





Sustainable homes Land, planning and Customer service Health, safety Environment Responsible sourcing People and skills Charitable giving Governance and ESG Addendum and communities community engagement and quality and wellbeing management performance data

#### **Contents**

Our Sustainability Supplement and ESG Addendum summarises progress on the most important sustainability issues for our business and our stakeholders during the period 1 January 2021 – 31 December 2021.

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We are one of the UK's leading national homebuilders operating at a local level from 23 regional businesses and a small operation in Spain.

We are integrating sustainability into the way we work, to create a stronger business for the long term and generate value for all our stakeholders.

Our commitment to sustainability encompasses designing and building thriving new communities for our customers, operating safely and responsibly, creating a great place to work for our employees, and playing our part in protecting the environment for future generations.



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Pete Redfern Chief Executive

#### Our reporting

Reflecting the importance of environmental, social and governance (ESG) at Taylor Wimpey, we are moving towards integrated reporting. This Sustainability Supplement and ESG Addendum provides a detailed disclosure of ESG topics and performance data in one location. It should be read in conjunction with our Annual Report and Accounts which details our strategy and financial performance. Further information and case studies are available on our website.

Our Annual Report and Accounts 2021 and online Sustainability Supplement can be viewed at www.taylorwimpey .co.uk/corporate

## **Building momentum**

"Our purpose is to build great homes and create thriving communities, while delivering attractive and sustainable shareholder returns. We seek to deliver this with a strategy set to optimise long term shareholder returns in a responsible way, adding value to all stakeholders.

Environmental, social and governance (ESG) has always been an important part of working for Taylor Wimpey. From our focus on safety, to our contributions to, and involvement in, local communities, our strong culture and our ambitious environmental targets we continued to make good progress against during 2021."

Read more from our Chief Executive in our Annual Report and Accounts 2021.

On 7 February, Jennie Daly was announced as CEO Designate, and will take on the role following the Group's AGM on 26 April 2022. Jennie is currently Group Operations Director of Taylor Wimpey and a member of the Board of Directors. Since 2018 and in her current role, Jennie oversees Taylor Wimpey's land, planning, design, technical, sustainability, production and supply chain functions, as well as managing the Taylor Wimpey Logistics business.

Read more about Jennie's experience and the CEO succession process in our Annul Report and Accounts Well positioned to deliver strong growth and sustainable returns, whilst always operating as a responsible business...

Guided by our clear purpose:

To build great homes and creaters.

To build great homes and create thriving communities

Driven through our strategy to deliver for all stakeholders



With an embedded ESG mindset in the business and decision making, and ambitious environmental targets

Always engaging with our stakeholders

## Underpinned by our core values and culture of doing the right thing



Respectful and fair



Take responsibility



Better tomorrow



Be proud

Read more in our Annual Report and Accounts 2021

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## Our purpose

#### Our purpose is to build great homes and create thriving communities.

What we do - building thousands of quality homes in which people can live happy, fulfilled lives, creating genuine places and providing skilled employment – truly matters. But how we do it matters just as much. We have a considerable environmental and societal footprint. So the way we go about building great homes and communities – our processes, our behaviours, our ambition - makes a big difference.

#### **Achieving success sustainably**

Achieving our purpose, means building homes and places that enhance people's quality of life and foster local community relationships, and which deliver outcomes that are measurably positive for nature. It means playing a significant role in the nation's decarbonisation efforts and the iourney to net zero. It means minimising waste and maximising biodiversity. It means reducing energy consumption and emissions from our operations and supply chain, as well as in our customers' homes.

We have one of the biggest landbanks among UK housebuilders and we can play an important role in helping government and society achieve the new homes they need. We aim to do this the right way so that development

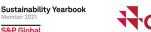
brings economic growth and skilled employment, while providing communities with safe and vibrant new neighbourhoods. Our new homes, with energy efficiency built in, can play a critical role in helping the UK meet its decarbonisation targets, and reduce cost of living for customers.

When it comes to social and employee matters, we commit to the highest standards and we expect the same from the suppliers and contractors we work with. This applies across our business from our investment in the skills of our current and future workforce, to our unwavering focus on health and safety, and our actions on the living wage, diversity, inclusion, and human rights.

#### Doing the right thing

As a responsible Company, we want to achieve success sustainably and put simply, that means doing the right thing by people and planet.

**Dow Jones** Sustainability Indices In Collaboration with RobecoSAM 40



S&P Global







SCIENCE

BASED

#### **United Nations Sustainable Development Goals**

(SDGs), which aim to unite inequality and address climate

By delivering on our purpose, we

Our Legacy. Engagement and Action for the Future (LEAF) SDGs and their relevance to our business. We used this analysis to inform our materiality process and in the development of our environment our website, showing how we can support the SDGs.

Read more about how we support the SDGs at www.taylorwimpey.co.uk corporate/sustainability





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# Our environment strategy

Climate change and the biodiversity crisis are threatening the future of today's young people and generations to come.

Our environment strategy, Building a Better World, launched in early 2021 and is our response to this crisis. It sets out how we will play our part in creating a greener, healthier future for our customers, colleagues and communities, and reduce and mitigate environmental risks to our business.

Our strategy focuses on our key environmental impacts: climate change, nature, resources and waste. It commits us to take action across our value chain – reducing the environmental impacts of the goods and services we buy and helping customers reduce their own footprint and achieve a greener and healthier lifestyle.

We have set ambitious quantitative targets in each of our priority areas, up to 2030. Our carbon reduction target has been approved by the Science Based Targets initiative (SBTi). Read more on pages 21 to 26.

#### **Our priorities**

#### Climate change

Protect our planet and our future by playing our part in the global fight to stop climate change.

#### Strategic objectives

Achieve our science-based carbon reduction target:

- Reduce operational carbon emissions intensity by 36% by 2025 from a 2019 baseline
- Reduce carbon emissions intensity from our supply chain and customer homes by 24% by 2030 from a 2019 baseline

#### Supporting targets

- Reduce operational energy intensity by 32% for UK building sites by 2025
- Purchase 100% REGO-backed (Renewable Energy Guarantees of Origin) green electricity for all new sites
- Reduce emissions from customer homes in use by 75% by 2030
- Reduce embodied carbon per home by 21% by 2030

- Reduce car and grey fleet emissions by 50% by 2025
- Update our policies and processes to reflect the risks and opportunities from a changing climate by 2022
- Make it easier for close to 40,000 customers to work from home and enable more sustainable transport choices through 36,000 EV charging points and 3,000 additional bike stands by the mid 2020s

#### **Nature**

Improve access to and enable enjoyment of nature for customers and communities by regenerating the natural environment on our developments.

Increase natural habitats by 10% on new sites from 2023 and include our priority wildlife enhancements from 2021. Include our wildlife enhancements on all suitable new sites:

- Hedgehog highways from 2021
- Bug hotels (at least 20% of homes) from 2021
- Bat boxes (at least 5% of homes) from 2022
- Bird boxes (at least 80% of homes) from 2023
- Wildlife ponds from 2024
- Reptile and amphibian hibernation sites from 2025

- All new sites have planting that provides food for local species throughout the seasons
- Help customers engage with nature and create 20,000 more naturefriendly gardens by 2025
- 200 beehives on our sites by 2025

## Resources and waste

Protect the environment and improve efficiency for our business and our customers by using fewer and more sustainable resources. Cut our waste intensity by 15% by 2025 and use more recycled materials. By 2022, publish a 'towards zero waste' strategy for our sites.

