



MAJOR ACCIDENT PREVENTION POLICY

Costain recognises that some of its activities are associated with major accident or process safety risks to people, the environment and its business; we are committed to managing our activities in design, construction, operation and maintenance of facilities such that all reasonably practicable measures are taken to prevent major accidents and to limit their consequences to people and the environment. Our approach has four focus areas:

1. Process safety leadership (mindful leadership)

We will ensure that sufficient resources and personnel are in place to manage the potential major hazards of our operations effectively, allocating roles and responsibilities; we will identify competence requirements, then train or recruit suitable personnel and monitor their performance.

Costain's directors and managers will demonstrate commitment by upholding this policy in practice whilst engaging the workforce on the subject of major accident prevention in a two-way process. Similar communication processes will be developed with stakeholders including clients, neighbours, competent authorities and partners.

We will have a process to identify regulatory and other industry requirements and to verify compliance with these.

2. Risk identification and assessment

We will systematically identify and evaluate risk, and limit the consequences of major hazards associated with our activities, or the equipment and schemes we design, in both normal and abnormal conditions. This will also cover data and physical security.

We will adopt a hierarchical approach to risk reduction, starting with inherent safety, ensuring that measures are put in place to render the risks as low as reasonably practicable and that these are recorded so that the risks are clearly understood by management, clients and other stakeholders.

3. Risk management

We will develop procedures and systems of work, which allow safe and sufficiently secure design, construction, operation and maintenance of assets. This includes identifying and operating within safe limits and routine inspection and maintenance of safety-critical equipment.

We will manage any changes to facilities, structures, organisation, systems and procedures to ensure the continued effective control of major accident hazards, in particular assessing readiness for equipment safe start-up, temporary works or temporary conditions.

We will apply a systematic process to identify foreseeable major emergencies and prepare, test, review and update emergency plans to control major accidents.

4. Review and improvement

We will monitor the effectiveness of the SHE management system in achieving the objectives of this policy by the reporting of process safety performance indicators. This will include reporting, investigating and learning from major accidents, near misses and non-compliances and ensuring that any identified improvements are suitably prioritised, scheduled and progressed.

We will arrange for periodic, systematic audit of the continuing effectiveness of the Costain SHE management system in delivering this policy, recording any findings and implementing changes as necessary.

Signed:

Date: 6th Feb 2015

A Wyllie (Chief Executive Officer)