



2008 CORPORATE RESPONSIBILITY REPORT



“SIG RECOGNISES ITS CORPORATE RESPONSIBILITIES TO ITS SHAREHOLDERS, CUSTOMERS, SUPPLIERS AND EMPLOYEES AND IS COMMITTED TO GOOD PRACTICE IN ALL ACTIVITIES”

SIG continues to develop its approach to Corporate Responsibility (“CR”) and is pleased to be able to inform its stakeholders of the measures which it is taking to continue to monitor and improve its CR performance reporting. The Company is a constituent member of the FTSE4Good index of socially responsible companies. This year, in addition to its UK Mainland operations, the Group is reporting for the first time on its Mainland European and Ireland CO2 emissions and waste data.

SIG is able to confirm that the Board takes regular account of the significance of social, environmental and ethical matters to the business of the Group and that it has in place a comprehensive risk management and internal control process which identifies and assesses the significant risks to the Company’s short and long term value arising from such matters. The Board receives a report on CR issues at each of its Board Meetings. CR issues form part of the overall internal control process and are covered in the training of Directors.

SIG recognises its corporate responsibilities to its Shareholders, employees, customers and suppliers and is committed to good practice in all its activities. The Board believes that the progressive integration of CR across the Group and the inclusion of broader social and environmental issues into its decision making will help us to achieve our business goals and act as an essential building block for growth in Shareholder value. SIG has in place a Group-wide Ethics Policy, which sets out a number of fundamental principles, which all Group companies are required to follow. In addition we have recently published a Group-wide Anti Corruption Policy. These policies underpin our CR programme and support our business integrity.

SIG has certification under ISO 14001:2004 (Environment) and OHSAS 18001:1999 (Health and Safety). This certification currently covers 94% of the Group’s UK sites with Moody International and BSI being the appointed Assessors. All newly acquired sites continue to be added to the certification as part of their integration process.

BUSINESS PRINCIPLES AND CODE OF ETHICS

The Group issued its Ethics Policy to all employees in March 2008, which sets out a number of fundamental principles, which all Group companies are required to follow. The Policy can be viewed on the Company’s website at www.sigplc.com. The Ethics and Anti-Corruption Policies include the Company’s prohibition on the giving or receiving of bribes or other payments. The key business principles contained in the Ethics Policy are set out below:

- SIG’s policy is to operate within applicable laws;
- discrimination or harassment of any kind will not be tolerated;
- SIG aims to be a responsible partner within its local communities;
- the legal and moral rights of others will be taken into account in all SIG’s business transactions;
- we will maintain a safe and healthy environment for people to work in;
- we will be proactive in managing our responsibilities to the environment;
- we will not knowingly make misrepresentations;
- as a matter of policy, we do not make political donations;
- no bribes can be given or received;
- conflicts of interest must be avoided and in all cases must be reported; and
- employees are encouraged to report any suspected wrongdoings.

ENVIRONMENT

The Chief Executive, Mr. C.J. Davies, is the Board Director responsible for the environmental performance of the Group. Each individual subsidiary Managing Director is responsible for the environmental performance of their own business. SIG is committed to minimising the environmental impact of its activities through good environmental management practices.

As a leading international supplier of insulation and related materials our core business is focused on the reduction of energy consumption and the subsequent reduction in harmful environmental impacts. The Group’s Environmental Policy was reviewed in 2008. The policy is displayed in all trading sites and offices throughout the Group and on the SIG website. Environmental objectives and targets have been established at relevant functions and levels within the organisation.

SIG believes that it is in the Group’s best interests to be aware of, and seeks to minimise the risks arising from, the social and environmental impact of its activities and is committed to conducting its activities and operations in line with current legislation and best environmental practice, seeking continual improvement and innovation within all Group businesses and activities.

All SIG plc companies actively seek to:

- minimise the use of all materials, supplies and energy – and wherever possible use renewable or recyclable materials;
- minimise the quantity of waste produced in all aspects of our business;
- adopt an environmentally sound transport policy;
- communicate our environmental policy to all staff and encourage them to participate in the achievement of our goals;
- supply and promote, wherever possible, those products which contribute to energy conservation and do not damage the environment; and
- ensure that the Company continues to meet present and future environmental standards and legislation.

ENVIRONMENTAL MANAGEMENT

The Group has in place in the UK an Integrated Management System for Health, Safety and Environment; certified to ISO 14001 (Environment) and OHSAS 18001(Health and Safety).

