

POSITIVE IMPACT

Corporate Responsibility Report 2010



Corporate responsibility supports Galliford Try's vision to 'be leaders in the construction of a sustainable future' and is promoted consistently across the Group.

Our 2010 Corporate Responsibility Report takes inspiration from the Government's Strategy for Sustainable Construction. This Strategy sets out a number of themes – the 'means' and the 'ends' – which are key to the future success of the construction industry. These are the areas we seek to address.

The 'means'

Procurement, design, innovation, people, better regulation

The 'ends'

Climate change mitigation and adaptation, water, biodiversity, waste, materials

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Corporate responsibility is integral to our business

I am pleased to welcome you to our 2010 Corporate Responsibility Report. Firstly, thank you for the feedback we received on last year's report. We have worked hard this year to address a common theme: to communicate our business strategy and the commercial relevance of sustainability and corporate responsibility (CR).



As the amount of CR information we capture and report has greatly increased over the last two years, we have made the decision to put much of our performance data online. This report is now our opportunity to discuss some of the wider sustainability and CR issues facing the industry, as identified in the Government's Strategy for Sustainable Construction. To demonstrate our commitment to CR we have highlighted significant achievements and case studies from across the Group throughout this report.

It has been a challenging year for the housebuilding and construction industries but we are well placed to take advantage of the opportunities that will be presented as the economy recovers. We work hard to keep our principles of CR at the heart of our business strategy. The Group is on target for delivering the transformational housebuilding expansion plan that we announced in September 2009 and has maintained a quality construction order book in increasingly difficult market conditions.

We want to share in the debate and play our part in the journey that business must take to address sustainable development. In our interview with Martin Hunt of Forum for the Future, he highlights

the challenges and opportunities associated with the sustainability agenda which we will need to take account of. He identifies the need for strong leadership and the development of knowledge and skills as key success factors for all organisations.

By adopting best practice across all aspects of our business, by constantly seeking initiatives which add value, by building partnerships with customers and our supply chain, by investing in the training and development of our employees and by treating health and safety and environmental issues with priority, we aim to achieve the future sustainability of our business in a responsible way.

Further detail on the areas we address here, including performance data, can be found on our website. We welcome engagement on the issues that are important to you.

A handwritten signature in black ink, appearing to read 'Greg Fitzgerald'.

Greg Fitzgerald, Chief Executive



For more detailed information go to:
www.gallifordtry.co.uk/corporate-responsibility

Our business is based on the values of Excellence, Passion, Integrity and a Collaborative approach. These values are fundamental in our approach to CR and sustainability.

We are making good progress in achieving the strategic objectives set out in last year's report. We are underpinning these with a set of CR Key Performance Indicators (KPI's) that are now being reported on across the Group.

Housebuilding

£316m Revenue	£17.6m Profit from operations ³	1,705 Home completions
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Our credentials

Galliford Try's award winning housebuilding companies have a long track record of building individually designed developments, concentrating on brownfield developments and based on an imaginative use of local architecture without using standard house types.

Market position

We are the seventh largest housebuilder in the UK, with strong regional brands. Across the South and Eastern counties of England we operate as Linden Homes, Midas Homes, Stamford Homes, Gerald Wood Homes and Rosemullion Homes. We are also one of only six developers working on all of the Homes and Communities Agency's developer partner panels together with housing associations to deliver affordable homes throughout our areas of operation.

Our strategy

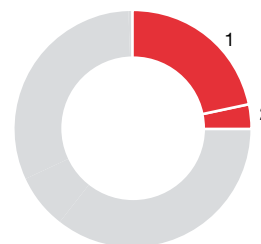
Our strategy is to build significant growth in the business over the next two financial years as the housing market moves out of recession. We are making good progress in growing our landbank, using the resources raised by the Group's rights issue in 2009, and are putting the infrastructure in place to increase the number of homes sold to around 3,500 in 2012.

Sustainability

We build sustainable communities through innovation and transformation. During the year we built almost 500 homes to Level 3 of the Sustainable Code for Homes and just under 600 to Level 4. 80% of all development sites are registered with the Considerate Constructors Scheme.

Revenue

1 PRIVATE HOUSING	£274m
2 AFFORDABLE HOUSING	£42m
TOTAL	£316m



UK coverage



 For more information about Housebuilding see pages 12-15.

 For more detailed information go to: www.gallifordtry.co.uk

Group

£1.26bn

Revenue ¹

£26.1m

Profit before tax ²

£76.5m

Net cash

Construction

£937m

Revenue

£22.8m

Profit from operations ³

£1.8bn

Order book

Our credentials

Galliford Try's record has been built on collaborative working with clients to deliver best value construction projects. A significant proportion of our work is in long term frameworks, particularly on programmes for improving the country's infrastructure. We also have long term relationships with clients across the public and private sectors for whom we carry out series of projects, benefiting from an in-depth understanding of clients' objectives to get the best out of the construction process.

Market position

We are a contractor, in the UK top twelve. Our activities cover the building markets which range from commercial buildings, leisure facilities, education, health and affordable housing through to major infrastructure projects encompassing water, rail and general civil engineering, alongside renewable energy and land remediation.

