

*... to take responsibility and be accountable for relationships in the workplace, environment, community and marketplace, in order to deliver results that contribute to sustainable development.*

Simply put, corporate social responsibility (CSR) is the business contribution to sustainable development, supporting individuals and communities to improve their quality of life in ways that recognise and work within the world's capacity. This acknowledges that businesses are not expected to deliver sustainability alone but that they do have a vital role in the process.

## *Corporate social responsibility*



## *Capability statement*

# Corporate social responsibility

CSR encapsulates varied concepts including corporate governance, human rights and ecological limits. More broadly it involves understanding the detail of how the organisation contributes to the lives of those that are, or will be, influenced by it. The following diagram illustrates the broad range of CSR issues.





## Why is CSR important?

It is easy to dismiss CSR as a management fad, but far less easy to dismiss the powerful forces that have brought issues of corporate accountability to the fore.

A global economy together with increasing sensitivity to the impact of business on communities and the environment mean that companies are exposed to challenges about their activities wherever they operate. Individuals and organisations from all backgrounds are asking difficult questions about the companies they associate with and influence. They expect businesses to be aware of the impacts of

their activities and to work towards improving their performance across the whole range of sustainability considerations. The growth in socially responsible investment is one example of this trend, but similar behaviour can be seen amongst consumers, politicians and procurers.

Some of the more specific ways in which effective management of CSR can contribute to improving performance are shown in the box below.

However, an effective CSR programme cannot be achieved without an investment of time and resources. It is therefore important that CSR initiatives are underpinned by a sound strategic and systematic framework that delivers and demonstrates value for money for the business as well as for society.

Addressing CSR issues can improve overall performance by:

- Enhancing reputation, proactively and through understanding and managing reputational risk;
- Building trust and credibility amongst stakeholders;
- Creating and maintaining a licence to operate from local communities and other stakeholders;
- Identifying and helping to realise opportunities for growth and expansion into new markets;
- Providing opportunities for organisational learning and innovation;
- Improving staff recruitment and retention, also increasing morale;
- Improving decision-making by incorporating a wider range of influencing factors;
- Meeting and anticipating legislative and regulatory requirements;
- Creating operational efficiencies; and
- Helping to identify and respond to change, providing a basis for long term success.



# Entec

*Entec is one of the UK's largest environmental and engineering consultancies and forms part of AMEC's Earth & Environmental division. Our technical and business skills are dedicated to delivering strategic, technical and engineering solutions which bring commercial benefit to customers at home and overseas. This know-how is based on over 60 years' consulting experience in the public and private sectors.*



Entec operates a Quality Management System in accordance with the latest requirements of the international standard BS EN ISO 9001 and an Environmental Management System compliant with BS EN ISO 14001. Both are audited by BSI Management Systems.



## Our approach to CSR

At Entec, we can help you manage the complexities and uncertainties of CSR and help turn them to your advantage. We believe that CSR can be managed systematically, like many other aspects of business management. Whether you are a large or small organisation, a company or a government department, an automotive manufacturer or an energy provider, we have the expertise and experience to help you understand what CSR and sustainability means for you, to appraise your current performance and to identify ways forward.

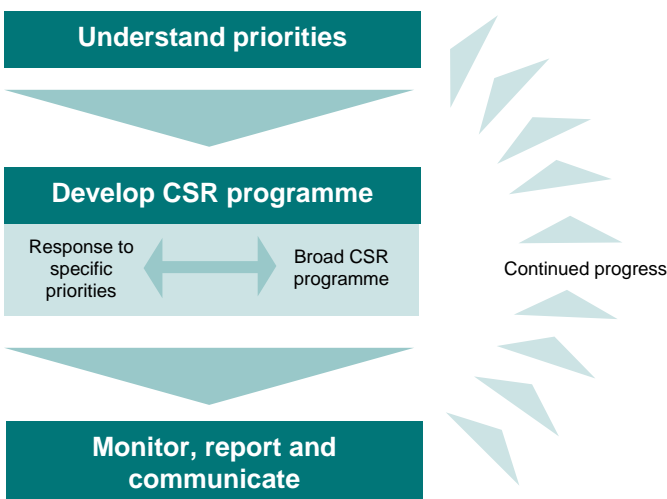
Our approach to helping organisations to understand and address CSR as it relates to their activities and goals is based on these key principles:

- Engaging stakeholders;
- Understanding impacts;
- Identifying priorities which support business objectives;
- Developing cost effective solutions whose success can be monitored; and
- Communicating internally and externally to show how the approach to CSR contributes to success.



## Award winners

Entec has a strong track record in the area of sustainability and was awarded the European Environment Award 2000 in the International Partnership for Sustainable Development category.



