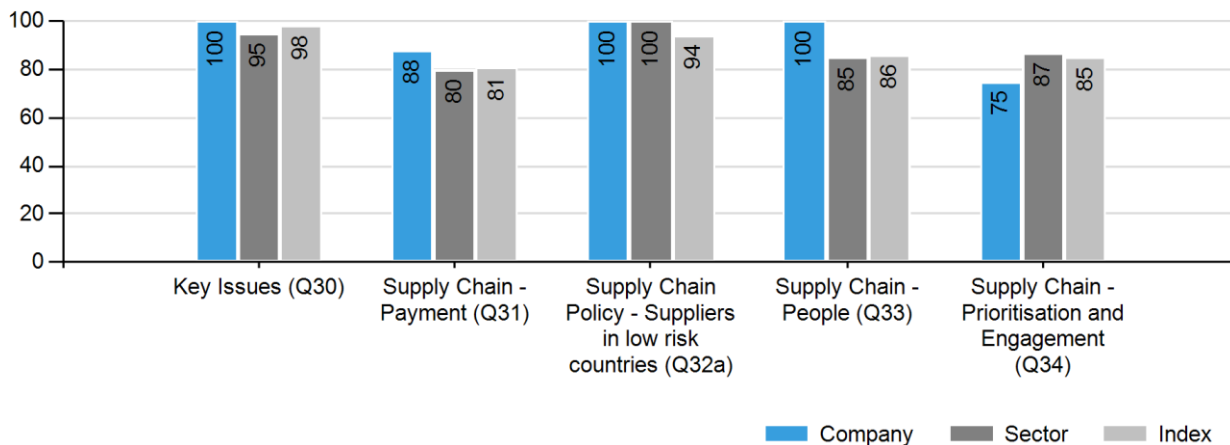
Community Management



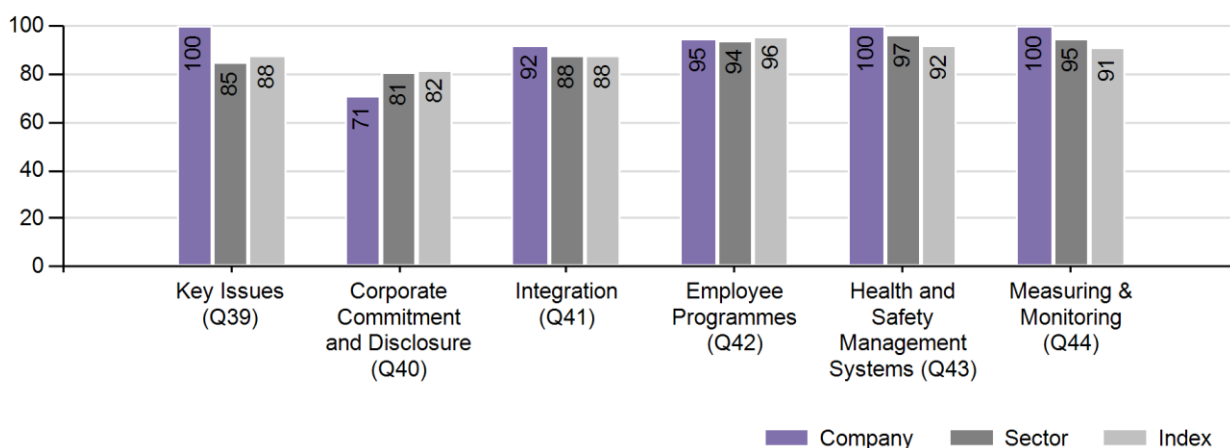
Environment Management



Marketplace Management



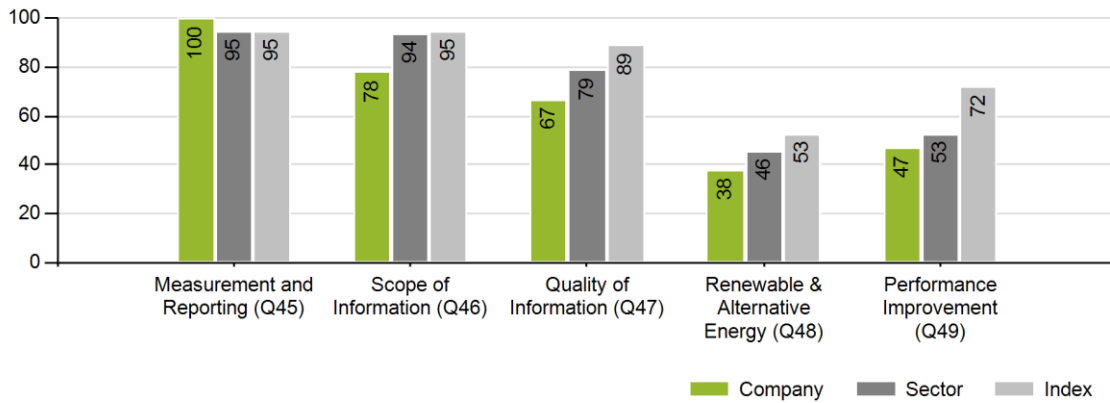
Workplace Management



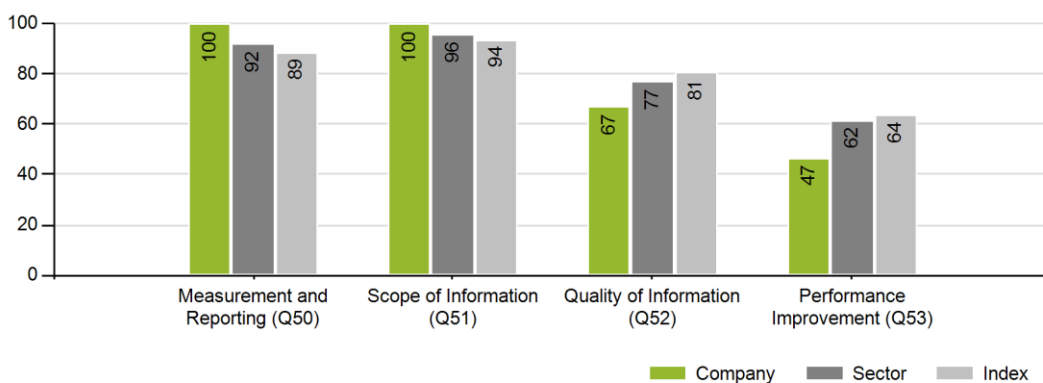
SECTION 4: Environmental Impact Areas

The following graphs provide your results and benchmarking information covering the three environmental impact areas completed by your company. Each area examines the organisational commitment to managing the issue, the programmes in place to drive improvements and organisational performance over time.