Throughout 2008 SIG have employed significant resources to continue to progress towards being a “Carbon Managed” business. During 2008 improved data capture procedures were introduced across the UK and Mainland Europe, including developing a Facilities Management Department. This has resulted in a significant improvement in the; accuracy, quality and quantity of the data captured. During 2009 these procedures will continue to be strengthened and developed towards achieving the Group’s strategy of reducing its carbon footprint.

2008 was the second year for quantitative benchmarking, with more 443 of the Group’s UK trading sites being internally audited by the Health, Safety and Environmental Advisors, with the average audit scores across all the Divisions increased.

During 2008 sample auditing was conducted at a number of the Mainland European trading sites. This incorporated 23 branch visits across eight countries and resulted in objectives being set for 2009 for each country/region.

The Group has received no prosecutions relating to Environmental matters during 2008.

Considerable importance is placed on environmental matters as part of the due diligence process for acquisitions. External advisers review and assess any environmental risks to which the Group could potentially become exposed and these are considered as part of the acquisition process. Health and safety compliance and processes are also considered as part of the acquisition process.

The Group has identified the significant environmental impacts of its operations, which are summarised on pages 4 and 5.

Energy and transport

“6.5% reduction in fuel used per road vehicle used”

As a founder member of the Association for the Conservation of Energy, SIG is active in promoting and encouraging the raising of mandatory standards for thermal insulation.

Reducing energy consumption is a priority for all of our operations. This is targeted both through reducing the amount of fuel used in delivery, by increasing the efficiency of heating and lighting and maximising the use of natural light in the Group’s properties and by environmental awareness training at UK sites. Throughout 2008 significant improvements were made in the recording and monitoring of electricity and gas consumption at each location, with sophisticated reporting technology being installed at larger locations. In the UK, Energy Brokers have been instructed to, where practicable, purchase energy from renewable sources.

- SIG continues to actively investigate better methods of operation in order to achieve greater efficiencies from its vehicles and their fuel consumption. This contributed to the average amount of fuel used per UK road vehicle during 2008 being reduced by 6.5%;
- SIG has a policy of introducing the most energy efficient vehicles commercially available (currently considered to be Euro V category engines), which the Company purchases, whenever possible;
- SIG employs staff to train drivers in driving techniques aimed at reducing accidents and damage (safe driving) and to drive vehicles using methods and practices which will reduce fuel consumption. In addition SIG is in the process of putting in place a driver risk assessment process. Equipment is fitted to commercial vehicles to measure ongoing driver efficiency (in particular fuel and braking). All vehicles are regularly serviced to ensure that vehicle emissions are kept to a minimum;
- the Transport Co-ordinators in each trading site throughout the Group are required to make the most efficient use of vehicles, consistent with meeting customer requirements. Techniques used include maximising vehicle loading (within legal limits) so reducing vehicle numbers, and route planning, to minimise distances travelled and thereby fuel usage;
- SIG continues to fit vehicles with logistics tracking systems and navigation planning equipment. This is aimed at using the most fuel efficient route for each journey; and
- video conferencing equipment is used in nine key locations across the Group in order to reduce, in particular, overseas travel with the consequent reduction in the Company’s carbon footprint.

CARBON (CO₂) EMISSIONS

SIG's previous disclosure of emission levels were for UK Mainland operations only and this year the Group is, in addition, reporting for the first time on its Mainland European and Ireland CO₂ emissions.

SIG have reported emissions of CO₂ according to the Greenhouse Gas Protocol, which was jointly developed by the World Business Council for Sustainable Development and the World Resources Institute. The protocol differentiates between emissions caused in the generation of supplied electricity and all other indirect emissions both upstream and downstream. As it is impossible to know or control the negligible downstream emissions generated when products sold by the Group are used, they have been excluded from this report. Similarly, reporting on the upstream emissions of our business would currently rely heavily on estimates and, as a result, they have also been excluded from this analysis. However, given the nature of our operations, the Group does believe that it is appropriate to report on the emissions from third-party provided transportation.

CO₂ emissions – Direct Impact

Source	Definition	Data source and calculation methods	Metric tonnes (Group) 2008
Road Vehicle Fuel	Emission from vehicle use	Fuel Cards and direct purchase records in litres converted according to DEFRA guidelines	86,260
Plant Vehicle Fuel	Emission from vehicle use	Direct purchase records in litres converted according to DEFRA guidelines	2,060
Total			88,320

* The above table does not include CO₂ emission data relating to the wood burning (generation of heat) at the Crawley, Nottingham and Barnstaple operations as these operations are deemed to be carbon neutral.

