

# 2011 targets

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| <b>Climate change</b>                              | Publish our first annual report of UK carbon emissions under the CRC Energy Efficiency Scheme in July 2011 and publish the data in our 2011 CR Report.   |
| <b>Design</b>                                      | Address how we can integrate Building for Life Standards into our approach to housebuilding in the UK.<br>Continue to work on and refine the new house type range as we start to build these homes across the UK.  |
| <b>Engaging with local communities</b>             | Deliver our new learning and development training programme for UK employees on methods of effectively engaging with local communities.<br>Develop a best practice community engagement guide for internal use in the UK.  |
| <b>Customer care</b>                               | Continue to analyse the results of our consumer research project and use the insights from the research to develop action plans.<br>Undertake a training needs assessment to identify where we can further improve our sales and marketing training for UK employees.<br>Develop and implement an action plan based on our North American consumer research findings.<br>Focus on embedding new US documentation, such as Homeward Bound and the new contract and warranty documents.<br>Achieve a customer satisfaction level of 90% in North America.  |
| <b>Employees</b>                                   | Provide 2.5 days of training per UK employee and 2 days of training per North American employee.<br>Undertake employee surveys in the UK and in North America.<br>Further develop the new UK coaching and mentoring scheme and the North American Career Journeys Programme.   |
| <b>Health, safety and environmental management</b> | Establish a system for measurement of UK soil waste to landfill with a view to gathering accurate data in 2012 and setting a reduction target in 2013.<br>Continue our collaborative work with WRAP on waste reduction.<br>Continue to work with our UK contractors on improving our and their safe systems of work and maintaining strict control over operations on site to help minimise HSE related incidents on site.<br>Address slips and trips in the UK and reduce our RIDDOR rate by 5%.<br>Reduce general construction waste removed from site by a further 5% in 2011.<br>Provide an average of 20 hours of HSE training for site operational staff and six hours for support staff such as office-based employees.<br>Reduce the number of major and reportable incidents that occur each year in North America.<br>100% of North American employees to complete their on-line health and safety training in full.<br>100% of relevant North American employees to complete their OSHA 10-hour training. |
| <b>Supply chain management</b>                     | TWL will continue to work with WRAP on ways to reduce packaging waste and increase the use of reusable packaging.<br>Produce a Waste and Resources Strategy for our UK supply chain.<br>Work with our UK suppliers to identify specific packaging waste reduction projects, starting with our top 10 suppliers during 2011.<br>Reduce and optimise the number of our US home plans and customer options to increase build and supply chain efficiency.<br>Introduce our Lean Construction Process into West Florida.   |

# Performance against 2010 targets

|  | <i>2010 target</i>   | <i>2010 achievement</i>  |
|--|--|--|
| <b>Customer care</b>                               | Ensure full compliance with the UK Consumer Code, which comes into force on 1 April 2010.  | <b>Achieved</b> – see page 17.   |
|  | Provide product knowledge training for our UK sales personnel.   | <b>Ongoing</b> – we encouraged local business unit initiatives during 2010 and will undertake a full review in 2011 to reassess training and induction programmes and requirements.  |
|  | Draw up a best practice in customer care guidance document for all Taylor Morrison Divisions.  | <b>Achieved</b> – see text on Homeward Bound and accompanying documentation on page 17.  |
| <b>Employees</b>                                   | Continue to focus on the retention and development of our employees including staff turnover and employee succession plans.                                    | <b>Ongoing</b> – see our training and development text on page 21.   |
|  | Provide UK managers with more performance management training.   | <b>Achieved</b> – see our training and development text on page 21.  |
|  | Complete the civil treatment training programme for Taylor Morrison managers and undertake similar training for all remaining employees in the United States.  | <b>Achieved</b> – see page 20.   |
| <b>Health, safety and environmental management</b> | Focus on further developing the competence of our groundworks contractors and supervisory staff in the UK.   | <b>Achieved</b> – see UK training text on page 23.   |
|  | Address the UK-wide industry issue of how to effectively establish the competence of contractors who are tendering for work.                                   | <b>Ongoing</b> – see text on SSIP on page 25.  |
|  | Develop a UK Waste and Resources Strategy.   | <b>Achieved</b> – see page 26.   |
|  | Reduce our UK RIDDOR health and safety incident rate by a further 10%.   | <b>Not achieved.</b> Our UK RIDDOR incident rate increased by 4% in 2010, however this still represents a 20% reduction when compared to 2008 – see targets section on page 25 for more detail.  |
|  | Reduce UK construction waste to landfill by 10% and increase recycling on site by 5%.  | <b>Not achieved.</b> We reduced construction waste to landfill by 7.25% – see targets section on page 29 for more detail.  |
|  | Increase recycling on site by 5%.  | <b>Not achieved.</b> In 2010 we achieved a 4% increase. During 2011 we will be focusing more on reducing waste at source (see waste spotlight on page 26) and increasing the effectiveness of the recycling centres to reduce the percentage of waste taken from the centres to landfill. We are therefore not setting a target for increased recycling on sites for 2011. |
|  | Reduce the number of major and reportable incidents that occur in North America each year.   | <b>Achieved</b> – see page 25.   |
|  | 100% of relevant employees should complete their OSHA 10-hour training and 100% of employees should complete their on-line health and safety training in full. | <b>Achieved.</b>   |
| <b>Supply chain management</b>                     | Continue to focus on reducing UK waste at source and work closely with suppliers to identify ways to reduce or eliminate different types of waste on sites.    | <b>Ongoing</b> – see waste text on pages 24-26 and 28.   |
|  | Introduce the Lean Construction Process to the two remaining Taylor Morrison Divisions.  | <b>Ongoing</b> – process introduced in the Denver Division and to be introduced in West Florida in 2011.   |
|  | Continue to strengthen and improve supplier communication through Taylor Morrison's Vendor Portal.   | <b>Achieved</b> – see page 28.   |