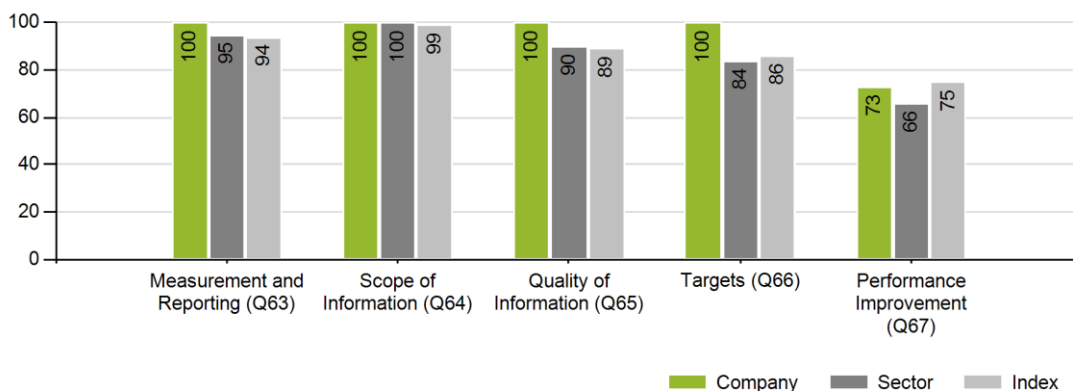
Climate Change



Waste Management



Local Impact

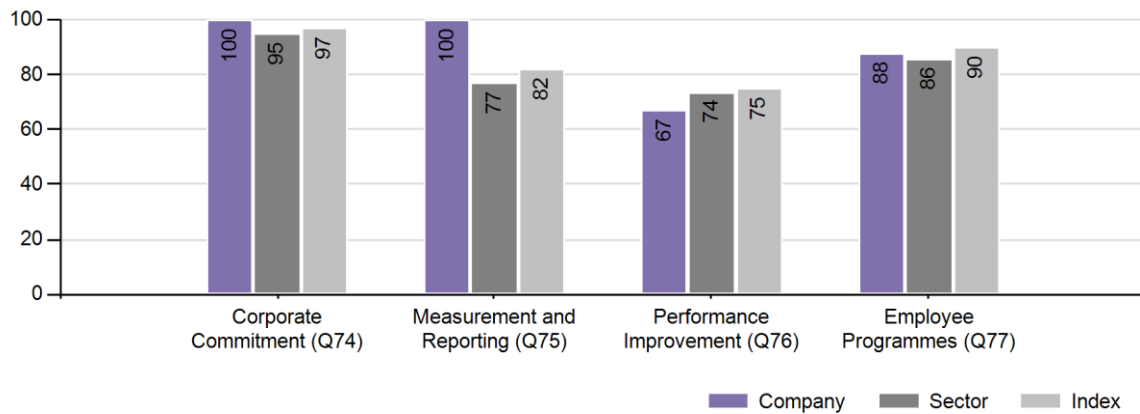


SECTION 4: Social Impact Areas

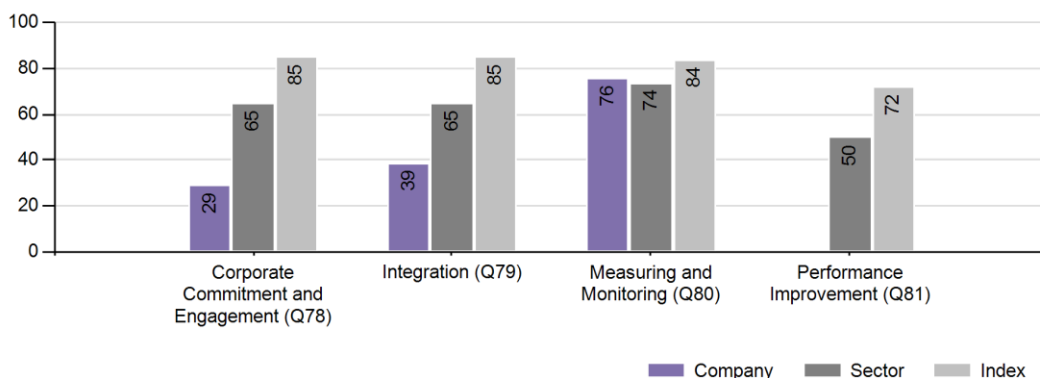
The following graphs provide your results and benchmarking information covering the three social impact areas completed by your company. Each area examines the organisational commitment to managing the issue, the programmes in place to drive improvements and organisational performance over time.

Please note: If your company completed a self-selected social impact, the benchmarking graphs will provide a comparison against other companies that completed the same question set, irrespective of the issue chosen.

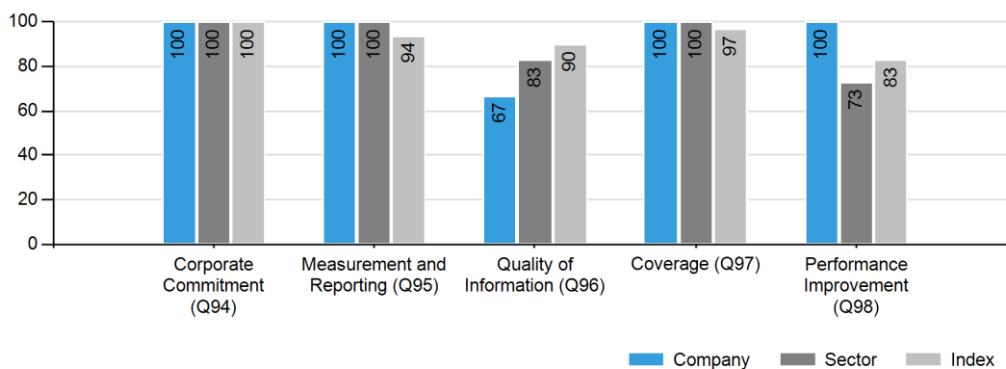
Employee Development



Equality, Diversity and Inclusion in the Workplace



Governance



Additional Feedback and Advisory Options

Here you will find information about additional feedback to complement this report and other advisory services within the Integration and Advice Team.

Performance Analysis Report - £1,500.00 +VAT (BITC Members) / £2,100.00 +VAT (Non-BITC Members)

- A gap analysis on your CR Index performance highlighting your key areas of strength and for improvement across the CR agenda. The report will identify significant CR issues for your organisation and recommended actions to drive improvements. It will also include CR Index peer comparison with best practice examples.
- As standard the report takes the form of a PowerPoint presentation which is discussed during a meeting with your CR Practitioner and the team involved in completing the CR Index. If the company requires a presentation to the Board or Executive Team this may incur an additional fee.
- Based on these recommendations and possible next steps for your organisation you will be given the opportunity to model your CR Index performance in different scenarios.

Bespoke Feedback - (Charged as per your requirements)

CR Index participants can also request a bespoke feedback option tailored to their specific needs. Our Advisory team can provide assistance with:

- Engaging senior management