CO₂ emissions – indirect Impact

Source	Definition	Data source and calculation methods	Metric tonnes (Group) 2008
Electricity	Directly purchased electricity, which generates greenhouse gases including CO ₂ emissions	Actual or estimated consumption in KWh converted according to DEFRA guidelines	28,377
Natural gas	Directly purchased gas, which generates greenhouse gases including CO ₂ emissions	Actual or estimated consumption in KWh converted according to DEFRA guidelines	4,762
Gas oil	Directly purchased gas oil, which generates greenhouse gases including CO ₂ emissions	Actual or estimated purchases in litres converted according to DEFRA guidelines	1,804
Coal/Coke	Directly purchased coal/coke, which generates greenhouse gases including CO ₂ emissions	Actual or estimated purchases in tonnes converted according to DEFRA guidelines	88
Kerosene	Directly purchased, which generates greenhouse gases including CO ₂ emissions	Actual or estimated purchases in litres converted according to DEFRA guidelines	19
Business travel	Third-party provided transport (air & rail)	Actual or estimated distance travelled converted according to DEFRA guidelines	314
Total			35,364

*The data above comprises of co2 emission data captured from electricity and gas from businesses representing circa 93% of Group turnover for the year ended 31 December 2008.

**The data relating to Gas Oil, Coal/Coke and Kerosene has been collected from all of the Groups operations; with the exception of the ATC businesses, which were acquired in April 2008

*The data relating to Business Travel has been collected from all of the Groups operations; with the exception of the Air Trade Centre businesses, which were acquired in April 2008

PACKAGING AND WASTE REDUCTION

SIG works with its suppliers to minimise primary and secondary packaging, while maintaining necessary levels of packaging to ensure that the product arrives with the customer in perfect condition. All of the Group's businesses comply with their applicable waste management regulations. As a break bulk supplier, SIG has recognised that the major impact of the organisation on environmental waste is through packaging and has taken a pro-active approach to minimise the amount of new packaging entering the market and the amount of waste generated at trading site level going to landfill.

This is achieved by:

- environmental awareness training at all sites including the distribution of energy reduction awareness information and reminder aids to all employees;
- purchasing recycled and recyclable packaging where practicable, including pallets and cartons;
- returning reusable pallets to suppliers and similarly recovering used pallets from customers;
- reusing packaging for internal transfers and deliveries;
- actively taking part in recycling and reclamation schemes through the Company's memberships with Valpak and Veolia working closely with suppliers to improve the accuracy of data. SIG meets its responsibilities under the packaging waste regulations in the UK through Valpak's compliance scheme. As part of the Company's ongoing development in this area, it has entered into a national agreement with Veolia for waste removal. Veolia operates its own waste recycling and reclamation compliance scheme;

- SIG embraces electronic communication within its businesses, which has resulted in a significant reduction in internal and external paperwork throughout the Group; and
- the continued expansion of the Group's waste paper and ink cartridge recycling activities at principal administrative centres and where practicable at site level.

SIG actively seeks to reduce the number of printed copies of its Annual Report and Accounts and will be actively encouraging Shareholders to elect to receive their communications from the Company in electronic form.

SIG's commitment to environmental issues is reflected in this Annual Report which has been printed on Satimatt Green and Revive 50, both recycled paper stocks comprising 50% recycled fibre and 50% virgin fibre. This document was printed by CPG using vegetable-based inks and water soluble lacquers and all production processes used make the minimum demand on the environment and produce the minimum amount of waste. Both the printer and the paper mill are registered to ISO 14001 and FSC approved.

Waste Management

“49.9% of waste generated diverted from landfill”

“41,959 Trees saved as a result of improved recycling”

SIG recognises its responsibilities to measure and minimise the waste generated by its business operations with over 84% of waste generated in the UK being diverted from landfill. In addition improved paper and cardboard recycling has resulted in saving over 1.29 million trees based on the calculation that 1 tonne of waste recycled equates to equivalent of 17 trees saved. Waste data is divided into hazardous and non-hazardous.

