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Ethical conduct and management framework

AMEC has in place a robust management framework for ethical compliance. Leadership for ethics is provided by the Chief Executive in his capacity of Chairman of the sustainability programme and Martha Hesse, a non-executive member of the Board.

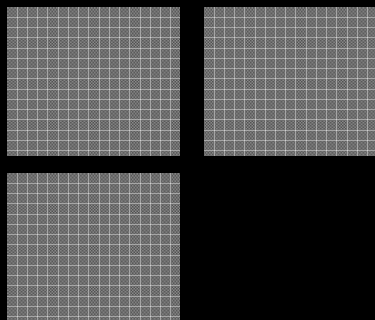
In November 2002 AMEC established a Compliance and Ethics Committee and during 2006 the Ethics Committee met twice, in line with the committee remit, to review ethical compliance and company policy.

As part of this policy, AMEC seeks to deal with any potential issues in an open and honest way by encouraging employees to report any issue of concern to their appropriate line management. However, in some instances, employees may feel that they are unable to raise these concerns with line management and AMEC has established an ethical hotline which is accessible to any employee or agent of the company.

Complaints can be dealt with anonymously, it is the prerogative of the person reporting the issues, and the identity of the employee is only known to the third party operators engaged to man the ethics hotline.

All issues reported to the Ethics Hotline are screened and where appropriate they are investigated and action taken through AMEC's formal disciplinary procedure. AMEC tracks the number of reported complaints and actions taken.

	2006	2005	2004
Extent to which employees or third parties bring alleged breaches of the Guiding Principle to managements attention	16	24	24
Extent to which complaints result in formal action being taken against individual employees	1	2	0



HIGHLIGHTS

- 35% AMEC people trained
- Ethical complaints down
- On-line training covers UK
- Ethics committee in place
- Strong leadership

AMEC Code of Business Conduct

AMEC has produced a booklet outlining what it means to be ethical in the work place and what standards of conduct it expects from both employee and as the employer. It is fundamental to have a common understanding as to what ethical conduct means and this is the vehicle the business uses to convey the standard.

There are two versions of the code of conduct, one each for the UK and Americas. These are identical apart from where they draw on domestic and/or contractual legal issues. All AMEC employees receive a copy of the Code of Conduct and it is also accessible through AMEC's intranet system.

AMEC also instigated an on-line ethics training programme which has been operating in the America's for a number of years. During 2006 a UK version of the package was launched in the UK. In August 2006 the UK on-line training package development was completed and UK based staff invited to undertake the training. The objective is to train all UK based AMEC staff.

Training performance 2006 (GRI SO3)

	2006
Number of UK based employees undertaking on-line ethics training	3530
Number of Americas based employees on-line ethics training	4742

In total, 8272 AMEC employees both management and non-management staff completed on-line ethical training packages. This represents 35% of AMEC's staff.