- Providing a detailed action plan for improvement
- Identifying areas of sector leading practice
- Peer and competitor analysis
- Embedding CR through strategy development
- Stakeholder engagement review and planning
- Improving CR reporting and communications

Portfolio Benchmark

We offer a new approach to applying the CR Index for conglomerate companies or businesses with multinational operations. Such a Portfolio Benchmark provides:

- A comparison on how different business units integrate global CR policies and strategies within the core business practice on local /national levels
- A confidential gap analysis to inform group CR strategy and coordinate international improvement programmes
- A Roadmap for better cooperation between entities in terms of sharing best practice examples and overcoming difficulties

CR Index Lite

BITC's CR Index Lite has been designed to help small companies that want to develop a strategic approach to CR

- Effective tool to help small companies integrate and improve responsibility throughout their operations
- CR Index Lite is due to be launched in June 2011
- Great opportunity to promote Corporate Responsibility among your smaller suppliers
- For more information visit www.bitc.org.uk/cr_index/cr_index_lite.html

To register an interest in receiving additional feedback and support or find out more information please contact:

Additional Feedback Options

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Portfolio Benchmarking

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CR Index Lite

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Business in the Community mobilises business for good.

We inspire, engage, support and challenge companies to continually improve their impact on society. We work through four impact areas: Marketplace, Workplace, Environment and Community. With more than 850 companies in membership, we represent 1 in 5 of the UK private sector workforce and convene a network of global partners. We're committed to help members integrate responsible business, share experience and take collaborative action. Why? It's just good business.

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