# Corporate social responsibility

## Understanding your priorities

- *Mapping of strategic CSR aspects:* using a bespoke mapping process to identify the priority CSR aspects associated with your business activities and future plans.
- *Risk and opportunity assessment:* consideration of the extent to which existing systems manage priority CSR aspects appropriately, and identification of those aspects which could have greatest implications for future success.
- *Appraisals and integrated impact assessments:* Qualitative and quantitative examination of the social, economic and environmental impacts and development of recommendations for improving the performance of projects, plans, policies and operations.
- *Communications (including stakeholder engagement):* Techniques for identifying and developing dialogue with stakeholders to understand their concerns, information requirements and expectations. Engagement techniques include workshops, sampling and surveys and other methods such as web based techniques.
- *Benchmarking:* Comparison of performance with others in the same or different sectors, implications of adopting guidelines and standards e.g. GRI or AA1000 and identification of good and best practice.
- *Scenario building:* A systematic approach to modelling future scenarios to assist in the assessment of policies and plans.

## Developing a CSR programme

- *Strategy development:* Formulation of a strategic response to CSR based on priorities identified during the mapping process and a sound business case.
- *Policy development:* Advice on the development, implementation and monitoring of environmental, social and economic policies.
- *Management systems:* The design, development and implementation of systems to deliver CSR objectives across strategic planning, investment and operations.
  - *Life cycle assessment:* Quantification of the environmental impacts of a product system over its life cycle.
- *Climate change impact assessment:* Identification of potential impacts, adaptation options and mitigation measures.

## Monitoring, reporting and communicating

- *Sustainability indicators:* Development of environmental, social and economic indicators for measuring progress on sustainability programmes. Design of robust reporting protocols and organisation of systems for enabling reporting across multiple sites and business units.
- *Reporting:* Setting up systems to facilitate data collection and reporting, including compliance with new requirements such as the Company Law Review's operating and financial review, and building trust and credibility through selection of the approach to verification.
- *Change management:* Working with organisations to enhance in-house sustainability capability including internal communication and training.

Entec's approach to CSR is supported by a comprehensive and diverse suite of technical consultancy skills and tools. These include: environmental risk assessment, contaminated land remediation, safety management, pollution control, process efficiency and waste minimisation. These and other skills give us the ability to provide robust technical solutions to help deliver improved performance.

Entec recognises that each organisation has its own priorities and aspirations in relation to CSR. We have developed a range of tools and techniques to help organisations make the right changes and to measure their progress. The tools can be used independently or in an integrated way in a package tailor-made for your organisation. The boxes to the left describe some of these processes.

## Case studies

Entec has worked with a range of organisations on sustainability and CSR including:

- Multi-national energy company on approaches to verification;
- National transport infrastructure provider on a sustainability appraisal of expansion plans, including stakeholder engagement;
- A range of companies on the staffing implications of investment decisions;
- Life cycle evaluation of the environmental impacts of comparable product types;
- On-site sustainability support and advice on the content and drafting of corporate social responsibility report
- Major developers on ensuring the procurement and development process includes sustainability; and
- Development of sectoral and company level strategic sustainability indicators.

The following pages demonstrate Entec's capabilities in the area of CSR and sustainability, using case study examples. ►



## Expansion of Stansted Airport BAA

To help meet the future demand for air travel BAA is proposing to expand the capacity of Stansted airport from 15 million passengers per annum (mppa) to 25 mppa. This requires an extension to the award winning terminal building designed by Sir Norman Foster, together with other development within the existing airport boundary. The airport has a very important role in supporting the economic development of the eastern region including the growth of technology-based industries in the Cambridge area. A BAA objective is that the expansion of the airport must take full account of environmental and sustainability issues. BAA appointed Entec to help carry out the environmental impact assessment of the proposals and to prepare the environmental statement. Subsequently, the appointment was extended to provide advice on sustainable development. A member of Entec's environmental assessment team worked on secondment to BAA for six months to co-ordinate the preparation of the environmental statement. In addition, Entec carried out a high level technical review of the overall environmental statement as well as preparing specific sections on planning policy, housing, demographic forecasts, rural character and waste.



Entec also carried out a sustainability appraisal of the proposals. In the absence of any official guidance on methodology, an objectives-led approach was developed, based on Entec's own extensive experience. The appraisal was carried out in consultation with a stakeholder group that included representatives of local authorities and other organisations. This approach has since been used as a model of good practice by others, including the Ministry of Defence.

BAA submitted the planning application and the supporting environmental statement in August 2001. Entec is continuing to advise BAA on issues arising through the planning application process and on sustainable development.