- Engage with suppliers to meaningfully reduce plastic packaging on our sites by 2025
- Help 20,000 customers to increase recycling at home by 2025
- Reduce operational mains water intensity by 10% from a 2019 baseline by 2025
- Make it easier for 20,000 customer households in water stressed regions to install a water butt by 2025
- Measure the environmental footprint of the key materials in our homes and set a reduction target
- Measure air quality in our homes and on our sites by 2021
- Give customers the information they need to maintain good air quality in their homes by the end of 2021



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## **Our materiality process**

We conduct a materiality assessment to make sure we focus on the sustainability issues (environmental, social and economic) of most importance to our business and our stakeholders.

To determine materiality, we look at the impact or potential impact of an issue on our business strategy (from a performance, financial or risk perspective). We also consider the impact of our business on the issue and the importance of the issue to our stakeholders such as colleagues, customers, investors and communities. This is sometimes known as a 'double materiality' approach.

We use the results of our assessment to inform our reporting and disclosure, development of our environment strategy and our approach to ESG governance and risk management.

We regularly update our assessment. The last update was in early 2020.

#### **Materiality process**

#### 1. Issue identification

A long list of issues was identified based on our current priorities, our previous materiality assessment, business strategy, our main impacts and risks, long term and market trends, the UN SDGs and other external frameworks.

#### 2. Stakeholder research

We sought the views of investors, local government, non-governmental organisations (NGOs), academics, registered social landlords and sustainable business organisations. We also drew on consumer research, a government policy review and a media scan.

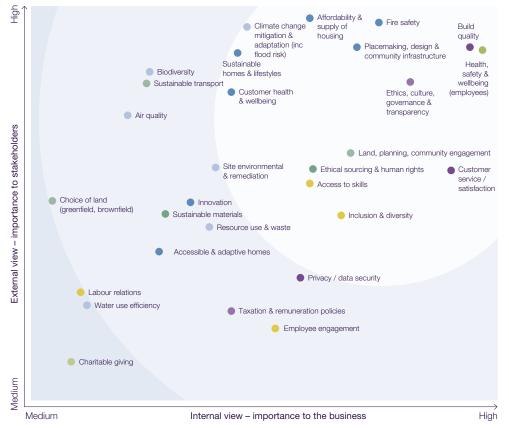
### 3. Internal interviews and research

We carried out internal interviews and research with senior leaders, functional leads, and graduates.

#### 4. Review

The long list of issues were grouped and plotted on our materiality matrix. This was then reviewed and refined, including through meetings with our Chief Executive and members of our Group Management Team.

#### **Our materiality matrix**



#### Our material issues





















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## **Our material issues**

We focus on the sustainability issues that are most material for our business and where we can have a positive impact on people or the environment.



### Sustainable homes and communities

We focus on placemaking and design and invest in affordable homes, infrastructure and research and development to help us create great places to live and enable customers to adopt a more sustainable lifestyle.



## Land, planning and community engagement

We work closely with local communities, landowners, local planning authorities and others to develop sustainable new communities that meet local needs and are resilient to the future impacts of climate change.



## Customer service and quality

We want every customer to enjoy a high-quality new home and great customer service. We aim to lead the industry in quality standards.



## Health, safety and wellbeing

Safety is our first priority and we want everyone to go home safe and well from our sites each day.



#### **Environment**

We are determined to play our part in tackling climate change and supporting the transition to a net zero society, creating a greener, healthier future for our customers, colleagues and communities.

### £418m

contributed to local communities via planning obligations

21%

of our homes were built on brownfield land

92%

customer satisfaction 8-week score

214

Annual Injury Incidence Rate (per 100,000 employees and contractors)

50%

reduction in our direct CO<sub>2</sub> emissions intensity since 2013



## Responsible sourcing

We expect suppliers to meet high standards and we work with them to achieve our targets for quality, safety and the environment.



#### People and skills

We want to be known as an employer of choice in our sector and beyond, recruiting a diverse workforce, building skills and offering industryleading development opportunities.



#### Charitable giving

We give money and time to support charities doing important work on issues connected to our business. We aim to build long lasting partnerships, to get our people involved and to maximise the impact of our giving.



## Governance and management

We have integrated sustainability into our management systems, policies and procedures.



Supplier Engagement score from CDP for our approach to engaging suppliers on climate change

96%

employees feel they can be their authentic self at work

£1.1m

donated and fundraised for charities and local community causes

**A-**

score from CDP Climate Change



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## Sustainable homes and communities

People need high-quality homes that are sustainable and affordable, in communities where they can enjoy a good quality of life. We focus on placemaking and design and invest in affordable homes, infrastructure and research and development to help us create great places to live. Increasingly, we are focused on changes to our homes and communities that enable customers to live more sustainably.

#### Targets for 2022+

- Make it easier for close to 40.000 customers to work from home and enable more sustainable transport choices through 36,000 EV charging points and 3,000 additional bike stands by the mid 2020s
- recycling at home by 2025
- Make it easier for 20,000 customer households in water stressed regions to install a water butt by 2025
- Update our Placemaking Guide and Guide to Design and Access Statement to reflect the latest government guidance and best practice

- Update our Green Infrastructure Guide and issue new guidance on biodiversity net gain and layout, and using street trees in our
- Conduct a review of our land use efficiency and develop typologies that maximise opportunities for compact development
- Develop our technical specification for zero carbon ready homes during 2022 and 2023

#### Placemaking for thriving communities

We are equipping our teams to plan, design, layout and deliver schemes that create successful and sustainable new communities.

#### Our placemaking standards:

These are based on Building for a Healthy Life and aligned with the National Design Guide and National Model Code. Our Director of Design and Group Urban Designer work with our teams on placemaking. Both are qualified architects and urban designers. We have a Design Lead in each regional business and strategic land team to champion good design at the regional level.

Review processes: We complete a placemaking self-assessment for new developments against our standards. This uses a traffic light system to show if improvements need to be made. All new schemes must be signed off by our Director of Design at the land acquisition or planning stage.

Guidance, training and engagement: Our placemaking compendium, Building Blocks of Place, includes practical advice and case study examples. Our e-learning Design Academy covers the core principles of urban design and how to create sustainable communities. We run regular design surgeries, workshops and masterclasses to build competencies in our teams. Our design conferences provide an opportunity to hear from external experts and our annual Placemaking

Competition recognises best practice in design and layout. It received 23 entries in 2021 and included a special commendation category for biodiversity.

External partnerships: We work with many organisations on placemaking to share our views and learn from the expertise of others. In 2021, organisations we engaged with included the Academy of Urbanism, BOB-MK (a design network for Berkshire, Oxfordshire, Buckinghamshire and Milton Keynes), Design for Homes, Home Builders Federation, Homes England, Department for Levelling Up, Housing and Communities, Royal Institute of British Architects, Royal Town Planning Institute and the Urban Design Group.

### £418m

contributed to local communities via planning obligations

#### Infrastructure and facilities

In 2021, we contributed £418 million to local communities via planning obligations (2020: £287 million). This funded a range of infrastructure and facilities including: affordable housing; green spaces; community, commercial and leisure facilities; transport infrastructure; heritage buildings; and public art. These enhance our schemes and benefit the wider community.