Our strategy

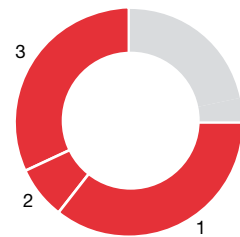
Our strategy is to maintain a spread of workload across the regulated industries and both private and public sectors. This ensures that in a period where expenditure on capital projects is under pressure, we focus on those markets where investment is continuing, concentrating on projects with an acceptable return and risk profile.

Sustainability

We deliver a specialist capability from concept and design through to project implementation and maintenance. Our average score in the Considerate Constructors Scheme is 33.2 out of 40, where the national average is 30.9. We are currently working on 37 projects that are BRE Environmental Assessment Method rated 'Excellent' or 'Very Good'.

Revenue

1 BUILDING	£445m
2 PARTNERSHIPS	£94m
3 INFRASTRUCTURE	£398m
TOTAL	£937m
PPP INVESTMENTS	£4m



UK coverage



For more information about Construction see pages 16-19.



For more detailed information go to: www.gallifordtry.co.uk

¹ Includes share of joint ventures of £34.5 million.

² Stated pre net exceptional items of £6.9 million.

³ Profit from operations is stated before finance costs, amortisation, share of joint ventures' tax, exceptional items and tax.

Promoting sustainable practices nationwide

We are recognised for high standards of project delivery, our approach to innovation and the diversity of our activities. We deliver seamless, integrated and sustainable solutions that contribute to the enhancement of the built environment.

We structure the Group to encourage more sustainable housing and construction projects and best serve our markets – regional businesses in housebuilding and sector focused businesses in construction. This framework is supported by national investment and an extremely strong financial position.

We bring together our expertise in regeneration, housebuilding, construction, renewables, property management and project finance to offer efficient and whole life solutions.

The projects illustrated on the following page highlight the sustainability expertise across our Group, particularly in creating low carbon solutions and social regeneration.

Our major operating businesses are:

Galliford Try Construction
Galliford Try Infrastructure
Morrison Construction
Galliford Try Investments
Galliford Try Partnerships
Galliford Try Homes
Linden Homes
Stamford Homes
Midas Homes



NORTH WEST ENGLAND

Bluebell Lane Primary Care Centre, Merseyside has been designed to achieve a BREAM Excellent rating. The all-electric building will enable a low carbon future and almost 30% of the building's energy demand will be met by zero carbon sources.