*Environmental impact  
assessment and  
sustainability  
appraisal of airport  
expansion proposals  
in sensitive  
countryside  
location*



## Review of Approaches to Report Verification for International Application National Grid Group

Photograph courtesy of National Grid Group



National Grid Group (NGG) was seeking to review its approach to non-financial (corporate social responsibility) reporting and in particular the way in which it used verification to provide assurance. It recognised the value of verification and assurance in building trust and credibility for companies. With the move to publish a Group-wide sustainability report it was important for the business to have a consistent approach based on best practice which was appropriate to business needs and culture.

In order to develop the verification strategy, Entec provided analytical and technical expertise to review existing standards and guidelines for verification and assurance. To gain insight into the practicalities of different approaches, the experiences of over 35 leading organisations were investigated through document review and interviews, to determine the reasons for the choice of verification/assurance and the value and benefit obtained. This provided an interesting and useful view into the rationale and reasoning used in the decision-making process.

The project highlighted and analysed the appropriateness of a range of approaches to building trust and credibility including formal third party verification, use of cases studies, stakeholder involvement, expert statements, etc. Informed by the existing approach to verification in NGG, the results of the project were used to make specific recommendations in relation to its future strategy for verification and means to provide assurance to the audience of its reports.



## Development of Sustainability Indicators for the UK Water Industry UK Water Industry Research

UK Water Industry Research (UKWIR) asked Entec to assist them in developing a set of water industry social and economic sustainability indicators. These compliment, and add to, the environmental indicators currently reported by Water UK on behalf of the industry. The combined set addresses more fully the aspects of sustainable development for the industry as a whole and provides a tool for demonstrating the industry's progress towards sustainability.

The water industry is large and diverse, interacting with society in many different ways. Most obviously through the provision of clean potable water, but also issues such as employment, construction, treatment of waste waters and management of large land areas. A key first stage in the indicator development process was therefore to map out the scope of the sustainability issues relevant to the

industry and to structure these into broad themes. To achieve this, Entec managed a series of multi-stakeholder workshops, comprising regulators, policy makers, investors, suppliers, consumer groups and NGO's as well as the industry itself. The workshops first identified key themes and then developed and refined these into a series of key sustainability aspects for which it was important that the industry could measure and manage its performance. This approach enables us to get widespread agreement regarding the key sustainability issues facing the industry and made the subsequent development of indicators significantly easier.

The sector-wide performance indicators were developed around a framework of the five forms of sustainability capital (human, social, manufactured, environmental and financial). Indicators were selected from

existing sources (such as the Global Reporting Initiative) where possible, to enable comparison with other sectors. However, several new indicators were developed to address the specific information needs of the water industry. To make it easier for the water industry to begin to report using these measures, Entec prepared detailed data specifications and reporting protocols for each indicator. These made use of existing datasets wherever possible.

By working closely with both the industry and its stakeholders, Entec was able to develop a set of performance indicators that can be readily and cost effectively adopted by UK water companies and in which the industry's key stakeholders have confidence.

*Working with the  
water industry  
and its stakeholders  
on social, economic  
and environmental  
sustainability*



## Refinery Staffing Assessment TotalFinaElf



*Staffing assessment  
for refinery site  
leads to efficiency  
improvements with  
no detrimental  
safety effects*

Entec has undertaken a major staffing assessment on the TotalFinaElf Refinery at Immingham. The project involved the assessment of manning levels on the refinery before and after some major changes to the control room function had been completed. TotalFinaElf had committed to a major upgrade and the centralisation of control on site. Effectively this meant the integration of two separate control systems into one unit, with the associated restructuring of lines of reporting and shift arrangements.

Entec provided comprehensive facilitation and recording expertise for a full staffing assessment of the proposed change, which comprised a complete set of physical assessments and ladder assessments associated with a number of defined scenarios. Approximately 80 staff from TotalFinaElf assisted with the staffing

assessment which provided an objective evaluation of the baseline safety performance before the change. The assessment then projected a number of scenarios with the new control room and manning levels in place and tested the operational capacity to respond to emergency situations. The output from the workshops was then collated and compiled into a format that enabled the site management and HSE to track and review improvements to refinery operations.

Overall the introduction of a centralised control room will significantly enhance the efficiency of operations on the site and, as a result of implementing the recommendations from the staffing assessment, the site management can also be assured of maintaining a strong safety management record as well.



## Evaluating Methods for Public Participation Environment Agency

Entec was commissioned to carry out a study into the techniques that the Environment Agency could use to increase participation by stakeholders, with respect to licence applications. Entec formed a team with PDA International and the University of Birmingham to meet the needs of the Agency.