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#### Placemaking principles

Our approach to placemaking encompasses social, environmental and economic sustainability criteria:

- Schemes that are well connected and integrated into their
- Layouts that are responsive to the context of the site, including existing buildings
- Distinctive character and coherent, attractive and visually interesting
- Well defined streets and spaces with plenty of visual markers
- Good walkable neighbourhoods that prioritise pedestrians and
- Attractive public spaces
- green spaces and parks
- Enhanced and improved
- Easy access to community facilities, such as shops, schools and workplaces
- Well-designed homes and a mix of housing to suit local requirements
- Efficient use of resources and land



Our planning agreement obligations (Section 106 agreements in England and Wales, Section 75 agreements in Scotland, and Community Infrastructure Levy payments) are negotiated with local authorities and reflect local needs, council policy and feedback gained through community engagement.

We aim to install infrastructure at an early stage of the build process to help the new community become established quickly. In addition, our Community Communications Plan, quides teams on actions they can take throughout the development process to help foster a sense of community among new residents.

Proximity and access to infrastructure, services, and economic centres are some of the factors that influence site selection and development decisions, see page 11.

#### Active travel and sustainable transport

We aim to design walkable neighbourhoods where customers can enjoy an active, healthy lifestyle and make sustainable transport choices. In 2021, 67% of our UK completions were within 500m of a public transport node and 86% within 1,000m.

Our placemaking standards encourage layouts that integrate paths and cycle routes that connect with existing networks and street design that encourages slower vehicle speeds and safer cycling conditions. We also invest in public

and community transport, walkways and cycle paths through our planning obligations. Many homes have integrated secure cycle storage. Around 7% had on-plot EV charging points in 2021.

#### **Affordable homes**

A lack of affordable housing is one of the biggest challenges facing people across the UK. We can play a part in addressing this problem by increasing the supply of new housing and making our homes affordable to a greater number and wider range of people.

We support the creation of socially inclusive communities by:

- Building houses and apartments to suit a wide range of budgets
- Exploring new initiatives that can improve affordability and encourage home ownership
- Working with local authorities and registered provider partners (housing associations) to integrate high-quality social housing on our developments

In 2021 we completed 14,087 new homes in the UK, including joint ventures (2020: 9,609), with prices starting from under £100,000. 41% of our total completions were to first time buyers (2020: 40%). Second time buyers accounted for 37% of total completions (2020: 34%) and investors around 4% (2020: c.4%). Around 36% of private completions used the Government's Help to Buy

scheme in 2021 (2020: 53%), of which all were to first time buyers.

We participate in Home Reach, a government-backed shared ownership scheme. This allows customers to buy between 50-75% of a new home with a 5% deposit and pay a low monthly rent on the remaining share.

We also have a discount for armed forces personnel at many Taylor Wimpey developments, with up to £500 off for every £25,000 spent.

Apartments can be more affordable and help us provide more homes on our developments. In 2021, 9% of completions were apartments (2020: 9%).

#### Contributing to social housing

Most of our developments include affordable social housing (homes made available at below market rates including social rent, affordable rent, low-cost home ownership and discount market sale tenures) which are negotiated as part of planning obligations. In 2021 we delivered 2,501 affordable homes including joint ventures (2020: 1,904), equating to 18% of total completions (2020: 20%).

#### **Opportunities in green** building

#### Resource efficiency and sustainable living for customers

The way we design and build our homes can enable our customers to live a more sustainable and resource efficient lifestyle. Research by the HBF<sup>1</sup> shows that buyers of new homes can expect to save around £550 a year on household bills compared with an older property. Further improvements to energy efficiency will be implemented over the next few years, see page 10.

#### **Energy and water efficiency:**

Our homes are well insulated and integrate energy-efficient walls and windows, 100% low energy light fittings and LED recessed downlights, and energy efficient appliances. This reduces running costs for our customers and helps cut carbon emissions. On average, our standard house types are designed to achieve an Energy Performance Certificate rating of B. Around 16% of our homes also integrate on-site renewables such as photovoltaic (PV) panels. All our homes in England and Wales have water meters fitted, and all have low flow taps and showers, and dual flush toilets. Our homes are designed to achieve a maximum internal water use of 120 litres per person per day and this will reduce further over the next few years.

1. https://www.hbf.co.uk/documents/11628/33271 HBF Report final.pdf

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Nature: Through our biodiversity strategy we're creating more space for nature on our sites and installing wildlife enhancements as standard (see page 23), which can enhance customer wellbeing. We've added user-friendly guides on nature-friendly gardening to our website and will launch home welcome nature packs for customers during 2022.

Resources and recycling: We are reviewing our plotting for house types to understand the best locations for water butt installation as the first step towards our target to help more customers install a water butt. During 2022 we will begin working on increasing the number of kitchens with integrated recycling bins. Read about recycled materials used in our homes and resource efficiency on pages 24 and 25.

#### Our standard house type range:

Our standard house types are designed to be high-quality, energy-efficient homes that are cost-effective and safe to build. They can be adapted to reflect local character and scheme design and are used for the majority of our homes.

We have worked with architects to update our standard house types and built pilot plots in 2021. The new range incorporates more open plan living, more natural light and improved storage, reflecting customer feedback and the results of our research and development. The new homes include at least one study area with space for a desk and easy access to broadband and electricity sockets, to enable working from home. The new

designs will enable more consistency across our business and a simpler construction process with a more standardised range of products and more consistent features used. This will support our work on quality (page 14), enable a more efficient procurement and installation process and reduce waste.

We've also developed concept designs for our standard apartment range that will be tested in 2022.

#### Inclusive and accessible homes:

Most of our new house types will offer improved accessibility, in line with the optional requirements in Building Regulations Part M (4)2. This means they can be adapted more easily for people with disabilities. Around 60% of homes planned in the last year already meet this standard.

#### Communicating with customers:

We communicate the resource efficiency benefits of our new homes to potential customers, including information on energy efficiency on our website and marketing materials. All our customers receive information on their new home via our 'From House to Home' manual and our website. This includes tips to help customers save energy, reduce waste, and encourage nature in their gardens. We give customers details on how to use and maintain their home's environmental features through our Maintenance Guide and Touchpoint Portal, In 2021, we added information and advice to help customers maintain good internal air quality at home.

## Researching sustainable technologies

Over the next five years there will be significant changes to new build homes in the UK reflecting the UK's climate change targets, the introduction of the Future Homes Standard and new regulation on overheating, electric vehicle charging and other environmental issues. Our target is to reduce emissions from customer homes in use by 75% by 2030, and we are conducting research to help us meet this. From 2025, in line with regulation, the new homes we build will be zero-carbon ready.

Our R&D Manager coordinates our research efforts and chairs our Functional Interface Group that tests and trials new, innovative and alternative products.





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#### **Enhancing energy efficiency:**

During 2020 and 2021, we conducted a range of research to update the technical specification for our homes in preparation for changes to Building Regulations and the introduction of the Future Homes Standard (FHS). This included product trials of wastewater heat recovery systems that reuse heat from hot water, and thermal lintels, manufactured with an integrated thermal break that reduces heat loss and improves environmental performance. With the phasing in of the new Part L from June 2022. homes will have enhanced fabric standards with additional features that may include heat recovery systems and PV panels. Collectively, this will achieve a 31% reduction in home energy use compared with our current specification.

We are also preparing for the phase-out of gas central heating systems from 2025 (2024 in Scotland) and will be running FHS product trials during 2022. These will also help us identify the skills we will need in our business and among sub-contractors as we implement the FHS requirements.

