

Employment, Diversity, Training and Investment

AMEC tracks a number of employment related performance indicators.

You will find AMEC's performance figures in this document. The employment indicators for 2006 have not been recalculated as many are normalised to percentages.

Employment cost

AMEC reported employing some 17,369 employees across the business.

| Indicator | 2007 | 2006 | 2005 |
|---------------------------------------|--------------|--------------|--------------|
| Wages & salaries | 693.5 | 783.1 | 716.9 |
| Social security cost | 85.8 | 92.1 | 86.2 |
| Equity settles share based payments | 4.1 | (2.3) | 7.9 |
| Contributions to defined schemes | 9.0 | 6.0 | 7.9 |
| Defined benefit pension scheme credit | (1.9) | 11.8 | 10.5 |
| Total | 790.5 | 890.7 | 829.4 |
| Employment cost as a % of revenue | 33.5 | 23.6 | 27 |

Formal collective consultation and representation (GRI LA4)

Freedom of association is a human right as defined by international declarations and conventions particularly International Labour Organisation (ILO) core conventions. Collective bargaining is an important form of employee engagement and contributes to responsible management.

AMEC encourages all employees to engage in matters which may affect them and has a number of ways for individuals to raise questions and issues both formally and in-formally. For the purpose of reporting the indicators below relate to collective consultation means through a structure of workforce representatives. This includes, but is not restricted to, trade union recognition / collective bargaining arrangements.

| Indicator | 2007 | 2006 | 2005 |
|--|------|------|------|
| % employees covered by collective consultation / representation processes | 40 | 20 | 72 |
| % employees not covered by collective consultation / representation processes | 60 | 80 | 28 |
| Actual number of employees covered by collective consultation / representation processes | 7481 | 4836 | |

The number of employees covered has risen through 2007 which is in part due to the changing nature of the business.

Workforce gender composition

The workforce gender composition is one of the fundamental diversity indicators. AMEC works all over the world and our workforce is developing to reflect the communities in which we work. This means we have multiple ethnicity reflecting our geographical spread. As a company we do look at diversity at business unit level

where the information is most useful. However we do not centrally collate this information although we do look at our gender split.

| Indicator | Male | | Female | |
|------------------------------------|------|------|--------|------|
| | 2007 | 2006 | 2007 | 2006 |
| % of the total workforce | 80 | 82 | 20 | 18 |
| % total managers and professionals | 85 | 85 | 15 | 15 |
| % total senior managers | 90 | 86 | 10 | 14 |

The percentage of female employees is at the highest level record since AMEC began to monitor this indicator; however the percentage of senior managers has declined.

Employee turnover

Through 2007 there has been a fundamental change in the structure and nature of AMEC. This indicator measures the percentage of employees leaving AMEC during the year. Employee instigated leavers include directly employed permanent employees handing in their resignation and those taking early retirement. Other employee turnover includes redundancy and those leaving the company at statutory retirement age.

| Turnover (in %) | Male | | Female | | All employees | |
|------------------------------|------|------|--------|------|---------------|------|
| | 2007 | 2006 | 2007 | 2006 | 2007 | 2006 |
| Employee instigated turnover | 16 | 15 | 16 | 16 | 16 | 15 |
| Other employee turnover | 24 | 18 | 8 | 6 | 20 | 15 |

Employees joining AMEC

Getting the right mix of people joining the company is crucial to our sustainability and these indicators look at our newest recruits.

| New employees | Male | | Female | | All employees | |
|--|------|------|--------|------|---------------|------|
| | 2007 | 2006 | 2007 | 2006 | 2007 | 2006 |
| Total number of new hires | 4909 | 6284 | 1251 | 1519 | 6,160 | 7803 |
| Number of new hires for whom AMEC is their first job | 459 | 364 | 151 | 166 | 610 | 530 |
| No hired to specific training programmes | 162 | 191 | 39 | 18 | 201 | 209 |

There is still a significant difference in the proportion of male recruits to the business in comparison to females. This is a common issue in the oil, gas and engineering profession. It is a positive to see that AMEC doubled the number of females hires into specific training programmes in comparison to the 2006 data.

Promotion Rate

| Promotion rate (in %) | Male | | Female | | All employees | |
|-------------------------|------|------|--------|------|---------------|------|
| | 2007 | 2006 | 2007 | 2006 | 2007 | 2006 |
| Internal promotion rate | 4.88 | 3.17 | 8.09 | 4.78 | 5.55 | 3.52 |

This year has been AMEC's transformational year and this has provided for a number of internal opportunities for employees. 2008 will be an important year for employee development and retention and development of valuable skills within the business.