

RISK	POTENTIAL CONSEQUENCES	MITIGATION IN PLACE	POTENTIAL OPPORTUNITIES AND BENEFITS
PUTTING PEOPLE FIRST			
Failure to attract, support and invest in our staff.	A workforce with insufficient skills to meet the needs of an evolving market. Poor morale leading to lower quality work and higher turnover. A workforce unrepresentative of the communities in which we work.	We benchmark ourselves against other employers in our sector so that our employee offer remains competitive. We have an industry-leading training and development programme. We create succession plans as part of our People Assets Programme. We report key workforce indicators monthly to Holdings Board.	To be an employer of choice and attract and retain high calibre people. To build on our skilled, diverse and motivated workforce to ensure our clients are delighted with our work.
Failure to protect the health, safety and wellbeing of our employees and those with whom we work.	Increased insurance premiums and costs associated with legal action. Increased levels of sickness absence. Loss of reputation.	Our comprehensive health & safety and well-being programmes are reported to, and driven by, Holdings Board.	To increase our reputation as a responsible contractor. To improve the health and well-being of our employees.
Failure to meet clients' expectations.	Loss of repeat business. Loss of reputation with partners and stakeholders.	We agree project goals early through client launch workshops. We gather feedback through surveys, questionnaires and post-occupancy evaluations, and apply learning in future work. We report regularly on agreed contract and sustainability frameworks' performance indicators.	To delight our clients and make us a contractor of choice. To increase our competitiveness in bids and tenders. To leave a legacy of sustainable buildings.
Failure to meet the expectations of our suppliers/ subcontractors and of the communities within which we work.	Loss of loyal suppliers, lowering standards on our projects. Loss of market differentiation as a contractor offering exceptional social value.	We pay the majority of our supply chain within 30 days of valuation date. We have an early payment facility for top-tier contractors. We recognise excellence in our supply chain through local awards schemes. We are delivering our Group headline target of "enhance the life chances of 3,000 young people by 2015". We have an industry-leading apprenticeship scheme and spend and employ locally where we can.	To have a supply chain that is prepared to go the extra mile and deliver outstanding work for our clients. To improve the well-being of local communities. To raise our reputation as a responsible business. To leave a positive economic legacy in local communities.
TACKLING CLIMATE CHANGE AND ENERGY EFFICIENCY			
Failure to reduce carbon emissions and adapt our operations to the effects of climate change.	Increased energy costs and carbon emissions. Increased cost of construction. Extreme weather leads to increased costs due to programme extensions and inability to carry out work.	We are reducing our impacts through delivery of our: ► Sustainable Development Strategy headline targets ► Energy and Carbon Management Strategy ► Local and Group carbon targets and action plans ► Sustainability Frameworks and 10 Point Plan We are committed to remaining carbon neutral and will regain the Carbon Trust Standard accreditation. We research new products, techniques and technologies. We have project environmental plans in place which ensure contingencies are in place in case of extreme weather.	Increased margins and cost certainty. Increased shareholder value through cost management. Innovation will raise Group and industry standards. Increased credibility through our low-carbon track record.
Failure to ensure that our projects are adapted to the effects of climate change.	Buildings fail in extreme weather-related events, leading to loss of reputation and market share. Fall behind on legislation, technological advancements and design methods.	We consider life cycle costing, heating, cooling, water stress and flooding on our projects. We remain at the cutting edge by investing in R&D.	Increased awareness of whole life costing, life cycle analysis and as-built performance, leading to more sustainable investment decisions and resilient built environment. Increased collective understanding and capability to respond through R&D. Improving the quality of the UK's built environment and increased market share.
NATURAL RESOURCES			
Unacceptable impact on the natural environment from our operations and our suppliers.	Increased waste disposal, water resource and materials' costs. High costs associated with legal action and increased insurance premiums. Reputational and regulatory risks relating to adverse environmental impact.	We are reducing our environmental impacts and our use of natural resources through compliance with our 10 Point Plan and by delivering our Sustainable Development Strategy and Headline Targets. We report waste performance monthly to Holdings Board. We are a pathfinder for the Carbon Trust's Supply Chain Standard. We continue to educate and increase the capacity and ability of our supply chain to meet needs of evolving market – for example, through our support of the Supply Chain Sustainability School.	Reduced operating costs and reduced environmental impact of our operations, our products and their performance in-use. Enhanced reputation as a leader in sustainable construction operations and increased shareholder value through cost management. A supply chain which continuously improves and collaborates in delivering innovative solutions and highly performing buildings.
Failure to procure goods and services responsibly.	Reputational damage as a result of sourcing harmful, illegal or unethical goods and services.	We procure in line with our Sustainable Procurement Policy. We preferentially procure products which demonstrate compliance with a recognised responsible sourcing scheme. We collaborate with our competitors to drive out unsustainable products and raise standards.	Improved product differentiation and added value enabling us to become a supplier of choice Peace of mind for us and our clients.