#### Modern methods of construction:

We are integrating more off-site construction techniques which can improve the performance of finished homes. This includes increased use of timber frame (page 25) and off-site components such as spandrel panels, smart roof panelised cassette roofs, cassette timber floors and dormers.

Other research projects include: trialling pre-cut floor decking, testing a reusable alternative to sacrificial joists to improve safety and reduce waste, exploring options with brick slip systems, working with industry peers on reducing packaging and waste, and air quality (see pages 24 and 25).

Read about our approach to embodied carbon on page 25 and our Environmental Innovation Grants on page 26.

#### **Progress against targets**

Target	Progress	Achieved?
Make it easier for close to 40,000 customers to work from home and enable more sustainable transport choices through 36,000 EV charging points and 3,000 additional bike stands by the mid 2020s	We are improving our data collection process for this target and expect to report progress next year.	
Help 20,000 customers to increase recycling at home by 2025	We will be working on this target during 2022.	•
Make it easier for 20,000 customer households in water stressed regions to install a water butt by 2025	As a first step, we are mapping our regions to identify areas of current and potential water stress. We are also reviewing our plotting for house types to understand the best locations for water butt installation.	•
Give customers the information they need to maintain good air quality in their homes by the end of 2021	We added information and advice to help customers maintain good internal air quality at home to our House to Home Manual, Maintenance Guide and Touchpoint online portal.	$\bigcirc$
Add an environmental category to our placemaking awards	We added a biodiversity commendation category to our awards. This was awarded to one of our strategic land sites which demonstrated good connectivity, biodiversity net gain, inclusion of species enhancements and nature friendly planting schemes as well as good use of green and blue infrastructure.	$\bigcirc$
Roll out our new standard house type range and develop a range of standard apartments	We built 10 pilot plots for our new standard house types in 2021, and gathered feedback from colleagues, customers and suppliers on the new designs. The range will be rolled out during 2022. We've also developed concept designs for our standard apartment range that will be tested in 2022.	•







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## Land, planning and community engagement

The land we buy and develop is our most important asset. We need to use land efficiently and to work closely with local communities, landowners, local planning authorities and others to develop sustainable new communities that meet local needs and are resilient to the future impacts of climate change.

#### Targets for 2022+

For details about our landbank see our Annual Report and

#### Sustainability and landbuving

We take account of sustainability issues from the start of the landbuying process, including biodiversity net gain, flood risk, proximity and access to infrastructure and services, sustainable transport. community wellbeing and local economic development. This informs whether or not we choose to buy a piece of land, and our discussions with landowners and local planning authorities.

#### Planning policy

We review each potential piece of land against the Government's revised National Planning Policy Framework (and equivalents in Scotland and Wales), which aims to ensure that developments are economically, socially and environmentally sustainable, and other guidance including the National Design Guide. Our internal processes and guidance documents help our teams identify and address relevant sustainability issues for each site, such as our Sustainable Development Checklist and guidance on biodiversity net gain.

#### Local climate policy

Almost three-quarters of the UK's local authorities have declared a climate emergency, with 50% aiming to be net zero carbon by 2030. We are increasingly seeing new local development plans that include additional measures above national standards in relation to topics such as

climate change, energy efficiency and biodiversity. We work closely with planning authorities to understand and integrate their requirements, and with landowners to ensure that constraints are reflected in land values.

We issued guidance on the climate emergency to our land and planning teams during 2021. Teams also received training on topics including biodiversity net gain and our Home for Nature toolkit, nitrates and nutrients, the climate emergency and associated regulatory changes, and the National Design Guide.

#### Assessing environmental risks at site level

We use a digital platform for assessing and managing sustainability and technical risks associated with land, called LEADR (Land and **Environment Assessment of** Development Risk). This draws on external environmental databases to help us manage risks associated with land and environmental impacts, including remediation, flooding, biodiversity and archaeology. It includes a pre-acquisition screening and risk assessment process for potential new sites covering a range of sustainability issues. Risks during construction are managed through our environmental management system, see page 26.

#### **Greenfield and brownfield sites**

We often transform previously developed, derelict or contaminated land (brownfield land) into new communities, which helps support urban redevelopment and regeneration. Around 21% of our homes in 2021 were built on brownfield land (2020: 25%) which includes infill sites.

Every site we develop – whether it's a greenfield or previously developed site - are built to our environmental and placemaking standards (as outlined above and on pages 7, 23 and 26), and comply with the UK's environmental and planning regulations and additional social and environmental standards set by the local planning authority.

We aim to use land efficiently and having regard to on-site constraints and prevailing planning policies. We estimate that densities on our suburban schemes range between 32 and 45 dwellings per hectare, with an average of 36 dwellings per hectare. City centre developments have a higher average density of around 200 or more dwellings per hectare.





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21%

of our homes in 2021 were built on brownfield land

67%

of our homes in 2021 were within 500 metres of public transport

## Climate change adaptation and mitigation

Our business will feel the physical impacts of a changing climate and be affected by climate change regulation and other risks and opportunities. Climate change is now included as one of our Principal Risks and we have conducted initial climate scenario analysis. More information on climate risks and opportunities is included in our Annual Report and Accounts on pages 48 to 54.

#### Flood risk

Climate change is increasing the risk and frequency of flooding in many locations across the UK. We take the risk of flooding on our developments extremely seriously and identify potential flood risk as part of our site selection process. We use the Environment Agency's flood mapping tools, and take account of their input during our planning consultations. We carry out a flood risk assessment on all our sites and do not buy land unless we can mitigate flood risk. Our green infrastructure guide helps our teams to manage water on site. We integrate sustainable drainage systems (SDS) that decrease flow rates to watercourses, increase infiltration into the ground and improve water quality such as ponds, swales, permeable paving, retention basins, wetlands, green roofs, infiltration trenches and soakaways. Many of these features also contribute to good placemaking.

#### Overheating

Increases in average temperatures linked to climate change may pose an increased risk from overheating in well insulated and airtight homes. Overheating risks are currently assessed through the Standard Assessment Procedure (SAP) used for rating the energy performance of new homes. Changes in Building Regulations Part O are expected during 2022. We are also co-funding a PhD at Birmingham University exploring opportunities to save energy and enhance health and wellbeing in new homes, which covers overheating risks.

#### Water stress

Many parts of the UK are already experiencing water stress and this will increase with climate change. We are starting to see an impact on the planning system with some local authority areas introducing water neutrality and nutrient neutrality requirements. We are developing our approach to these issues, including publishing our water policy, see page 25.

We estimate that around 42% of our plots are built in areas of high water stress, based on the World Resources Institute's (WRI) Water Risk Atlas tool, Aqueduct.

We help customers use water efficiently at home, see page 8.

## Measuring economic impacts

Our developments provide a boost to the local economy, both during construction and once new residents move in.

Our Economic Benefits Toolkit helps us understand and communicate socio-economic benefits to stakeholders during the planning process. Using the toolkit we can estimate the number of direct site and indirect supply chain jobs that our developments will create and their economic value, expected revenue gains for local businesses, the impact of new infrastructure and amenities, and new revenue for local authorities, including from council tax and business rates.

#### **Community engagement**

We build in communities for years, making a significant impact on the area and its people. We aim to build good relationships with local people throughout this time by communicating proactively and consistently. Every one of our sites has a tailored planning and community engagement strategy and a clear point of contact.