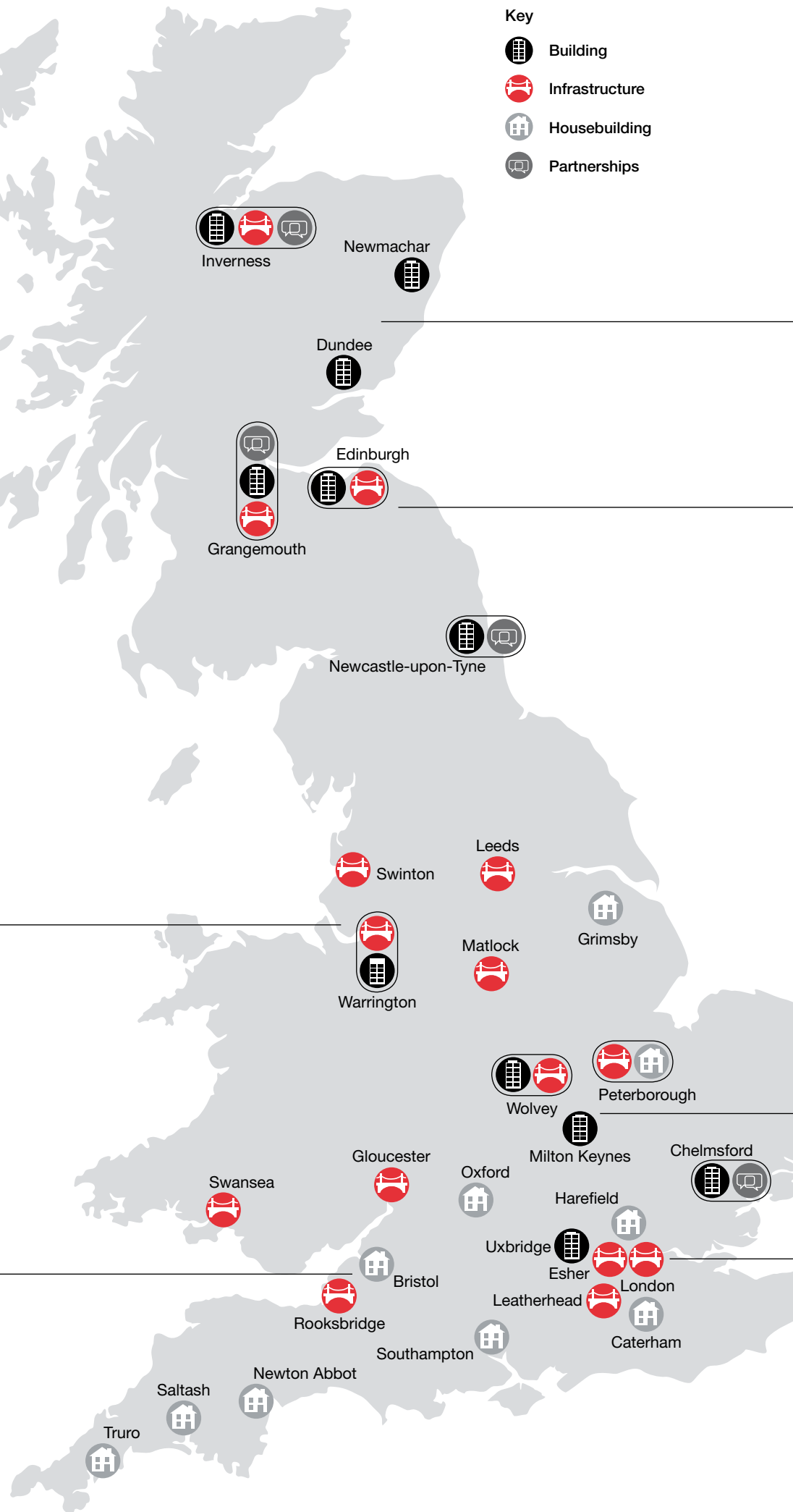


SOUTH WEST ENGLAND

St David's Road, Bristol. 80% of the development's basic build materials and finishing elements were responsibly sourced including timber, concrete blocks and kitchen units. Suppliers were assessed on their own management systems and product certification.

Key

-  Building
-  Infrastructure
-  Housebuilding
-  Partnerships




EASTERN SCOTLAND

The Renewables business of Gallford Try will develop, finance and own a large wind turbine on land owned by sawmill and pallet manufacturer Pallet Logistics. The turbine will supply power to the sawmill, with any surplus exported to the National Grid.

www.fordounsawmillwind.co.uk




CENTRAL SCOTLAND

The M74 Completion Project will stimulate both economic and community regeneration within the South and East of Glasgow. As well as extensive and varied community engagement, during its construction the project will have directly supported 900 jobs.



CENTRAL ENGLAND

Reflecting the changes required in the national energy supply infrastructure, we have refined our existing capability and responded to new markets. As a specialist in onshore wind farm infrastructure, we recently completed the bases for a wind farm near Milton Keynes for Your Energy.



SOUTH EAST ENGLAND

Harris Boys Academy, South East London. We have designed and installed a large ground source heat pump array, alongside a solar thermal hot water system, photovoltaic array and nine roof-mounted microgeneration turbines. This will deliver a CO₂ reduction for the finished building of over 60 tonnes per year.

Joining the discussion

At Galliford Try, we want to be involved in the discussion and thinking on sustainable development in the construction industry and what it means for us. We talked to Martin Hunt, Head of the Built Environment at Forum for the Future – a leading NGO advising business on sustainability – for his thoughts and aspirations.



With the publication of the Government's Strategy for Sustainable Construction and the recent Low Carbon Construction Innovation and Growth Team report, will we still be hearing about sustainability in 10 years' time?

I would like to see it being integral with the notion of quality. Radical changes must take place across the sector in the next 20 years to meet Government carbon reduction targets. A fundamental part of delivering this is to improve efficiency through better integration, innovation and intelligent partnering. So, in 10 years' time, we will be talking about sustainable construction, but just as a reference to high quality construction.

Can you identify some of the specific opportunities associated with sustainability?

We try to be very positive and solutions orientated in our approach – think of it as future-proofing an organisation. We are seeing many more organisations consider how their sustainability strategies need to be better fed into the work-winning part of the business.

Are you building up your business and developing it in such a way as to make it resilient to the future? There are so many signals in the marketplace at the moment to do so. Why would you not take the sustainability agenda seriously?

Will sustainability in the sector suffer as a result of the financial crisis?

Over the next few years there will be serious constraints on the public purse, so capital spending will be hugely affected. What we don't want to see is a tightening public purse being used as an excuse to back track on sustainability expectations and whole life costing.

Do we have adequate industry representation to drive the sustainability agenda?

It is difficult with the sheer number of construction trade organisations representing their own members. They help their mainstream membership to survive – however this does limit the potential to take a more proactive stance.

We have often found sustainability to be confused, with different meanings for different people. Is more clarity required?

The publication of the Strategy for Sustainable Construction in 2008 was a good starting point – a review of what has happened over the last few years. However, going forward, sustainability is a leadership area for companies who can frame the market in which they operate and adopt the role of educator and advocator. Our recommendation to companies is that they make a commitment to the part they will play. We must standardise the measurements for sustainability across the industry so that we can compare like with like.

“Think of it as future-proofing an organisation. Are you building up your business and developing it in such a way as to make it resilient to the future?”

Is there sufficient training and knowledge within the industry to drive this agenda forward?

A big risk is that companies go from project to project without sharing the learning and do not commit the resources to look at innovation. Not just technical innovation, but new financial models as well. I come back to leadership again here. There isn't a training course that will teach you sustainability – it's a way of thinking. There definitely needs to be clear championing from the top. Stuart Rose from Marks & Spencer, and the highly visible 'Plan A' campaign, is an example of a leader who, though not a sustainability expert, is aware of the risks and knows he must act now.