# Data Table

**Key Performance Indicators** and other relevant data that demonstrates our performance in terms of Corporate Responsibility.

|  |  | 2010     | 2009     | 2008     |
|--|--|----------|----------|----------|
| <b>General</b>   |  |          |          |          |
| Number of completions  | – UK   | 9,962    | 10,186   | 13,394   |
|  | – North American housing                                 | 4,140    | 4,755    | 5,421    |
|  | – Spain and Gibraltar <sup>1</sup>                       | 136      | 225      | 214      |
| <b>Maintain compliance with the Combined Code</b>  |  |          |          |          |
| Number of affordable home completions in the UK  |  |          |          |          |
|  |  | 1,824    | 1,709    | 2,751    |
| Value of charitable donations  | – Group  | £199,000 | £236,000 | £230,000 |
| Value of Section 106 (England) and Section 75 (Scotland) agreements in the UK                              |  | £92,055m | £68,534m | -#       |
| <b>Customer care</b>   |  |          |          |          |
| Percentage of customers who would recommend us to friends and family                                       | – UK <sup>2</sup>  | 86.9%    | 86.7%    | 76.8%    |
|  | – North America <sup>3</sup>                             | 93.3     | 91.8     | 89.9     |
|  | – Spain  | 92%      | 98%      | 85%      |
| <b>Employees</b>   |  |          |          |          |
| Average number of employees  | – Group  | 4,428    | 4,782    | 5,415    |
| Annual employee turnover   | – UK   | 9%       | 7%       | 18%      |
|  | – North America  | 8%       | 6%       | 10%      |
|  | – Spain  | 3%       | 2%       | 8%       |
| <b>Percentage of UK site operatives (including sub-contractors) who were CSCS carded by 31 December</b>    |  |          |          |          |
| Average number of days training per monthly salaried employee  | – UK (excluding health and safety training) <sup>4</sup> | 1.3      | -#       | -#       |
|  | – North America  | 2        | -#       | -#       |
| Number of individuals recruited for the Taylor Wimpey graduate programme                                   |  | 6        | 8        | 0        |
| Number of UK management trainees recruited   |  | 8        | 9        | 7        |
| Number of UK apprentices recruited   |  | 40       | 19       | 12       |
| <b>Health, safety and environmental management</b>   |  |          |          |          |
| Direct GHG emissions – GHG Protocol Scope 1 (tonnes CO <sub>2</sub> e)                                     |  | 10,194   | 11,524   | -#       |
| Electricity indirect GHG emissions – GHG Protocol Scope 2 (tonnes CO <sub>2</sub> e)                       |  | 19,318   | 19,078   | -#       |
| Other indirect GHG emissions – GHG Protocol Scope 3 (tonnes CO <sub>2</sub> e)                             |  | 430,326  | 424,387  | -#       |
| Total CO <sub>2</sub> (tonnes CO <sub>2</sub> e)   |  | 459,838  | 454,989  | -#       |
| Number of completed units built to UK Code for Sustainable Homes   | – Level Three  | 570      | 663      | -#       |
|  | – Level Four   | 0        | 22       | -#       |
| All reportable injuries (injury frequency rate per 100,000 hours worked)                                   | – UK   | 0.235    | 0.226    | 0.296    |
|  | – North America <sup>5</sup>                             | 0.057    | 0.210    | 0.041    |
|  | – Spain <sup>6</sup>                                     | 0.786    | 0.481    | 0.371    |
| Major injuries (injury frequency rate per 100,000 hours worked)  | – UK   | 0.051    | 0.049    | 0.057    |
|  | – North America <sup>5</sup>                             | 0.057    | 0.000    | 0.041    |
|  | – Spain  | 0.000    | 0.000    | 0.093    |
| UK health and safety RIDDOR rate   |  | 540      | 520      | 680      |
| Percentage of relevant Taylor Morrison employees who completed the OSHA 10-hour health and safety training |  | 100%     | 100%     | 100%     |
| Percentage of Taylor Morrison employees who completed their on-line health and safety training in full     |  | 100%     | 99.8%    | 98.4%    |
| HSE training hours per UK employee   | – Site operational staff <sup>4</sup>                    | 27.1     | -#       | -#       |
|  | – Support staff (e.g. office based staff) <sup>4</sup>   | 6.6      | -#       | -#       |
| H&S on-line training hours per North American employee   |  | 6.5      | -#       | -#       |
| Tonnage of construction waste per UK housing unit*   | – General waste  | 3.79     | 4.18     | 4.50     |
|  | – Plasterboard waste                                     | 0.56     | 0.51     | 0.61     |
|  | – Total construction waste                               | 4.35     | 4.69     | 5.11     |
| Percentage of construction waste segregation on UK housing sites   | – Waste segregated                                       | 85%      | 87%      | 85%      |
|  | – Waste recycled   | 84%      | 80%      | 79%      |
|  | – Waste sent to landfill                                 | 16%      | 20%      | 21%      |
| Percentage of UK homes built on brownfield land  |  | 63%      | 65%      | 67%      |
| Percentage of UK sites with biodiversity action plans (SSEAPs)   |  | 100%     | 100%     | 100%     |