#### **Community engagement**

techniques: We use a range of methods to inform local people about our plans, including our website, meetings, exhibitions, workshops and information boards. We aim to reach a wide range of stakeholders, including neighbouring residents and property owners, potential customers, local authorities, businesses, schools and other groups. Due to the pandemic, most consultations took place online during 2021 and we used social media, online exhibitions and virtual forums to ensure a broad section of the community could participate.

Our Political and Community Engagement Toolkit helps our teams to consistently engage a wide range of stakeholders in the planning process.



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#### Working with local and central Government

We engage with local authorities, parish councils, Homes England, the Greater London Authority (GLA), the Department for Levelling Up, Housing and Communities (DLUHC) and other public sector organisations to understand their priorities and share our views.

As well as site-specific engagement, we participate in the development of strategic frameworks, Local Plans and Neighbourhood Plans, which consider broader development needs and enable local people to shape new developments in their area. This often includes working closely with local authorities to develop the local design code as part of the local development plan.

We engage with central Government on issues relating to planning and sustainability. In 2021, this included:

- Local Nature Recovery **Strategies Department for Environment, Food and Rural** Affairs (DEFRA) consultation:
- We support the proposed introduction of Local Nature Recovery Strategies but shared our views on the importance of collaboration and public consultation.
- National Planning Policy Framework and National Model **Design Code consultation:** We responded to this consultation supporting many proposed changes in relation to building

- beautiful, sustainable development, affordable homes and plan-making. In relation to local design codes, we recommended that the National Design Code and supporting Guidance be revised to ensure that consideration is given to development viability and delivery when preparing design codes and to reflect the role of developers in the preparation of design codes.
- Public Service and Permitted **Development Consultation**: In relation to proposed changes on Permitted Development Rights for change of use we argued for a limit on the size of building and number of units benefiting from permitted development rights and for the introduction of planning controls.
- Revised Infrastructure Levy: We attended working group meetings on the proposed Infrastructure Levy with DLUHC with the Royal Institution of Chartered Surveyors (RICS) and British Property Federation.
- Nutrient neutrality: Concerns around nutrient neutrality are affecting development in a growing number of areas. We have been engaging with the industry, DLUHC, DEFRA, and affected local authorities to develop short term and longer term solutions to this challenge and attended a meeting with the Housing Minister on this subject.

- **Building standards Section 6 Scotland**: We are working with Homes for Scotland's Technical Forum and supporting its work with the Scottish Government's Building Standards Division.
- The Oxford-Cambridge ARC: We responded to the 'Creating a Vision for the Oxford-Cambridge Arc' consultation. We suggested the Arc should aim for a wellbalanced approach to design. placemaking, connectivity and productivity whilst ensuring pioneering environmental standards and improvements are delivered to promote health and wellbeing of existing and future communities.

We engage with Government through our membership of industry organisations such as the Home Builders Federation (HBF) and

the British Property Federation (BPF). Regional businesses are also members of trade associations, for example our Scottish businesses are members of Homes for Scotland.

We are members of five Homes England regional Delivery Partner Panels.

#### Compliance with planning requirements

We aim to work constructively with planning authorities to agree the details of our planning obligations for each development, including affordable housing, local infrastructure, and facilities.

We use the results of our community engagement to help us develop planning proposals that are financially viable and meet local needs. Each planning application integrates a

development plan, enabling planning authorities to monitor progress.

Once planning permission is granted, our technical teams monitor compliance with planning agreements and obligations. We also track build rates to make sure that each scheme is being managed efficiently and new homes are delivered on time. This is overseen by the Managing Director in each regional business.

As at 31 December 2021, we were building, or due to start in the first guarter of 2022, on 97% of sites with implementable planning.

#### **Progress against targets**

In progress

(√) Achieved

Target	Progress	Achieved?
Update our policies and processes to reflect the risks and opportunities from a changing climate by 2022	We have conducted climate scenario analysis and will be further developing our approach in 2022 as we develop our net zero transition plan.	
Continue to strengthen our engagement and relationship with the local communities in which we operate	Due to the pandemic, 2021 presented a number of challenges for engaging with local communities. However, by utilising social media, online exhibitions and virtual forums we were able to ensure a broad section of the community could participate.	

Not achieved

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## នុំកុំភ្នំ៖ Customer service and quality

We want every customer to enjoy a high-quality new home and great customer service. The quality of our products – the homes we build – is key to our purpose, delivering great homes and thriving communities. Quality is also one of our Principal Risks.

#### Targets for 2022+

- Achieve a CQR score of at least 4.1 in each of our regional businesses and at least 75% of build stages to score 4 or above in all regional businesses
- Resolve at least 70% of customer issues within 28 days
- Resolve all complaints or have agreed an action plan within 8 weeks
- Maintain a recommend score of at least 90% in the HBF 8-week survey, which equates to a five-star rating
- Improve our 9-month customer satisfaction survey score

We aim to lead the industry in quality standards. We invest in training and process improvements to ensure consistently high standards and we reduce quality issues through inspections throughout the build process.

Getting things right first time reduces costs and is important from an environmental perspective as fewer mistakes mean less waste, fewer deliveries to site and homes that perform to the energy-efficiency standards we expect.

#### Product and build quality processes

Our quality processes cover both the homes we build and the products and materials used to build them.

Roles and responsibilities: Build quality on site is overseen by our UK Head of Production, who works closely with our Group Customer Director. We have recruited Quality Managers across the majority of our regional businesses. They work closely with Production Directors, site teams, contractors and suppliers to review performance and address quality issues. Our technical, safety and procurement teams review the quality of products used to build our homes - see below.

Standardisation: Our new standard house types have been designed to enable a consistent and simplified build process, with a standardised range of products and more consistent features used. Reducing

variation will support our work on quality and make it easier to train our teams and trade subcontractors. House type designs are reviewed by our Group safety team to ensure they are safe to build and live in.

#### **Quality performance reviews:**

We agree a quality improvement plan for any sites not meeting our standards and work with commercial, technical and production teams to implement improvements. Progress is reviewed monthly by our Group Management Team.

Plot quality checks: Our Build Quality Checklist is used by our site production teams to assess quality during construction. All items must be completed to the required standard. Our Consistent Quality Approach (CQA) guidelines ensure Site Managers, subcontractors, production and customer service teams have a consistent understanding of the finishing standards we expect on all our homes. We have published a customer version, to make it clearer to customers what they can expect from us. Every home must pass our Home Quality Inspection (HQI) before the customer can move in.

External quality audits: The NHBC (which provides new home warranties) carries out independent Construction Quality Reviews for each site twice a vear, as well as inspections at key stages of the build. These check the quality of our build against the NHBC standards.

**Employee training:** Our quality training includes our Production Academy (see page 15), and training on our finishing standards for our Customer Relationship Managers. We also run regular online masterclasses. Topics covered during 2021 include customer service, interpreting thermal imaging and fire door installation. We will be further developing our training and skills programmes to support the introduction of the Future Homes Standard and updates to building regulations.

Product quality and safety: The products we use in our homes are manufactured and tested in line with relevant British and European Standards. In addition, most products have also undergone a third party independent assessment in line with the NHBC Standards - Material Requirements. When we specify a new product for use in our homes it must first go through a rigorous review process involving our safety, technical, sales, supply chain and production teams. We assess whether it meets our technical performance requirements (such as performance, durability and longevity, warranty, efficiency and ease of installation), whether it is safe to install, maintain and use, and whether it can be procured in sufficient quantities. Our Functional Interface Group, chaired by our R&D Manager, oversees research and trials of new products.



