

Stakeholder Engagement

Today, stakeholder trust is not just 'nice to have'. It is about achieving competitive advantage and license to operate in an ever more informed, socially and environmentally conscious society. For any corporation, trust is hard to earn and easy to lose.

The nature of the business brings AMEC into contact with many different stakeholder groups, the profile, interaction and engagement with these groups takes many forms. AMEC works closely with project partners and clients to engage shared stakeholders and further information on community engagement details can be found in the community section of this report.

Effective stakeholder engagement open up new ways to improve AMEC's performance and reputation. Knowing how the business is perceived and understanding stakeholder perceptions help us to develop more transparent, effective management strategies. This year has been an important year for AMEC and the business has been listening carefully to many of our stakeholders.

This section of the report concentrated on AMEC's strategic stakeholder groups which include:

- Clients
- Employees
- Investors and analysts
- Governments
- Suppliers and partners

For these stakeholders AMEC has in place robust and detailed engagement strategies, for details on client

engagement please refer to the customer service section of the report. These strategies have been developed in response to risk management analysis which have identified potential opportunities and risks associated with this group of stakeholders.

Clients are fundamental to AMEC's sustainability in the market place and it has been essential to ensure that robust mechanisms are in place to facilitate effective engagement. AMEC's Chief Executive embarked on a programme of engagement meetings which lasted throughout the year. These meetings focused on building relationships, anticipating future needs and finding out about key issues facing our clients. Safety and energy security dominated the corporate responsibility agenda with a number of key clients.

During 2007 AMEC's employees saw a great deal of change and enduring that communication channels were open to all employees was a challenge throughout the year. AMEC has in place a dedicated CEO question and answer page where any employee can ask questions and through the year many took the opportunity to raise questions. There were also a number of Town Hall meetings which sought to bring together senior management and AMEC people in an environment where people were encouraged to ask questions and raise issues with the management. The CEO continued with weekly communications to the workforce on how the business was changing, issues facing the company including AMEC's response to climate change, safety performance and ethical performance.

Mr Green-Armytage, chairman, wrote to all major shareholders in April 2007 informing them that he and the senior independent director, Ms Airey, were

available for meetings or telephone calls with them if required. The chairman attends preliminary and interim results presentations. Ms Airey is available to attend, if requested, one-on-one meetings with major shareholders. The chairman had a number of such meetings with major shareholders during 2007. No meetings were requested with Ms Airey.

AMEC has put in place an Investor Relations Director to co-ordinate engagement with shareholders and analysts. AMEC also undertakes a number of surveys such as the CPD and analyst questionnaires to assist them in determining AMEC's effectiveness in managing issues such as safety, climate change and ethical conduct.

Minority investors, dependant on the size of their holding (refer to Companies House for further details) may raise a shareholder resolution. During 2007 there were no resolutions raised by minority shareholders. Minority shareholders not eligible to raise issue through the shareholder resolution route have the opportunity to directly question at AMEC's Annual General Meeting.

AMEC has in place a Head of Government Relations charged with managing and developing AMEC's engagement with government bodies. AMEC participated in a number of government engagement events.

During 2007 AMEC appointed a Supply Chain Director to manage AMEC's interface with suppliers and co-ordinate engagement. As part of the Directors remit a number of supplier engagement forums and meetings were undertaken through the year.