

journey to a better business, better society, and better environment

Carillion is the first FTSE 250 company to receive the Building Public Trust Award for Sustainability Reporting three years in a row.

Extremely impressed by Carillion, Kathryn Hamilton from the Great Business Debate sat down with David Picton, Carillion's Chief Sustainability Officer, to find out how they became a best practice responsible business.

Top tips from David Picton, Carillion's Chief Sustainability Officer

Responsible business can make you more competitive and effective.

Prove your claims and be clear about the impact of your work.

Stay current with changes, because "sustainability ink is never dry".

Incorporate responsible business into all your work and behaviours.

People generate fantastic stories that are really uplifting when shared.

You can't solve all the problems but you must focus on issues relevant to the business.

Community and business partnerships must be more equal, balanced and mature on both sides.

What is Carillion's sustainability goal?

Carillion has been on a responsible business journey for many years and our strategy aims to achieve the right balance across Environment, Business and Society. The most familiar area, Environment, focuses on cutting carbon, waste and protecting resources. A potentially less familiar area, Society, looks at communities and people, with diversity and inclusion, community projects, volunteering, safety and health,

welfare and wellbeing. The third area, Business, tracks, audits and publishes a contribution to profit from sustainability, along with tracking our local business and SME spend.

Sustainability initiatives contributed £33.8 million to our profit last year through cutting waste, using less resources and improving our ways of working overall.

Why is sustainability important to Carillion?

By demonstrating responsible business we believe that Carillion is more competitive and more customers want to do business with us. Our own people rightly expect us to behave responsibly too. Customers, investors, partners and employees expect companies to do the right thing, so you have to deliver clearly against your commitments in a world of instantaneous information sharing. There's also a great opportunity for companies to create positive legacies where they work and live, so this year's sustainability report highlights how we are bringing Carillion's mission alive of 'making tomorrow a better place'.

How has the sustainability strategy changed over time?

Responsible business has traditionally been about complying with legislation, but stakeholder groups are far better informed now and have higher expectations. We must rightly go beyond compliance to really deliver good for the community and the environment by, for example, improving biodiversity. We need to prove our claims, have "real teeth in the story" and be clear about the impact of our work. Our targets are independently audited as well, to prove that we've done what we claimed.

Has Carillion encountered any challenges along the way?

There is a lot of pressure on business in our sectors, so the main challenge can be finding the time to do as much good as possible. We want half of our people volunteering by 2020, and they are already very busy, so it can be difficult to do as much as we would like. We also need to stay current with legislation, constantly vigilant and hungry for more progress, so our "sustainability ink is never dry" and we are constantly evolving our ambitions. One other challenge is the sheer diversity of our operations, in the UK and in our international businesses, but sustainability is everyone's responsibility at Carillion. It's about being trusted and doing the right thing, which echoes our values and aligns with what our customers want too.

How has the entire organisation been engaged?

Carillion has an Integrated Management Strategy (IMS) built into all teams across our international businesses (through specialist functional advisors). This approach brings together health, safety, sustainability and quality to embed that thinking and behaviour into our operations, right from initial bid stage through to delivery.

In our recent employee engagement survey, behaving responsibly was rated most important. We have an internal awards process that gets great feedback and strong competition to be the winner, and we hear examples of responsible business going on across the organisation. We also have a Volunteer of the Year award, and we hear such uplifting and inspiring stories of Carillion people doing great things every day. It can be hard to keep track, so the Sustainability Report draws all the stories together into an inspiring repository of case studies.

We also have a growing range of internal networks, such as the Working Mums Network that consists of hundreds of mums who also helped to re-shape our current maternity policy. This network and policy change has driven up the percentage of mums returning from maternity and staying with us. We also have a great Working Dads' Network and an LGBT network called CONNECT.

Is it important to communicate your responsible business strategy externally?

It is important to communicate externally for two reasons. First, it brings to life some inspiring stories that are really uplifting when shared; second, it hopefully encourages other companies to behave more responsibly and to see what is possible.

We find social media to be the easiest way to share stories, so we have an active presence there. We produce blogs and discussion articles to go into more depth into certain issues, and we have great partnerships – Business in the Community, Forum for the Future, UK Green Building Council and the CBI to demonstrate the relevance of it all.

We also partner and help to fund the Supply Chain Sustainability School, which now has well over 10,000 members. A shared central resource and a free virtual learning environment, this is designed to drive up sustainability skills in construction and in the services industries.

What would be your one piece of advice for other firms looking to get ahead on sustainability?

Your strategy must be balanced, relevant and authentic. You can't solve every problem but you must address the issues which are relevant to your business. Be real and credible with evidence that is independently audited.

Tell us about Carillion's recent research into business and charity partnerships.

Community engagement is fundamental for business and Carillion is a "community company". We wanted to understand more about the relationship between community groups and businesses, so we conducted research to see how it might be improved on both sides. Amongst many things, we found that:

9/10 agree working with communities benefits both the community and business

58% said businesses don't contribute enough in the communities that they work

68% said business didn't understand what community groups and charities needed

The results clearly show a need for a balanced contribution, which was often missing. People often saw this relationship as a financial transaction, but business can provide skills-based volunteering and contribute in a more long lasting way. Businesses can also learn a great deal from charities and community groups, so they must treat these partnerships as equal, to give and gain on both sides. All of this is summarised in the [Partnership of Equals](#) report, with clear recommendations and suggestions which we hope everyone can act on.

Thanks so much for your time David, it was great to hear from you and we hope other businesses can benefit from this fantastic advice!

- ***The CBI's Great Business Debate***