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#### **Embedding quality through** our Production Academy

Our Production Academy training helps us enhance skills and embed our quality standards, provide formal job-related qualifications for Assistant Site Managers, Site Managers and Production Managers and create a culture of education and development for our talent to be the best qualified workforce in the industry.

Participants complete an NVQ at the relevant level, from construction site supervision to construction senior management and technical courses developed by the NHBC and adapted to reflect our business. These cover the NHBC warranty, effective snagging, defects prevention, site environmental management, leadership skills, commercial awareness and project management.

The Academy supports our production teams to deliver the high-quality homes our customers expect. Other business benefits include improved employee engagement and retention by providing clear career and development pathways for production employees. We track the impact of the Academy by monitoring customer satisfaction rates for build quality, NHBC inspection results (CQR) and turnover rates in our production teams.

Over 350 employees have enrolled in or completed the training so far.

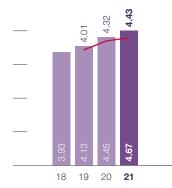
**Subcontractor training:** We updated our scope of operations for subcontractors in 2021, which sets out our expectations for build quality. Key product suppliers provide training to our Site Managers, Quality Managers and trade subcontractors on the correct installation of their products to ensure a quality build. The training means teams understand the installation needs of the products they are working with and ensures that products will work effectively and safely. This is followed by an on-site audit. Subcontractors also attend training sessions run by our quality. site and safety teams, and by the NHBC.

#### Quality scores

We track progress by monitoring the NHBC CQR score, which measures build quality at key build stages. In 2021, our average score was 4.67 (2020: 4.45) compared to an industry benchmark group average of 4.43. We met our target to achieve at least a four rating by 2020 in each regional business and 91% of build stages scored at least four. We rank first nationally against housebuilders that have more than 100 build stages (which excludes self build and very small housebuilders).

Our approach was recognised by the NHBC Pride in the Job scheme which celebrates the role of site managers in building high quality new homes. The results are based on independent site inspections. We received 72 Pride in the Job Quality Awards, 25 Seal of Excellence Awards and three

#### **Construction Quality Review** scores (out of 6)



Taylor Wimpey CQR score (average out of 6) Homebuilder average

The NHBC Construction Quality Review (CQR) score measures build quality at key build stages.



Regional Awards. Lee Dewing, Site Manager at our Whitacres development in Hambleton, Selby, was awarded a Supreme Award. the highest accolade in the awards programme. In total, around one third of our Site Managers were recognised with an award.

#### **Incentivising performance**

Quality and customer service are incentivised from the top of the organisation, linked to a significant portion of our Executive Incentive Scheme. We track progress and calculate bonus payouts using a combination of internal and independent external measures: HBF 8-week and 9-month customer survey results; the number of NHBC claims; CQR scores conducted independently by the NHBC, and the average reportable items per inspection found during NHBC inspections at key stages of the build. In addition, 20% of our senior leadership's performance-related bonus was dependent on achieving customer satisfaction targets. We also integrate customer service and quality into the corporate bonus scheme for all employees.

#### Customer satisfaction

We want customers to receive clear information and prompt service throughout the homebuying process. Our training academies help us build the functional skills we need to deliver great customer service. Our Academy of Customer Excellence for customer

service teams covers our product range, Customer Journey, consumer protection legislation, technical standards, and health, safety and the environment. Our Academy of Sales Excellence builds the skills, knowledge and expertise of our sales teams to deliver excellent customer service and consistent sales in all market conditions. We also held four customer service masterclasses in 2021, covering technical and customer communication topics as well as sessions on energy efficiency and nature for sales and customer teams to support the roll out of our environment strategy.

Satisfaction scores for 2021: We track customer satisfaction using the Home Builders Federation (HBF) 8-week and 9-month survey results. In 2021, 92% of customers in the 8-week survey would recommend us to a friend (2020: 92%). This means we met our target to maintain a five-star rating. Our 9-month satisfaction scores give us insight into how customers feel about the homes and places we build over the longer term. Our score for 2021 was 79.2% (2020: 78.2%).

**Trustpilot:** We encourage customers to leave reviews on Trustpilot. At the end of 2021 we had a 4 out of 5 star rating with a Trust Score of 3.9.

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#### **Trust and transparency**

We want to get things right for customers, and where concerns do arise, we aim to address them at an early stage. We have a target to resolve 70% of customer issues within 28 days. In 2021, we achieved 52% (2020: 52%). The pandemic and rules around self-isolation affected the speed at which we were able to resolve any defects and move customers into new homes. Time taken to resolve defects will be one of the measures included in the annual bonus scheme from 2022.

Customer Directors: In 2021, we introduced a Customer Director role which sits on the management team in each regional business. This will further elevate the voice of the customer in our regions. We also rolled out our new customer relationship management (CRM) system across the business. This provides clearer data on customer issues, complaints and defects which will help us to further improve quality and customer service. The results are reviewed by Customer Directors and used to identify any trends or recurring issues and put measures in place to address them.

#### Customer satisfaction 'would you recommend us to a friend?'



- Customers who would recommend us to a friend (8 weeks)

  Customers who would recommend us to a friend (9 months)
- Homebuilder average (8 weeks)

Note to chart: The 8-week 'would you recommend' score for 2021 relates to customers who legally completed between October 2020 and September 2021, with the comparators relating to the same period in the prior years. The 9-month 'would you recommend' score for 2021 relates to customers who legally completed between October 2019 and September 2020, with the comparator relating to the same period in the prior years.

**Complaints process:** If issues aren't resolved to our customers' satisfaction, they can raise a complaint with our customer service teams. Any complaints that can't be resolved are referred to the regional Customer Director. This process is overseen by our Group Customer Director. We have trained our teams on handling complaints effectively and sympathetically and only trained employees are authorised to manage complaints. We aim to resolve all complaints or have an agreed action plan in place within eight weeks. We achieved this for 75.9% of complaints in 2021. We were disappointed to miss this goal, which was due in part to the impact of COVID-19 and self-isolation rules on our teams' ability to respond promptly to customer issues. Our CRM system and the introduction of Customer Director roles in our regional businesses will help us to improve performance.

Industry Ombudsman: We are supportive of the introduction of an independent Ombudsman, complaints referral service and code of conduct for the new build sector, from early 2022. We are aligning our processes to make sure we meet the expectations and timescales being set by the Ombudsman, as well as new consumer rights such as third party home inspections. In 2022 we will sign up to its code of conduct that supersedes the UK Consumer Code for Home Builders.

#### Responsible marketing

We aim for all our marketing and advertising to be honest and accurate. We use a roster of advertising and marketing agencies which are required to follow the quidelines established by the Advertising Standards Authority, Committee of Advertising Practice, Institute of Practitioners in Advertising and British Code of Sales Promotion as well as the UK Consumer Code for Home Builders. During 2021, we asked all our agencies to confirm that their staff receive training on the principles of responsible marketing including avoiding misleading claims.

Our agencies have quality assurance and sign off processes for work. Many agencies and their staff who work on our marketing are members of professional bodies such as the Institute of Practitioners in Advertising and Chartered Institute of Public Relations and are bound by their Codes of Conduct.

