



Introduction

Corporate responsibility is central to the Group's business strategy and the Company is committed to conducting its business with honesty, integrity and fairness. The Board believes that aligning corporate responsibility linked to business strategy and objectives is key to the Group's sustainability and success. The Group has implemented a number of policies covering anti-bribery and corruption, business ethics and whistleblowing which support our approach to corporate responsibility. We require all our people to conduct themselves to the highest level of ethical conduct in their business activities. We do not permit bribery, illegal or corrupt business practices and we provide a procedure for employees to raise any malpractice concerns in an appropriate forum without fear of recourse. The continual monitoring of the application of these policies across our Group demonstrates our commitment to ensuring that our business operates in an ethical and responsible manner.

Employees

The Board recognises that as a service business, our talented and diverse workforce is our most valuable asset. The long term success of the Group is dependent on the quality, skill, dedication and commitment of our people. Accordingly we are focussed on creating an environment where performance is rewarded, people are respected for their contribution, diversity is encouraged and where integrity is upheld in all aspects of our work. The Group remains committed to seeking out, retaining and developing the highest calibre employees to maximise business growth and performance and is committed to equal opportunity for all employees and job applicants free of discrimination.

We support our employees through training and on-going investment and seek to ensure that employees are informed on matters affecting their employment and business developments in the Group through management briefings and newsletters, the Group's website and by the distribution of Preliminary and Interim Announcements and press releases. Copies of the Annual Report and Accounts are also made available to the operating business and this communication process enables employees to gain an understanding of the Group's objectives and their roles in achieving them.

Key employee statistics	2013	2012	2011
Average number of employees	2,190	1,823	1,646
Females as % of total	21.1%	20.9%	20.4%

To enable personal development, employees are encouraged to participate in training and development programmes and to obtain professional qualifications relevant to their roles through the Group's training programmes. In addition, in 2013 the Group broadened its management development and graduate

recruitment programme which focuses on recruiting talented graduates, developing skills and experience and producing potential future managers.

We operate in a competitive marketplace and the Board recognises the importance of rewarding employees appropriately for the value they bring to the business and aims to offer rewards that attract and retain key talent. In addition, the Company encourages employees to share in its success through share ownership and annually invites employees to participate in its share schemes. At 31 December 2013, 251 employees were participants of the James Fisher Savings Related Share Option Scheme (2012: 188).

The Company is committed to equal opportunity and it is our policy to ensure that all employees and potential employees are treated fairly regardless of their race, religious or political beliefs, gender, age, marital status sexual orientation or disability. We aim to ensure that people from any background or gender have equal access to employment, training and career progression opportunities. We strive to select individuals on merit and do not consider that targets or quotas are appropriate. However, the Board has agreed that the issue of gender diversity should be addressed as part of the Board's succession and development.

Set out below is a breakdown of the average number of persons by gender and category:

	2013		2012	
	Male	Female	Male	Female
Main Board				
Directors	7	-	6	-
Senior managers	37	6	34	6
Employees	1,691	434	1,406	375

All of our employees are treated with respect and dignity and harassment or any kind is not tolerated.

It is our policy and practice to give full and fair consideration to applications for employment by disabled people. If an employee became disabled during the course of their employment, wherever practicable, the Company would make every effort to ensure that arrangements and adjustments are made to continue their employment and arrange appropriate training for that employee.

Health and safety

The Group is fully committed to providing very high standards of safety to its employees and to contractors and visitors to the Group's premises. The Group promotes a safety culture of continuous improvement. The Chief Executive Officer, Nick Henry has overall responsibility for health and safety and the review of health and safety performance is usually the first agenda item at each Board and business board meeting. In accordance with our decentralised management approach, accountability is with local management to comply with local laws and regulations and specific needs.



Nick Henry chairs the Group health and safety committee (GHSC), which meets on a quarterly basis to discuss all health and safety issues including incidents, mitigating actions and training requirements. The GHSC ensures that recordable safety incidents are reported to the Board and each Group operating company is maintaining high standards of health and safety in its business. Through the GHSC, the Group shares best practice and following any health and safety incidents, including near misses, appropriate corrective action is taken to mitigate the risk of their recurrence.

The Group's principal operating companies maintain internationally recognised Occupational Health and Safety Management Systems accredited to OHSAS 18001 and management systems which are accredited to the international quality standard ISO 19001. The Group has adopted the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR) in the reporting of recordable incidents.

A reportable incident under RIDDOR are work-related injuries to workers which result in their incapacitation for more than seven days. The number of reportable incidents across the Group in 2013 was 6 (2012: 1). The most common incidents relate to trips, falls and crush injuries. The Group also records lost time accidents (LTA's) to monitor performance and trends. An LTA is where a worker is incapacitated for three or more consecutive days, not including the day of incident. In 2013 the Group incurred 2 LTA's (2012: 6).

In addition the Group monitors the overall RIDDOR reportable frequency rate. The RIDDOR reportable frequency rate was 0.9 in 2013 (2012: 0.2).

Environmental

The Group is committed to operating its businesses in an environmentally responsible manner, recognises that its operations have an impact on the environment and is committed to working within the appropriate regulatory framework to minimise the environmental impacts of its operations, so far as reasonably practicable.

Our principal operating companies are ISO14001 compliant or are in the process of achieving accreditation. This internationally recognised environmental management system enables a systematic approach to handling environmental issues within an organisation.