How else can we build knowledge and capacity across the sector?

It is important that we focus on the experienced practitioners in our organisations, to embrace the sustainability agenda, which will then rub off on new talent. We need to put the next generation into situations where they can develop their own problem solving capacity. The key is to make sustainability real. Employees needn't know the company's sustainability strategy in detail, but should be able to point to a couple of stories that demonstrate its approach and future plans for sustainable development.

It is clear the sustainability agenda is not going away.

What are the two most important areas you feel that sector organisations should address right now?

Firstly, to drive and inspire leadership as I have just discussed. Board members should articulate what sustainable development means for their business,

and their vision for the next 5–10 years. Secondly, don't focus solely on carbon but retain the bigger picture surrounding social inclusion, water, waste and the skills agenda.



Forum for the Future and Martin Hunt

- > Forum for the Future works in partnership with leading organisations in the business and public sector.
- > Their vision is of business and communities thriving in a future that is environmentally sustainable and socially just.
- > Martin oversees Forum's work with private and public sector partners in the built environment arena.
- > Martin works on a range of high profile projects for Forum, including Engineers of the 21st Century.

Engaging with the issues

As an organisation we want to engage with industry and policy thinking on sustainability, sustainable development and CR. We want to learn from others on their own journey, share ideas and best practice, and ensure the Group plays its part in delivering a low carbon economy.

Engagement

Our Chief Executive has recently been appointed as a non-executive director of the National House-Building Council. We have director level representation on several influential bodies including the UK Contractors Group (UKCG) and the Confederation of British Industry. We participate in the Strategic Forum's Carbon Steering Group, the Home Builders Federation Sustainability Panel and the UKCG Environmental Forum.

Our CR team work across all divisions and functions of the Group, raising the profile of sustainability and developing our best response as an organisation.

We are signatories to the WRAP and industry initiative to collectively halve the amount of waste the construction industry sends to landfill by 2012. We have examined our waste data collection, reviewed our procurement processes and set up divisional forums to find solutions to reduce our impact.



Choosing low carbon

During 2010 a number of actions have resulted in a lower emissions profile for our fleet.

We continually work with our vehicle providers to identify the most efficient options that employees will want to drive. We are widening the choice of hybrid technology across more sizes of car and incentivising low carbon choices. This year we added another hybrid, the new Toyota Auris, to our fleet choices.

Year	Average emissions of company car CO ₂ g/km
2007	146.3
2008	138.9
2009	129.4
2010	125.7

Supply chain

Leveraging our expertise and influence, and coordinated by our Group Procurement Forum, we continue to maximise our spending power, reduce the number of suppliers with whom we work and establish robust supply chains. We are particularly focused on creating more 'added value' in our services through the expertise of our supplier partners.

Our aspiration is to promote a more structured approach to supply chain management and promote sustainable principles to those who we work with. We spent time with the Environment Agency's Sustainable Procurement team who outlined their approach, helping us to learn from their leadership in this area.

Our people

Our approach to people has not changed during the recession. Our strategy is to maintain a committed and flexible workforce that wants, and has the ability, to learn new skills. Developing our strategic Human Resources policies and practices, we ensure regulatory compliance, achieve a competitive advantage through our people and encourage their retention. This reinforces Galliford Try as an employer of choice. Going forward, we are examining E-learning options and the equality and diversity agenda – 20% of our workforce are women.



For more detailed information go to:
www.gallifordtry.co.uk/corporate-responsibility



Supporting our people

“In 1994 I started work for Galliford as a Trainee Technician. I am now Project Manager on the M40 improvement project in Warwickshire.

The work is fascinating and allows me to develop the skills necessary for a successful career in Civil Engineering. I have achieved both full membership of the Institution of Civil Engineers and Chartered Civil Engineer status. This would not have been possible without the support of my line manager and mentors. In return, I am now a Supervising Civil Engineer overseeing the development of Trainees and summer placement students.”

Danny Brown



Working with communities

Galliford Try Partnerships organised a charity gardening day at a local children’s hospice called Little Havens in Chelmsford.

On a sunny day last summer, a number of employees set to work clearing and tidying the gardens and paths. The garden is an important and peaceful place for the children and their families to relax.



Partnering our supply chain

A significant aspect of our preferred supplier agreements are the non-financial benefits they offer their contractor partners.

SIG, an insulation supplier, have undertaken local training schemes on our Building Schools for the Future projects. Travis Perkins, the timber merchant, ensure their timber stocks are FSC or PEFC certified and will remove all waste timber and pallets from site regardless of whether they were the original supplier or not.

Community

Our engagement with local communities, and the benefits our projects can provide, will always be at the forefront of our minds, in all divisions. Over the last year we have captured our activities in a much more structured way and shared this across the business to stimulate ideas and encourage participation.

Health, safety and environment

Our focus for 2010/11 remains primarily on our ongoing Safety Leadership Programme ‘Challenging Beliefs/Affecting Behaviour’. Our vision is to create and maintain an environment where care for our people, and those who work with us, is our top priority; and the belief that all accidents are preventable prevails. By the end of 2010 we will have had 1,000 of our personnel through the leadership programme.