In 2021, the UK's Competition and Markets Authority (CMA) published the Green Claims Code. We are reviewing its relevance for our advertising and marketing and asking our agencies to do the same.

During 2021, there were no complaints made to the Advertising Standards Authority about our advertising.

#### Fire safety

It has long been our view that customers and leaseholders should not have to pay for fire safety remediation works to ensure their buildings are safe and mortgageable. We took early and proactive action. committing significant funding to address fire safety and cladding issues on our buildings, with total amounts provided up to March 2021 of £165 million. Taylor Wimpey's decision a year ago meant that funding was in place to bring all our affected buildings, going back 20 years from January 2021, up to current EWS1 standard.

We have identified all Taylor Wimpey buildings that may require works and are in active dialogue with building owners to undertake these and are committed to resolving these issues as soon as possible for our customers. From April 2022, we will also be paying the new Residential Property Developer Tax (which is a 4% tax on profits) that will fund the Government's Building Safety Fund for buildings over 18 metres.

We are working closely with Government through the HBF to facilitate an equitable solution involving all industry stakeholders. We fully support the HBF's recent letter to the Government which sets out proposed additional commitments from the industry in relation to buildings over 11 metres. We continue to believe this is an industry-wide issue involving many



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types of organisations and therefore needs an industry-wide solution. If accepted by Government, the HBF proposal would result in an additional modest provision for Taylor Wimpey.

#### **Ground Rent Review**

In December 2021, we agreed voluntary undertakings with the Competition Markets Authority (CMA) to address the historical sale of leasehold properties with doubling ground rent clauses, which brought the CMA's investigation into Taylor Wimpey to a close.

Ten-year doubling ground rent clauses were included in customer leases on some of our developments during 2007-2011. We stopped using such clauses on new developments from 2012. In 2017, we launched a voluntary Ground Rent Review Assistance Scheme (GRRAS) to help affected customers. Under GRRAS, we cover the cost of converting our customers' lease terms into an industry standard RPI-based lease. comparable to that used in the majority of residential leases in the UK. GRRAS has helped over 5,400 customers convert their leases and addressed the concerns raised regarding mortgageability or saleability of these properties.

Now, through our agreement with the CMA we will take further action.

For properties where we are the freeholder:

- We will not collect any ground rent (above the initial ground rent) from leaseholders whose leases originally contained doubling clauses (whether or not their lease has been converted to RPI through GRRAS).
- For leaseholders whose lease still contains a ten-year doubling ground rent clause, we have offered to formally vary their lease to remove the doubling ground rent clause, so that the leaseholder will pay only the initial ground rent, which will remain fixed.
- For leaseholders that have gone through the GRRAS scheme we have offered to formally vary their lease to remove the RPI escalation mechanism, so that the leaseholder will pay only the initial ground rent as set out in the lease, which will remain fixed.

These measures apply whether the leaseholder purchased their home from us, or from a previous owner.

For properties where we are not the freeholder:

- For remaining ten-year doubling leases, we have made an offer to the owners of the freeholds, which has been agreed by the CMA, for them to remove the doubling ground rent clause from each lease and revert to the initial ground rent, which will remain fixed.
- For any leaseholder that has gone through the GRRAS scheme, we have made an offer to the owners

of the freeholds, which has been agreed by the CMA, for them to formally vary their lease to remove the RPI escalation mechanism, so that the leaseholder will pay only the initial ground rent, which will remain fixed.

We have proactively contacted all freeholders who own historic ten-year doubling ground rent leases to set out the offer and next steps. Once we have reached an agreement with each freeholder, the relevant

leaseholders will be contacted with next steps.

## Cyber security and data protection

Cyber security is a concern for all businesses. We have a range of security processes in place to protect the business and customer and colleague data. These include IT/cyber security and data protection policies and procedures, quarterly training for staff monitored by our IT

department, cyber threat detection and prevention systems, an escalation process for potential cyber security threats and regular testing of the effectiveness of our systems including third-party vulnerability analysis. Recognising its importance, cyber security has been added as a new Principal Risk for the Group. Our IT Director reports directly to our Group Finance Director and progress on Cyber Security strategy is overseen by the Audit Committee of the Board of Directors.

#### **Progress against targets**

Progress	Achieved?
In 2021, our average score was 4.67 (2020: 4.45) compared to an industry benchmark group average of 4.43. Each of our regional businesses scored at least a 4.1 rating and 91% of build stages scored at least 4.	$\bigcirc$
In 2021, we achieved 52% (2020: 52%). The pandemic and rules around self-isolation affected the speed at which we were able to resolve defects and move customers into new homes.	-
We achieved this for 71.4% of complaints in 2021.	-
In 2021, 92% of customers in the 8-week survey would recommend us to a friend (2020: 92%). This means we met our target to maintain a 5-star rating.	$\bigcirc$
Our score for 2021 was 79.2% (2020: 78.2%).	$\bigcirc$
We maintained our 4 star rating but did not increase this to 4.5 star.	-
	In 2021, our average score was 4.67 (2020: 4.45) compared to an industry benchmark group average of 4.43. Each of our regional businesses scored at least a 4.1 rating and 91% of build stages scored at least 4.  In 2021, we achieved 52% (2020: 52%). The pandemic and rules around self-isolation affected the speed at which we were able to resolve defects and move customers into new homes.  We achieved this for 71.4% of complaints in 2021.  In 2021, 92% of customers in the 8-week survey would recommend us to a friend (2020: 92%). This means we met our target to maintain a 5-star rating.  Our score for 2021 was 79.2% (2020: 78.2%).







Not achieved



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## Health, safety and wellbeing

Safety is our first priority and we want everyone to go home safe and well from our sites each day. We are committed to continuously improving safety performance to benefit colleagues, contractors, customers and communities.

#### Targets for 2022+

- Run three HSE awareness campaigns during 2022 covering traffic management, preventing falls from height and preventing dermatitis
- Regional businesses to conduct monthly audits of Construction Design and Management and Environmental Management Systems and report results to the GMT
- Maintain or lower our Annual Injury Incident Rate (AIIR), compared with 2021

## Safety culture and management systems

Potential health and safety risks on our construction sites include slips, trips and falls, as well as risks associated with working at height and using heavy equipment. We have rigorous policies and procedures in place to address these risks, supported by training, communication and visible leadership. These include:

## Our Health, Safety and Environment (HSE) Management

System: This covers all business activities, and we have specific HSE plans for every site. It is based on OHSAS 18001. Our HSE operational manuals and Site HSE Manual cover all relevant safety procedures and are regularly updated. Our manual can be viewed via a mobile or tablet while on site. We develop Health, Safety and Environment Improvement Plans at Group and regional level.

Senior leadership: Directors from our regional businesses review HSE during site visits, including making unannounced spot checks. Production Managers review performance with Site Managers on a monthly basis. Health and safety performance is the first item reviewed at every meeting of our business unit management teams, our Group Management Team and our Board of Directors. Our Head of Health, Safety and Environment reports directly to our Chief Executive.

#### Internal and external audits:

Our management system is audited by our internal regional HSE Advisers and independent external site HSE Advisers. Our external Advisers carry out independent unannounced site inspections at least monthly as well as planned visits.

