



ENVIRONMENTAL POLICY

The Costain Group recognises the importance of protecting and where possible enhancing the environment in the successful operation of its activities. This policy is a declaration of the Boards' intent to ensure that all works are effectively managed, environmental impacts are minimised and the operation and environmental management of all Costain Group activities are subject to continual improvement.

Costain operates a comprehensive management system which complies with the requirements of ISO 14001:2004 in order to define, measure and control the processes and activities that are employed in the execution of the business.

The objective is to continually improve the environmental performance of all Costain Group activities by proactively developing solutions to minimise environmental impacts during the delivery and lifecycle of contracts.

To achieve this, Costain will:

- Maintain and continually improve its environmental management system to ensure that operations comply with all relevant environmental legislation
- Ensure that staff, suppliers and subcontractors are appropriately competent to enable them to carry out their work in an environmentally responsible manner and develop the most sustainable solutions.
- Work openly and collaboratively with stakeholders to develop and provide sustainable and low carbon solutions that minimise environmental impacts
- Promote Costain environmental standards to the supply chain through the principles of sustainable procurement to encourage the adoption of appropriate levels of environmental management and to support the Group's objectives and targets.
- Procure responsibly and sustainably sourced materials and seek to reduce the consumption of raw materials, energy and water in line with Costain's responsible procurement guidance.
- Actively reduce the amount of waste produced by operations and continue to promote reuse, recycling and recovery
- Continually improve its environmental performance by promoting best practice and setting progressive objectives and targets.

Responsibility for the management of environmental issues lies with all Directors and Managers. The Directors of Costain will ensure that sufficient resources are provided to enable compliance with this policy.

This policy will be reviewed annually to ensure that the management system is effective, consistently implemented and continually improved.

Signed:

A handwritten signature in black ink, appearing to read "A. Wyllie".

A Wyllie (Chief Executive Officer)

Date: 6th Feb 2015