Traditional stakeholder engagement techniques entail distribution, and feedback on, printed material. In some cases stakeholder engagement can extend to presentations and discussions at public meetings. Newer methods include two-way communications processes such as consensus building and citizens' juries. The study developed an approach to licence application consultation using the principles of these newer methods and compared the effectiveness of that method with a more traditional approach.

Considerable work was carried out to identify various stakeholder issues through a simulated stakeholder engagement exercise with the public and through an Agency workshop in which minds were concentrated on the stakeholder concerns of community groups, planning authorities, developers and special interest groups. The result has been a detailed exploration of stakeholder perceptions, reasons for those perceptions and considerations in co-ordinating dialogue around issues of concern.

The study will inform the development of the Agency's policy and practice on stakeholder engagement and produced training material and guidance on the use of the techniques by the Agency.

The study has included:

- a review of current and emerging stakeholder participation and consultation techniques;
- a trial of an innovative stakeholder participation and consultation technique;
- the collation of the experiences of Agency staff in stakeholder participation; and
- the compilation of best practice and training materials for the Agency, regarding stakeholder participation and consultation for licence applications.



*Defining the Agency's approach to  
stakeholder engagement in relation to  
licence applications*



## Environmental Audit of Calor Gas Calor Gas

Calor Gas is the UK's leading liquefied petroleum gas (LPG) supplier. The company imports, markets and distributes LPG in both bulk and cylinder applications and operate 59 sites across the country and a fleet of distribution vehicles.

Calor recognise that LPG offers a number of environmental advantages compared to other fuels. In consequence the company is keen to exploit the inherent environmental properties of their products and reposition themselves as an environmentally proactive company. Calor's environmental policy states that the company will carry out an independent environmental audit to examine and review current environmental performance. Calor is also committed to implementing an environmental management system (EMS) in line with the requirements of the international standard – ISO 14001.

Entec was commissioned to conduct the environmental audit on Calor's behalf and this was done through a series of interviews with key personnel, and visits to a representative sample of sites including the head office, bulk storage facilities, distribution centres, filling stations, and the cylinder reconditioning plant. The audit included the identification of the organisation's environmental aspects and impacts, an assessment of regulatory compliance, a gap analysis against the requirements of ISO 14001 and an environmental action plan encompassing recommendations for improved environmental management and performance.



The completed audit provided assurance to the company with regard to environmental compliance issues and indicated where potential liabilities were associated with the companies operations. The work also provided the basis for the company to develop an environmental management system which would enable it to minimise its adverse impacts whilst optimising its resource effectiveness consistent with its environmental policy commitments.

*Ensuring Calor's  
green commitment is  
not just hot air!*



## Environmental Management Support Northumbrian Water

As a large water and sewerage company, Northumbrian Water Limited (NWL) faces many environmental issues throughout the organisation. Entec has provided a key supporting role and ongoing advice in a wide range of areas aimed at improving systems and overall performance. Entec's knowledge of the water sector and insight into the challenges facing national companies has provided benefit in the projects and solutions delivered. A selection of the projects undertaken is provided below.

- **Direction of Reporting**  
Entec reviewed existing areas of performance reporting, identifying trends, assessing benchmarks and analysing guidelines. This, together with associated recommendations, informed and challenged NWL in the preparation of its environmental report.
- **Data Management for Reporting**  
NWL's environmental reporting has since become more sophisticated embracing social and economic elements. As a result it is a complex process involving many different departments and over 100 staff. Working with NWL over several years, Entec helped identify and set up efficient systems for the collection of environmental data for the annual environmental reporting process. This data is also used as the basis for providing additional information to other organisations (e.g. Water UK and its former parent company Suez) who frequently apply different definitions and apply different time periods. Value was added through ongoing improvements to the systems related to the expansion of the report's scope and changes in other company systems.
- **Environmental Procurement Strategy**  
Entec advised on the review of the environmental screening questionnaire used for all suppliers, as well as developing supporting modules that can be tailored to the exact needs and criteria of the marketplace and goods concerned (e.g. printing, waste management).  
  
Entec continues to work closely with the environment team at NWL providing support for its initiatives.

*Providing integral support to the environmental team*



*Sample client list*

Alvis  
Association of British Insurers  
AstraZeneca  
BAA  
BP  
BSkyB  
Business in the Community  
Calor Gas  
Engineering Employers Federation  
Friends, Ivory Simes  
National Grid  
Schroders Investment Management  
Severn Trent Water  
Thames Water  
The Crown Estate  
TotalFinaElf  
UK Water Industry Research  
Welsh Water



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