Although our overall accident frequency rate decreased from 0.24 to 0.22 over the year, most regrettably there was one fatal accident within our Infrastructure division where a subcontractor’s machine operator lost his life during work on one of our projects. Such tragic events serve to remind us that what we do is to prevent such incidents, ensuring that no one comes to harm or has ill health as a result of working on, or near to, our projects.

Early in 2010, following extensive investigation, we registered with the Environment Agency that we fell outside the scope of the Carbon Reduction Commitment Energy Efficiency Scheme. We will follow the scheme closely and continue to develop our data collection systems, envisaging its scope may extend in future years.

Managing corporate responsibility

We define CR as the management of our economic, environmental and social responsibilities to benefit both our stakeholders, and future generations.

Structure

Our clear definition of CR supports our Group vision “to be a leader in the construction of a sustainable future” and is promoted consistently across the Group. It aims to align our business with the sustainable development agenda.

The Chief Executive is ultimately responsible for CR and signs the policy statement, which is reviewed annually and includes a set of strategic objectives. The Company Secretary is the Executive Board member designated with responsibility for CR. The CR manager is

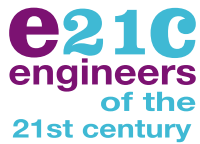
responsible for day-to-day affairs and the coordination of initiatives across the Group, reporting progress to the Executive and Divisional Boards monthly.

A Group CR steering committee, consisting of director level representatives, meets quarterly to discuss relevant issues and advise on the direction of CR within the business. Its achievements over the last 12 months include developing a brief for CR Champions and addressing Group wide issues such as the Considerate Constructors Scheme and the findings of the Constructing Excellence report ‘Never Waste a Good Crisis’.

Below is our first KPI report for the period January to June 2010. We will be reporting on how our performance has changed in next year's report.

1 Health and safety	Accident frequency rate (number of accidents per 100,000 hours worked)	0.20
2 Environment	Waste diverted from landfill, as a proportion of total waste produced	39.4%
3 Environment	Operational Carbon Emissions metric tonnes CO ₂ -e / £000	0.039 Covers Jan – Dec 2009 CDP reporting period
4 Our people	Staff churn – staff leaving voluntarily	7%
5 Our people	Training days completed	2,171
6 Procurement and supply chain	Wood supplied with chain of custody certification, as a proportion of total orders	93%*
7 Economic sustainability	Housebuilding (sales in hand) Construction (forward order book)	£201m £1.8bn
8 Community engagement	Average overall score in the Considerate Constructors Scheme	33.2/40 Industry average 30.9
9 Customer satisfaction	Housebuilding (would you recommend a friend to buy from Galliford Try Homes?) Construction (overall satisfaction)	96.6% 83.2%*

* Based on available data to date.



Engineers of the 21st century

We are working on an ambitious project in collaboration with the Environment Agency, British Waterways, Halcrow and Interserve to develop a sustainability appraisal method for materials used in flood risk management projects.

The team are currently finalising the scoring methodology and assessment questions. They plan to test the approach on several case studies by the end of the year.

For further detail please go to:



www.forumforthefuture.org/projects/E21C



Carbon disclosure project

In June 2010 we submitted our second annual response to the carbon disclosure project highlighting the risks and opportunities from climate change that affect our business.

We have seen a 30% reduction in carbon dioxide emissions since 2008 to 38,000 tonnes in 2009. However, turnover reduction was a significant factor.

Reflecting our development, we are now asking supply chain partners to quantify their emissions so that we can derive a more complete assessment of our impact.

Pictured above is Haswell Moor Wind Farm, a five turbine wind farm on the outskirts of Durham. GallifordTry Infrastructure is undertaking the Civils & Electrical packages for one of our key clients, E.ON Climate and Renewables.



For more detailed information go to:
www.gallifordtry.co.uk/corporate-responsibility

Investor relations

We learn a great deal from discussions with our institutional investors and analysts on their own approach to CR and what they seek from us. These long term relationships give us the confidence to address challenging areas such as climate change, adopt new policies and participate in initiatives such as the Carbon Disclosure Project.

Regular dialogue ensures we concentrate on the areas that are important to our stakeholders and relevant to the future of our business.

Progress

Our CR policy was revised in February 2010. It summarises our objectives for the 2010/11 financial year and is available online.

For 2010/11, we have a three point CR action plan:

1. Encourage the divisional ownership of CR.
2. Improve information capture and storage.
3. Communicate our approach towards CR in a regular, understandable and relevant way.

At the end of 2009 we reviewed our risk management template and made changes so that we could more easily identify and group CR risks. Nine CR KPI's were approved by the executive board and will be measured on a six monthly basis.

Looking forward

We continue to work to ensure our action matches our strategy and business unit requirements, and see an opportunity to differentiate ourselves in the marketplace.

Over the next 12 months we are looking to embed the CR KPI reporting across the Group and review our approach to climate change and carbon.