1 We completed our exit from the Gibraltar market during 2010

2 UK figures relate to customer survey scores that were available at the end of December each year

3 North America customer survey results are out of a possible 100 points. The figures relate to survey scores that were available at the end of December each year

4 UK training figures cover formal training programmes but exclude additional on-site and on the job training

5 The injury frequency rate for North America does not include sub-contractors

6 The injury frequency rate for Spain equates to just three incidents in 2009 and a further three incidents in 2010

# Data not available

\* Please note waste targets for 2011 are to be set on tonnage per 1000ft<sup>2</sup> build, not tonnage per plot. We had one case of non-compliance with health and safety or environmental legislation during 2010. Taylor Wimpey Spain was fined for not having a particular item of health and safety supporting documentation. We are challenging this decision.

# Climate change

*We acknowledge the global threat of climate change and our responsibility to reduce carbon dioxide (CO<sub>2</sub>) and other greenhouse gas emissions from our operations.*

**For more information**



Further details of our Climate Policy are available at [www.taylorwimpeyplc.com/CorporateResponsibility/Policies/](http://www.taylorwimpeyplc.com/CorporateResponsibility/Policies/)

We understand that climate change could affect our business and the communities we build in many different ways. Our Climate Policy sets out our priorities for reducing emissions. We maintain a Sustainability and Climate Change Risk and Opportunity Register (see page 4) to help us respond to the threats of climate change as well as the opportunities that may arise for housebuilders as a result. We will use this risk management process to guide the adaptation of the homes we build and our business practices, as well as informing our mitigation measures.

Our Group Chief Executive, Pete Redfern, sits on the CBI (Confederation of British Industry) Climate Change Board and has ultimate responsibility for our corporate climate change strategies. We engage with UK Government, industry organisations and other relevant groups to create implementable climate related policies for Taylor Wimpey and the housebuilding industry as a whole.

**Measuring emissions**

We are a full participant in the CRC (Carbon Reduction Commitment) Energy Efficiency Scheme, the UK's mandatory climate change and energy saving scheme. During 2010, we started detailed monitoring of our UK office and site electricity, gas and diesel use for the CRC scheme. The first phase footprint report and the first annual report of our emissions under the CRC scheme are due in July 2011. We will also publish this data in our 2011 CR Report.

We have undertaken greenhouse gas (GHG) footprinting exercises for our UK operations in 2009 and 2010. This uses financial and other data to estimate the emissions that arose from our UK activities including throughout our supply chains, our sites and offices, business travel and as a result of waste disposal. The resulting report identified the carbon 'hot spots' of our operations. The results for 2009 and 2010 are shown below:

**Table: UK energy and climate change data**

Data is provided as tonnes of carbon dioxide equivalent (CO<sub>2</sub>e) and covers 100% of our UK housing operations.

| Indicator  | 2010           | 2009    |
|--|----------------|---------|
| Direct GHG emissions – GHG Protocol Scope 1  | <b>10,194</b>  | 11,524  |
| Electricity indirect GHG emissions – GHG Protocol Scope 2                            | <b>19,318</b>  | 19,078  |
| Other indirect GHG emissions from operations and supply chain – GHG Protocol Scope 3 | <b>430,326</b> | 424,387 |
| <b>Total CO<sub>2</sub></b>  | <b>459,838</b> | 454,989 |

**Note:** The estimation of a carbon footprint is not an exact science; there are significant uncertainties and no single established way of doing the calculations. Small year on year variations do not necessarily reflect real changes to emissions. Taylor Wimpey is committed to continually improving the methodology upon which our carbon footprint estimations are based.

We will use the information gained from the foot-printing exercises alongside our CRC data as a starting point for the management of our UK emissions. We are committed to measuring and aim to reduce our operational energy consumption. We will publish annual CRC data and will set emissions reduction targets in due course.