Non-Hazardous Waste

	Definition	Data source and calculation methods	Absolute tonnes (Group) 2008
Landfill	Non-Hazardous waste to landfill	Volume per annum converted to tonnes	16,877
Incinerated	Non-Hazardous waste incinerated	Volume per annum converted to tonnes	812
Total			17,689

Hazardous Waste

	Definition	Data source and calculation methods	Absolute tonnes (Group) 2008
Landfill	Hazardous waste sent to landfill	Volume per annum converted to tonnes	24
Recycled	Hazardous diverted from landfill	Volume per annum converted to tonnes	279
Incinerated	Hazardous waste incinerated	Volume per annum converted to tonnes	102
Total			405

Other Waste

	Definition	Data source and calculation methods	Absolute tonnes (Group) 2008
WEEE	Diverted from landfill	Volume per annum converted to tonnes	20
Glass	Diverted from landfill	Volume per annum converted to tonnes	301
Wood	Diverted from landfill	Volume per annum converted to tonnes	9,677
Metal	Diverted from landfill	Volume per annum converted to tonnes	1,034
Plasterboard	Diverted from landfill	Volume per annum converted to tonnes	397
Paper/Cardboard	Diverted from landfill	Volume per annum converted to tonnes	2,468
Plastic	Diverted from landfill	Volume per annum converted to tonnes	907
Other	Diverted from landfill	Volume per annum converted to tonnes	671
Total			15,475

*The data above comprises of waste data captured from businesses representing circa 93% of Group turnover for the year ended 31 December 2008.

SUPPLIERS AND CUSTOMERS

The Group has in place a supplier audit programme. The programme is conducted by way of questionnaire and includes a request for details of the Health, Safety and Environmental aspects of the supplier's operations. Health, Safety and Environmental management will be one of the criteria considered when examining a supplier's qualifications for Group orders. The Group has a policy, that when specified, timber purchased for use in its manufacturing activities must be from renewable resources. This is a relatively small part of the UK operations but where accreditation and forest stewardship schemes are applicable and available; SIG uses these in its sourcing procedures.

The Group has in place policies to ensure that its customers receive the level of service and the quality of product that they have come to expect from SIG.

HEALTH AND SAFETY

The Group has in place in the UK an Integrated Management System for Health, Safety and Environment; certified to ISO 14001 (Environment) and OHSAS 18001(Health and Safety).

The Group is committed to high standards of health and safety for all of its employees and the Health, Safety and Environmental Policy was reviewed in 2008. The Policy is displayed throughout the Group's workplaces and is available on the Company's website. Whilst Mr. C.J. Davies, the Chief Executive, is the Board Director responsible for the health and safety performance of the Group, the SIG systems ensure that responsibility exists throughout all of the SIG businesses. Health and safety objectives and targets have been established within relevant functions and levels within the organisation.

One of the objectives for 2008 was to bring the management system into line with the revised standard OHSAS 18001:2007 and this was achieved in the LS Group during the year, with the remaining businesses having been recommended for the upgrade in April 2009 when the current certification is renewed.

The Group has received no prosecutions relating to health and safety matters during 2008.

In the UK, Health, Safety and Environmental Advisors who are either Company or regionally based support the increased focus on health and safety education and awareness at workplace level. As part of the management systems audit process each location is annually benchmarked, any corrective actions are identified and a plan put in place to address deficiencies raised. In the UK over 443 locations were internally audited by the Health, Safety and Environmental Advisors in 2008 using a quantitative benchmarking system with the average audit scores across all Divisions improving. Within the Group the continuing improvement of health and safety performance is a key priority. A Health and Safety Training Manager is in place to ensure that all UK subsidiary company Directors and Managers receive appropriate training in health and safety in order to meet their responsibilities.

Another objective for 2008 was to benchmark the Mainland European businesses against the Group's established management system. This was carried out at 23 trading sites across eight countries. Further development of a pan-European policy and arrangements will take place in 2009.

Forklift and commercial driver training form an important part of SIG's Workplace Safety Policy, which impacts on reduced insurance costs, enhanced pedestrian and site safety and improved working environment. Daily inspections complement periodic training to keep the vehicle and driver at peak performance.

The Group's accident performance is monitored by the Board on a monthly basis. The overall rate of workplace accidents within the UK operations continues to fall. The number of injury accidents reportable to the HSE under the Reporting of Injuries, Diseases and Dangerous Occurrence Regulations ("RIDDOR") was 15 per 1,000 employees in 2008, compared with 15.5 per 1,000 employees in 2007. The figures for the Groups Mainland European businesses are included for the first time.