93%
of all timber orders placed by the Housebuilding division during 2010 were chain of custody certified. We used FSC timber on the Two Coves development.

Improving local environments

Part of Galliford Try's Two Coves development near St Austell, for 187 homes, was to provide safe and easy access to the adjacent beach for all the local community.

In addition, a great deal of Japanese knotweed, the invasive weed, has been removed from the site which would otherwise overpower native species. Purpose built boxes have been put up around the area to provide havens for the local population of bats.



HOUSEBUILDING Designs with environment and community in mind

Galliford Try's leading reputation in housebuilding is based on creating individually designed developments and homes for sale, with an industry acknowledged expertise in affordable housing and regeneration projects.

Our market

As the housing market stabilised during the year, prices firmed and we achieved better than anticipated sales with completions sharply up in the second half of the financial year. 79% of homes sold were to private buyers, with 21% for the affordable market. We also carried out £94 million of affordable housing contracts.

Design

Good design will be crucial to our success as we create places where people want to live and work, whilst addressing the step change required to meet the Government's aspiration for all new homes to be zero carbon from 2016.

Our designs reflect the desire and need to reduce the environmental impact of new homes and encourage job creation, social interaction and promote exercise. We have received a number of external awards that showcase our approach:

- > Housebuilding Innovation Awards 2009: Best Design – Linden Homes, be: Newhall
- > Housing Design Awards 2009: Overall Winner – Midas Homes, South Gate Totnes
- > Arnold Sayers Awards 2009: Group Housing Design Award – Midas Homes, South Gate Totnes



Winning designs

The South Gate housing scheme in Totnes, Devon was the overall winner at the 2009 Housing Design Awards.

It comprises 53 homes in four, steeply sloping urban sites in the style of traditional Devon terraces. The local community were involved in a partnership to create the right mix of homes, all of which are built to the Ecohomes "Excellent" standard.



For more detailed information go to:
www.gallifordtry.co.uk



Creating a net zero carbon solution

At Graylingwell Park all 800 homes, 40% of which will be affordable, will meet the energy requirements of the Code Level 4.

The mixed use development is the largest net zero carbon scheme being developed in the UK and includes offices, community buildings, a care home, restaurant and pub. There will be a combination of green features including a district heating biomass boiler system which will offset residual emissions. Galliford Try is carrying out the development of the site, construction, maintenance and, through a 25 year energy services company contract, provides renewable energy for the buildings.

This summer, we organised our first summer garden party for people living in and around Graylingwell Park. As well as plenty of games and live music, over £1,200 was raised for the British Heart Foundation. Pictured below left, the event was so successful it will become an annual event. A specific website communicates sustainability information to new and potential home owners.



<http://graylingwellpark.com>

800
homes

100%

Designed with the planet at its heart. 100% reduction in CO₂ emissions.

A mixture of new build and refurbishment of the historic hospital buildings.

Future plans

Following a £119 million rights issue in October 2009 we are expanding our southern biased landbank. This now stands at 9,700 plots and we are ahead of our new land acquisition target. 58% of our landbank is now secured at current market values.

Given the timescales involved in the planning process, we recognise the decisions we take today to buy land and masterplan developments will affect what we sell in 2016. Our internal team undertake assessments for the Sustainable Code for Homes, share best practice across the regions and research areas of innovation. Recent topics include biomass boilers and the use of feed-in tariffs.

Our access to opportunities in affordable housing and regeneration is growing through our position on all three regions of the Homes and Community Agency's developer partner panels. With the new Government's approach to planning potentially causing both further restriction to land supply and delays in obtaining consents, we consider that the ability to secure publicly owned brownfield and regeneration sites will prove a competitive advantage.

Environment and climate change

It is important to have our say on industry consultations that will affect us. Over the last 12 months we have responded to Government plans on the revision to Part L of Building Regulations and the definition of Zero Carbon.

Clearly there is a current focus on climate change and carbon, but we are equally committed to respect the natural environments we come across, and take steps to mitigate our impacts and enhance habitats where possible. 80% of plots in our current landbank are on brownfield land.

Our people

Following the reduction in employee numbers during 2008, going forward our emphasis is on growth. Employee numbers have increased from 493 in 2009 to 637 in 2010. We are maximising the use of our internal labour market but also recognise the value and new thinking presented by external appointments.

To ensure we attract the best candidates, we must differentiate ourselves as an employer. We have succession plans in place and ensure that our development programmes are ready for all employees to enable them to meet the new challenges that expansion will bring.

Engagement

In October last year we increased our standing in the NextGeneration sustainability benchmark from 15th to 8th position – a great achievement, and we hope a reflection of the way in which we are addressing CR and sustainability. We have developed a CR Charter for the Housebuilding division, signed by all the directors, which underpins our activity.

We collect data on all live projects, have implemented a sustainability training programme for sales executives and reviewed our approach to labour and local employment initiatives.

Conserving water

At Ferriby Rise, water conservation is a significant feature on the development.

A third of the homes are being built to the Code Level 3 and incorporate rain water harvesting technology, reducing the need for fresh supplies.

