

Statement by the Directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006

The Board of Directors of Amey Holdings Limited consider, both individually and collectively, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Act) in the decisions taken during the year ended 31 December 2019 (see Corporate Governance statement above and summary of decisions below).

The Board has approved a strategic plan which is designed to have a long-term beneficial impact on the Group and to contribute to its success in delivering better quality and more innovative services to clients and end customers to 2024 and beyond. We will continue to operate our business within tight budgetary controls and in line with our client's expectations. (see Strategic Report).

Our employees are fundamental to the delivery of our plan. We aim to be a responsible employer in our approach to the pay and benefits our employees receive. The health, safety and well-being of our employees is one of our primary considerations in the way we do business (see Chief Executive Officer's review and Strategic Report).

Our core values are the building blocks of how Amey conducts its business and they help forge strong relationships with customers, partners and supply chain, to keep improving our services every day. The Directors are vigilant in monitoring feedback from customers and stakeholders and encourage opportunities to effect improvements.

The Going Concern statement details those factors underlying the Directors' viability assessment and opportunities and risk to the future successes of the business are detailed on page 15 of the Strategic Report.

Discharge of Director's duties

In discharging their duties in relation to s172(1) of the Companies Act 2006, Directors have paid regard to the following matters:

- (a) The likely consequences of any decision in the long-term, for instance in relation to:
 - The Strategic Plan adopted in January 2019 and a strategic review of the Group portfolio
 - Contingency planning in relation to the Birmingham Highways PFI project
 - Brexit contingency planning
 - Review of and approval to key bids and business development opportunities

- (b) Interests of the Group's employees including
 - Review of health and safety activities and incidents with approval to thematic campaigns to support the Target Zero initiative
 - Potential impacts and outcomes from the Birmingham Highways PFI project disputes
 - Actions arising from responses to the employee survey
 - Employee consultation including relocation of the corporate head office from Oxford to London
 - Employee well-being initiatives
 - Diversity and inclusion, led by an Executive sponsor
 - Reviewing and approving the gender pay gap report for 2018 which included taking active steps to improve the attractiveness of the sector to women by targeted promotion of careers in engineering, technical and managerial roles
 - Critical talent and resource review
 - Investment in learning systems and employee development

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Discharge of Director's duties (continued)

(c) The need to foster relationships with suppliers, customers and others

- The adoption of a Social Value Supply Chain Charter as a means to engage and work with all our suppliers on their commitment and contribution to social impact. The commitment is to place 5% of our addressable spend with social enterprises – businesses which use their profits to create positive, social change – by 2023. This will amount to around £40 million in the next four years
- Development of a social value plan
- Regular meetings and dialogue with the Crown representative, including an annual supplier assessment
- Supplier evaluation and engagement
- Review of data for payment practices reporting

(d) To act fairly between members of the Company

- Amey is owned by Ferrovial, which is one of the world's leading infrastructure management and investment groups. Ferrovial has appointed four directors to the Board of the Company and all Directors ensure that shareholder interests are represented fairly.

(e) Impact of operations on community and the environment

- Carbon management and commitment to carbon management reduction
- Creating the Amey VTOL joint venture enabling long-range hybrid drones to transform the industry, making it safer, quicker and easier to survey and assess vital civil infrastructure such as bridges and railways
- Establishing the Amey Breathe joint venture to maximise energy saving opportunities for contracts in the FMDJ business
- Adoption of the Social Value policy in response to the social, environmental and economic challenges faced by customers, further details of the application of which can be found on page 13 of the Strategic Report.

(f) Reputation for high standards of business conduct:

- All Directors in the Group receive training on director duties and conflicts and refresher training for Directors and the senior leadership team is being arranged for 2020.
- During the year the Board conducted reviews of whistleblowing reports and allegations of unethical behaviour