ACCIDENT AND INCIDENTS

UK				Group	
Rate per 1,000 employees	2008	2007	2006	Rate per 1,000 employees	2008
Major injury	2.9	1.8	3.2	Major injury	2.6
Injury resulting in over 3 absence days from work	11.7	13.2	12.4	Injury resulting in over 3 absence days from work	19.0
All RIDDORS	15.0	15.5	16.2	All RIDDORS	21.8
Average UK headcount	8,238	7,341	6,281	Average Group headcount	13,520

*Due to first time European reporting the table above comprises data relating to 2008 only.

DONATIONS

During the year the Group made donations of £210,000 (2007: £162,000). It is the Group's policy not to make political donations and no political donations were made in the year (2008: £nil).

The Group has a Charitable Donations Policy. The Policy in addition to supporting local causes where SIG employees are involved is to provide support for three main charities for a period of three years. For the three years commencing January 2008 the three main charities that the Group will be supporting are Henshaws College (a charity working with young people, all of whom are visually impaired with additional disabilities) <http://www.henshaws.org.uk/>, Action For Kids <http://www.actionforkids.org> (a national charity working with disabled children and young people, their parents and carers) and St Lazarus Hospice (a charity providing assistance for terminally ill individuals and help and support for families in Krakow, Poland).



- During 2008 SIG's donation enabled Henshaws College to recruit a Volunteer Co-ordinator to facilitate the creation of a volunteer service, that has been able to recruit, train and support volunteers who help people affected by sight loss to reach their true potential in life.

Henshaws College now have a dedicated volunteer based at their Arts and Crafts Centre in Knaresborough, North Yorkshire where volunteers can learn about volunteering opportunities and we have been able to have training sessions, such as visual impairment awareness, sighted guide and health and safety for visually impaired people that have enabled new and existing volunteers to work safely and effectively.

“Henshaws would like to take the opportunity to thank SIG for giving us a chance to use volunteers to help us to turn our commitment, philosophy and ethos into practical help for the people we support”

- 2008 saw the first year of SIG’s partnership with Action For Kids, a charity working to create independence, provide opportunities and offer support to disabled children, young people and their families all around the UK.

During 2008 SIG’s donation allowed 100 disabled young people to receive relevant training programmes focusing on office skills and preparation for entering working environments. In addition four young children received specialist mobility equipment to the value of £10,000, which has enabled them to achieve a greater independence.

“Action For Kids would like to express the gratitude of the staff, students and families we work with to everyone at SIG plc for their long-term support and generosity. “Action For Kids is a relatively small charity which relies entirely on voluntary funding. Therefore a substantial donation like SIG’s really does have an impact on making a real difference to the lives of disabled children and young people and their future independence and wellbeing”



- 2008 was also the first year that the Group supported an overseas charity, St Lazarus Hospice in Krakow Poland, which was nominated by European employees. Donations during the year allowed the purchase of vital equipment such as a Lymphatic Massager, Medication Refrigerator, Medical Waste Cabinets and an Operation Aspirator. In addition the ventilation room was modernised and work began on installing a new heating system.

“The hospice would like to express their sincere thanks to SIG on behalf of the patients under St Lazarus Hospice’s care – they are all extremely grateful for the donation”

Staff are kept informed of charitable activities and are encouraged to attend events as appropriate, as a means of encouraging them to be personally associated with charitable work and in particular with the causes supported by the Group. This has included sponsorship for individuals entering specific events and support in kind for building projects.

The Group has in place a Payroll Giving Scheme, which is available to all UK employees. Employees are free to choose one of the current SIG sponsored charities listed above or any other charity of their choice. During the year an initiative was undertaken to re-launch the scheme to all UK employees. During the year donations of £16,831 were made through the scheme.

COMMUNITY



The Group endeavours to contribute to the communities in which it operates particularly those neighbouring its sites. SIG is a member of Business in the Community in the UK and has worked with that organisation to help to develop its approach and practices. This is mainly achieved through charitable donations and other initiatives that help the community.

2008 saw SIG Insulations become the main sponsor for the Sheffield Half Marathon event, which raised a record breaking £75,000 for good causes.