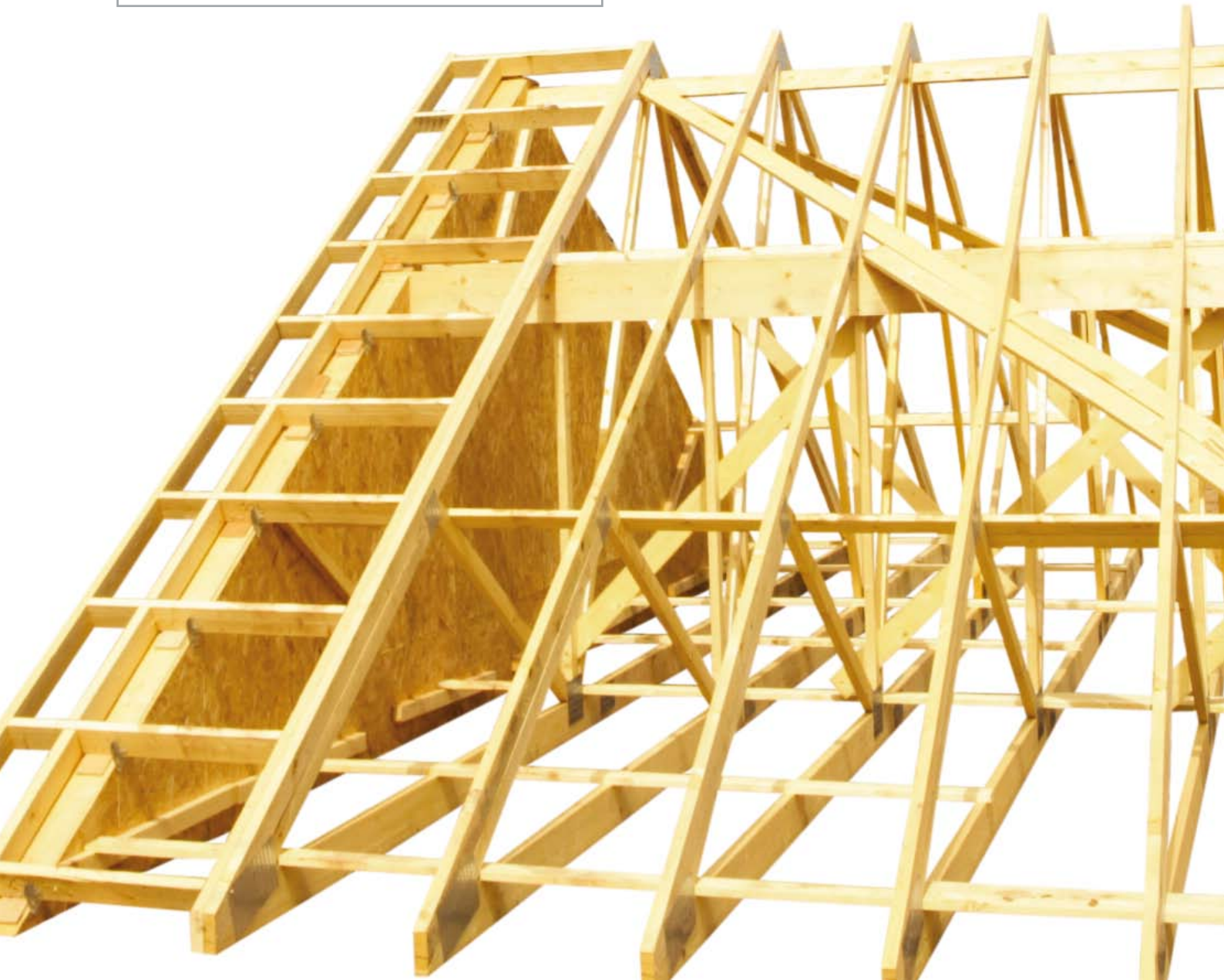
Water is likely to follow carbon as the next environmental focus area for the construction sector and we are keen to develop our approach.



Building lower energy homes

We are developing a number of sites to Level 4 of the Code for Sustainable Homes. These have strict criteria for both low embodied and operational energy components.

Ladywell, a development in the North East undertaken by our Partnerships business, comprises 21 timber-framed affordable units all built to the Code Level 4.





25,710

tonnes contaminated material stored on land for remediation



48,300

tonnes clean material deposited offshore

Restoring historic places

The restoration of Millbay's historic Inner Basin, on the South Coast of England, back to a working marina posed significant environmental challenges.

The site team carefully dredged the harbour. Contaminated material was stored in on-site sumps whilst clean material was deposited off-shore. Reinforcing the project's environmental credentials, the sump walls were constructed from recycled aggregates and utilised a heavy duty liner to prevent seepage of contaminated material.

CONSTRUCTION

Meeting stakeholder sustainability objectives

Galliford Try is a provider of whole life building solutions, able to deliver projects across the UK. We are also one of the UK's leading contractors working for major public and regulated utility clients on the country's infrastructure.



Preventing future flooding

Within our Construction business, we have responded to problems exposed by climate change.

We are constructing a dam above the city of Wigan to create a flood storage basin, which will prevent the town flooding during high river flows.