Energy consumption was measured across the Group by recording data on the combustion of fuel and the use of electricity at its facilities. The Group's total greenhouse gas emissions (GHG) in 2013 was 82,600 tonnes of CO². This is largely made up of emissions from the combustion of oil and gas in vessels, which amount for 96% of our total emissions, although one 4,000 tonne vessel can carry over one hundred times the volume of fuel transported by a single petrol tanker, significantly reducing congestion and emissions to air.

	Emissions tonnes (000s)
CO ² equivalent from electricity consumption in facilities	1.7
CO ² from combustion of fuel at facilities and road vehicles	1.9
CO ² from combustion of fuel in vessels	79.1
Total CO² emissions	82.6

Our GHG emissions have been calculated using UK Government guidelines for conversion of fuels and electricity. The Group's Carbon intensity ratio calculated against Group revenue is 0.02%. Following 2013, our goal is to reduce our GHG emissions in 2014, where possible. To help do so we have identified a series of actions to help reduce carbon intensive activities, including monitoring and reducing energy consumption, actively improving energy efficiency and avoiding unnecessary travel. In 2013 our Tankships Division implemented a new Ship Energy Efficiency Management Plan to regulate shipping energy efficiency and to control our marine GHG emissions. Waste management and recycling of materials, where practicable, is encouraged across the Group.

Human rights

James Fisher is committed to supporting and respecting human rights. Our everyday work practices and policies throughout the Group are designed to ensure that respect for human rights is integrated into the systems and culture of our business.

Business Ethics and Anti-Bribery and Corruption Policies

Our business ethics policy aims to instil the highest standards of business behaviour across the Group and focuses on embedding a culture of ethical compliance, so that all of our employees understand the standards of ethical business practices that are expected from them. As well as protecting the reputation of the Group and safeguarding the investment of our shareholders, the business ethics policy aims to protect the interests of every employee by ensuring legal and regulatory compliance as well as promoting responsible behaviour across the Group.

The Group has an established anti-bribery and corruption policy reflecting the requirements of the UK Bribery Act 2010 and has introduced an extensive compliance programme which has top level commitment from the Board and from senior management. The programme includes communication of the statement and policy, training, risk assessment, monitoring and review processes. Employees assessed to be at risk are required to complete the training and to self-certify that they understand and agree to be bound by its provisions.

West Cumbria Fab Lab Project

The economic development organisation, Britain's Energy Coast (BEC) has received support from the Sir James Fisher Foundation which has given a £100,000 grant over two years and JF Nuclear which has provided technical support and equipment enabling BEC to bring Fab Lab (fabrication laboratory) technology to West Cumbria. Fab Lab is a small-scale workshop/laboratory equipped with the latest computer-controlled tools that can produce prototypes or bespoke items from a digital design. The Fab Labs are designed to encourage an environment for innovation, design and making and to provide facilities to help students develop skills to support local business and provide training in the community.



On-going compliance is monitored by local compliance officers who are required to report to their local boards and to the Group Compliance Officer on at least a biannual basis. The compliance officers are responsible for ensuring that risk assessments, training and awareness are up to date and are required to monitor, record and report agency arrangements with third parties.

Customers

The Group aims to provide superior customer service through value added solutions combined with high quality products. High class customer service and product and service innovation are critical elements in helping customers to find solutions and to be successful. We have developed long lasting relationships with customers over many years and have followed a customer-led strategy to expand into the fast growing international markets. We are proud to be a trusted partner of major corporations, government agencies and customers around the world and understand that continued commitment to our existing and future customers is fundamental to our success. Accordingly, we strive to work hard to understand our customers' needs, and to deliver client satisfaction.

Suppliers

The Group has a wide range of suppliers and whilst the Group does not operate centralised procurement, it continues to promote social responsibility, trade compliance and anti-corruption within its global supplier base. Key suppliers are vetted to ensure that they adhere to our codes of conduct and where appropriate operate recognised international quality, health and safety and management systems.

Communities

The Sir John Fisher Foundation is a charitable trust established in 1979 by Sir John and Lady Fisher and supports causes throughout the UK, but with special regard to those based in and working for the benefit of people living in and around Barrow-in-Furness and the surrounding area. The Trustees of the Foundation retain a significant shareholding in the Company and support charitable causes, particularly in relation to maritime, medical and disability, education, music, arts and community projects. In 2013 the Foundation was able to make grants or commitments to charitable causes of £1.2m.

The Group encourages its trading companies to support local communities and charities within their operational areas and during the year companies and employees throughout the Group have been engaged in and undertaken a wide range of activities, including:

- Seven employees participated in the Keswick to Barrow 40 mile annual sponsored walk and run raising over £3,000 for charity;
- An employee completed the London Nightrider 100km cycle challenge raising £6,000 for charity;
- James Fisher Everard employees participated in the Battersea Park Corporate Challenge charity event and made a charitable donation of £650 to the Philippines disaster recovery fund;
- James Fisher Marine Services made a donation to the Greenock Sea Cadets, which is one of the UK's oldest nautical youth training charities;
- James Fisher Defence raised £500 for Cancer Research UK in the FreshnLo Pedal for Scotland charity cycle;
- James Fisher Nuclear (JFN) made a £675 donation to the Engineering Awareness Day at St Benedicts High School, Whitehaven. The event was supported by nine JFN staff who provided detailed advice and literature to students to encourage them to consider engineering careers in the nuclear industry; and
- RMSpumptools participated in the 54 mile Caledonian Challenge and raised over £6,500 for Foundation Scotland.



RMSpumptools staff participating in the Caledonian Challenge on 15-16 June 2013.