Richard Green, Sales Director, SIG Insulations “SIG Insulations is proud of its roots in Sheffield and only too please to be involved in one of the greatest participation events in the city”

As part of our continuing CR programme SIG in conjunction with the Children’s Safety Education Foundation sponsored 250 children aged between 7 to 11 years, in three schools in Essex, Leeds and Chesterfield nominated by employees, with unique interactive learning resources covering topics such as drug and solvent misuse, alcohol, smoking, first aid, racial harassment, hate crime, bullying, anti-social behaviour, trespassing and vandalism and provide safety resources focusing on road, rail, fire, water, electricity, gas and safety in the home.

The HR Director has responsibility for community issues within the Group and reports to the Chief Executive who is responsible for community issues at Board level.

EMPLOYEES

SIG recognise that the skills, experience and motivation of its employees is the key differentiator in the marketplace. To meet the needs of an expanding and more complex business a restructure of the Mainland European and UK businesses was undertaken during 2008. This has brought improved business focus, clearer lines of responsibility and easier internal communication.

The Group operates a culture of openness and has in place a confidential hotline service so that employees can raise, on a confidential basis, any concerns about how we conduct our business. The service is provided by an independent third party and a full investigation is carried out on all matters raised and a report is prepared for feedback to the complainant. The hotline was introduced in the UK in November 2007 and was extended to the rest of the Group's employees during 2008.

The Group's policy is to provide equal opportunities to all existing and prospective employees. SIG recognises that its reputation is dependent on the quality, effectiveness and skill base of its employees and is committed to the fair and equitable treatment of all its employees and specifically to prohibit discrimination on the grounds of race, religion, sex, sexual orientation, age, nationality or ethnic origin. Further policy development has taken place relating to diversity and inclusion, and dignity at work ahead of a programme, to be launched in 2009, to further raise awareness of company expectations.

Employment opportunities are available to disabled persons in accordance with their abilities and aptitudes on equal terms with other employees. If an employee becomes disabled during employment the Group makes every effort to enable them to continue employment, with re-training for alternative work where necessary.

The Group has a commitment to ensure that all employees and management are properly inducted into the Company and given the necessary training to fulfil their roles. The Group reviewed and revised its policies relating to Competition Law, Ethics and Anti-Corruption. These were redistributed, with local language translations. Awareness training was provided where appropriate.

We continue to enhance and expand talent management processes with formal reviews taking place in each operating company. Investment in senior management development was principally through the Executive Development Programme run in conjunction with Sheffield Hallam University and sponsorship on specific external programmes. Management Development was addressed via in-house accredited and externally facilitated programmes which were widely available in most operating countries. Within the UK 117 people attended the Certificate in Management programme.

The Personal Development Award which was launched in 2007 to identify and develop emerging talent was run again in 2008 with 90 people attending the initial development day and 36 going on to benefit from the full award.

The Group continues to invest in the future through its various Graduate Programmes, principally in France, Germany and the UK. A new international under-graduate placement programme was piloted during the year and will be extended in 2009. This provides opportunity for business and language students to spend up to a year in a host country developing their fluency in a second language whilst gaining practical work experience.

An on-line induction programme aimed at branch based staff was launched during the year, and the range of NVQs provided in the UK extended, with 151 people achieving or working towards a qualification. The Sales Academy, providing coaching and support for sales professionals was extended across all operating companies in the UK and is now being adapted by other territories.

SIG recognises the importance of good communication with its employees and dedicated personnel were appointed during the year to focus on this. Noticeboards, internal publications, meetings and intranets continue to be the principal media, with, where appropriate formal employee consultation bodies and processes in place. When external announcements are made, for example to investors and analysts, the Chief Executive takes the opportunity to update colleagues on business priorities and performance. This is via webcasts and the publication of transcripts with an opportunity for people to ask questions by telephone and e-mail.

Employees are encouraged to become Shareholders in the Company. The Group introduced a new Share Incentive Plan ("SIP") in November 2005 in place of the Save As You Earn Scheme. The Company gives one matching share for each share purchased by the employee up to a maximum of four matching shares per month. At 31 December 2008 there were 1,762 employees saving under the Company's SIP.

The Group operates a number of employee pension schemes across its businesses. In the UK it operates a Defined Contribution Scheme, which is open to all employees. The Group's UK Defined Benefit Schemes have been closed to new members since 1997.

The HR Director has responsibility for human resource issues within the Group and reports to the Chief Executive who is responsible for human resource issues at Board level.