Phase 1 of the project, completed in 2009 and pictured above, saw flood defences built within the town itself.

In addition to our core construction and design and build services, we carry out investment and development services and provide post construction property support. We have a national capability in carrying out major civil engineering projects underpinned by strong regional and sector focused teams.

Our markets

The effects of the economic downturn were felt later in Construction than Housebuilding, towards the end of 2009, and continue to be so. Our strategy is one of right sizing in a fair and transparent fashion, although we have regrettably reduced employee numbers by 20%. We will continue to match our resources to the work available over the next 12 months.

We enter our new financial year with a total contracting order book of £1.8 billion, up from £1.7 billion a year ago. Almost 80% of our work has been secured other than on pure price competition, indicating the importance of our approach to CR, sustainability and quality.

Integrating CR

In each of the Infrastructure and Building businesses we have established CR Working Groups. These meet regularly to identify priorities and implement improvement plans. Amongst other achievements, both groups have established their own CR KPI's to provide greater sector coverage and support the overall Group KPI's.

We are establishing the same principles for procurement and the supply chain as to those in our Housebuilding division – that is, to achieve our CR objectives and work in a more efficient way.



For more detailed information go to:
www.gallifordtry.co.uk



Working together

During the construction of the Islington Academy, Galliford Try and the City of London Corporation funded a new 16-seater minibus with wheelchair access to enable students to travel to sporting events and other activities.

Design

Traditionally across the industry, design has been very much client and consultant led. Our vision is to be at the forefront of innovative designs, influencing our clients to arrive at more sustainable solutions, through design and build contracts, Early Contractor Involvement and the Private Finance Initiative.

Innovation

Over the last few years, customers have told us that innovation within the supply chain is a key differentiator for them. We define innovation as making step change improvements to our products and processes. We see the future of construction as genuine collaborative working through the supply chain, and with other stakeholders, to achieve new ways of working.

The Construction business has established a continual improvement team, which has an 'ideas initiative', MaGIC – Making Good Ideas Count. It continually shares valuable lessons across the business.

We operate an 'open innovation' system that seeks to harness value across the supply chain by encouraging ideas and new thinking.

Innovating at Ecobuild

Galliford Try Construction designed, specified and constructed a 70m² two-storey dwelling at Ecobuild.

Only offsite systems and Modern Methods of Construction (MMC) were used, emphasising the innovative approach and significant environmental benefits available. They drew on products and services from 15 specialist offsite manufacturers across the UK.



Social responsibility

In addition to our core business activities that create, regenerate and maintain schools, transport and water infrastructure we have social responsibilities towards two main groups, our employees and local communities. We encourage employees to choose the most appropriate ways to engage with local people and organisations. We then share these stories across the business via the intranet and our company magazine Evolve.

Although a wide range of individual fundraising events take place across Galliford Try, there is no single chosen Group charity. This provides regional sites and offices with the freedom to support charities at a local level. As a patron of CRASH, we take part in business action for homeless people, and are sponsors of the Lighthouse Club, the charity that helps former employees of the construction industry.

Biodiversity

We consider the protection and enhancement of biodiversity on all projects we undertake, at all stages of a project. Our site-based environmental risk assessment process specifically covers the consideration of local biodiversity, and ecology is a key module within our in-house environmental training course. We often restore natural habitats to support important or protected species as part of our projects.



Creating ecological improvement

We constructed a fish pass for the Environment Agency at the Boston Spa Weir on the River Wharfe, West Yorkshire.

The structure will help fish bypass the weir as they swim upstream to spawn. It is hoped the scheme will boost the populations of salmon, sea trout, barbell, chub and dace in the river. A fish counter will also be installed to monitor the success of the pass.



Your feedback is appreciated



Morrison Construction recognising the patience of the local community in Port Talbot whilst undertaking repair works on behalf of Welsh Water Dŵr Cymru.

The feedback we received on last year's report has been invaluable, and we thank those who took the time to respond.

If you have specific feedback on the CR report, or any other queries relating to our approach or activities, we would be delighted to hear from you.

Contacts

Jon Bailey, Corporate Responsibility Manager
Galliford Try plc
Cowley Business Park, Cowley, Uxbridge, Middlesex UB8 2AL

Email: cr@gallifordtry.co.uk
Web: <http://www.gallifordtry.co.uk>

Additional information

A downloadable version of this report and further detail on the issues we have addressed can be found on our website:



www.gallifordtry.co.uk/corporate-responsibility



Printed on Hello Matt, which is produced using wood fibre from fully sustainable forests, certified as well managed in accordance with the rules of the FSC (Forest Stewardship Council). All pulps used are Elemental Chlorine Free (ECF) and are manufactured at a mill that has been awarded the ISO14001 and EMAS certificates for environmental management. The report has been printed by Quadracolor, an FSC approved printer.

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Graylingwell Park is our development in Chichester, West Sussex, being carried out in partnership with the Affinity Sutton Housing Association. It will be the largest net zero carbon development in the UK. The site itself is set in 90 acres of grade II listed parks and gardens of historic interest. The project will provide 800 homes alongside commercial and community buildings. For more information see page 14 of this report.