**HSE training:** All production and site management teams undergo training supplemented through regular workshops and briefings. Site Managers and production teams complete a full day's health and safety refresher training every year. These interactive sessions explore best practice, behavioural safety and tools for managing and communicating safety on site. All new Directors including functional and regional Managing Directors complete senior management HSE training. Regional and site HSE Advisers assist new managers with understanding and implementing our standards. We have trained customer service teams to assess for health and safety risks when responding to customer call-outs. In 2021, employees completed 2,784 days of health and safety training delivered by our Regional HSE Advisors, a 30% increase on the previous year. In addition, 967 days of first aid training were delivered by the Red Cross.

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Safety passports: We have introduced digital safety passports for apprentices, directly employed trade operatives and telehandlers. These record the health and safety (H&S) training and risk assessments completed by each employee and enable our Site Managers to confirm they have completed the relevant safety training before starting work on a new site.

Safety awareness: Regular HSE newsflashes and memos highlight key issues as well as legal and best practice updates. We monitor employee engagement on safety issues through our performance metrics and employee surveys.

99%

of employees report that they know how to manage Health and Safety issues in their area of work

96%

of employees agree that Taylor Wimpey takes Health and Safety in the workplace seriously

#### **Partnering on safety**

Many workers on our sites are employed by our contractors, so we work closely with them on safety. Our approach includes:

Risk assessment and vetting procedures: To confirm that all contractors have the right knowledge, skills, resources and experience to manage health and safety to our standards. We require contractors to check that safety critical workers are medically fit to operate mobile plant.

Third party H&S accreditation and risk assessment: Contractors must obtain third party H&S accreditation to demonstrate they have an adequate HSE management system, training process and risk assessment. External accreditation must be renewed each year. We employ an external organisation SMAS (Safety Management Advisory Services), to support contractors and reached 94.9% compliance in 2021 (2020: 91.8%). During 2021 we extended SMAS to designers and principal contractors, ensuring that safety is designed into the communities we build.

Our 'Operative's Journey'

**process:** Ensures a consistent approach to safety including our HSE site induction, regular poster campaigns and site safe briefings.

HSE site support teams: These teams participate in monitoring and improving site safety. Team members are nominated by the Site Manager and given a blue hat in recognition of their role and to make them visible on site. Operatives can talk to them about HSE issues, concerns or suggestions for improvement.

**Training:** We require our contractors to train their employees on H&S and also conduct our own training for site operatives such as our HSE site induction. Groundwork is a higher risk stage of the build process and we require groundwork supervisors to have completed externally accredited Site Supervisors' Safety Training and our own bespoke one-day training course.

**Memberships**: We are a member of the HBF Health and Safety Committee, contribute to the HBF's Action Plan for Health and Safety, and are members of the British Safety Council.

We have signed up to the Construction Logistics and Community Safety initiative (CLOCS) and committed to developing our traffic management systems. Our site safety plans now cover safety risks on roads up to one mile from the site entrance. We ran a traffic management awareness campaign during the year.

#### Performance in 2021

We monitor all lost time, reportable and major injuries involving direct employees, contractors' employees, visitors to our sites and members of the public. We also monitor near miss incidents to help prevent possible future accidents.

Our Annual Injury Incidence Rate (AIIR) was 214 reportable injuries per 100,000 employees and contractors in 2021 (2020: 151). We believe the increase in the accident rate is due to higher than average turnover among operatives and an increase in production on our sites. Around 36% of accidents are slips, trips and falls. Our AIIR for major injuries per 100,000 employees and contractors was 73 (2020: 58). There were no fatalities.

Health and safety data is verified by the Managing Director for each regional business, validated by our internal HSE Advisers, and cross-checked by external advisers to ensure compliance and accurate reporting.

See page 37 for regulatory compliance.

#### Health and safety performance Annual Injury Incidence Rate



- Taylor Wimpey Annual Injury Incidence
  Rate (AIIR) for all reportable injuries
  (Incidence rate per 100,000
  employees and contractors)
- HSE Construction Industry average AIIR
- HBF Homebuilder average AllR

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We are rolling out an online HSE platform, SHE Assure, which will enable us to log accidents, incidents and near misses and HSE inspections and audits. Users can input data via a mobile phone and managers will be able to use the system to identify and manage safety issues and trends. We are encouraging all operatives, managers and leaders to use the system to record both positive safety performance as well as any concerns or observations. Over time, the system will give us more insight into the causes of accidents and safety issues.

The lost-time injury frequency rate (LTIFR) for employees (per one million hours worked) was 1 (2020: 1). For contractors, the LTIFR was 1.35 (2020: 0.93).

#### Safety in Spain

In Spain, we have a comprehensive health and safety management system and internal audit process. Each site is visited at least quarterly by the relevant directors and regular site HSE inspections are carried out by our independent site HSE adviser. We provide health and safety induction training for all new contractors and subcontractors on our sites.

## Occupational health and the pandemic

We manage a range of occupational health risks on our sites.

**COVID-19:** We have introduced measures on our sites to ensure safe operating during the pandemic. This has included changes to site layouts to allow social distancing, installation of more hand washing and sanitation stations and increased frequency of cleaning. Each site has a COVID-19 cleaner to ensure good hygiene practices. We carried out a consistency check in January 2022 to confirm that controls are being implemented appropriately across our sites.

**Dust control:** We provide protective equipment and follow procedures to reduce and control construction-related dust. We use powered respirators on our sites which are more effective than face masks at reducing dust inhalation particularly for people with stubble and facial hair. We've also made them available at a discounted rate to groundworkers and other contractors.

**Sun safe:** We run a sun safe campaign in the summer months and provide free high factor sun screen for colleagues, contractors and visitors.

**Mental health:** Our Mental Health First Aiders support managers and employees when mental health issues arise. See page 32.

Defibrillators: In partnership with the British Heart Foundation (BHF), we've installed defibrillators on all our construction sites and regional offices. We've trained our first aiders and site HSE Advisers on how to give CPR (cardiopulmonary resuscitation) and use a defibrillator to help someone experiencing cardiac arrest. We donate the defibrillator to the community once construction has finished.

#### **Progress against targets**

Target	Progress					
Maintain or lower our AIIR, compared with 2020	Our AllR increased slightly year on year but remains well below the average for the sector.					
Train customer service teams on conducting safety risk assessments when responding to customer call-outs	We trained our customer service teams to assess any safety risks to employees, contractors or customers to ensure we respond safely to customer call-outs.	$\bigcirc$				
Update our Construction, Design and Environmental Management manual and roll out a training and audit programme	We began the update process in 2021 and this will continue during 2022. We will audit implementation during 2022.	•				
Run a dust awareness campaign for subcontractors	Our campaign reminded everyone on our sites of the importance of dust control and correct use of PPE. We also updated the equipment used to wet dust, which can now be operated by one rather than two people, minimising exposure.	$\lor$				
Train business unit management teams to record safety observations when visiting sites	Our Accident and Incident Reporting System, SHE Assure, is being rolled out and training will take place in 2022.	•				
Support Site Managers to improve safety performance through site inspections and follow up by our safety team and HSE Advisers	All sites have monthly inspection and development visits from our external H&S Advisers. We increased this to two visits per month during 2021 to provide further support to Site Managers.	$\bigcirc$				









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## **Environment**

Our environment strategy, Building a Better World, is our response to the global environmental crisis. It sets out how we will play our part in creating a greener, healthier future for our customers. colleagues and communities, with ambitious targets up to 2030.

#### Targets for 2022+

- from 2023 and include our priority wildlife

We take a science-based approach and aim to continually review and improve performance. Many environmental issues for our sector are systemic and require collaboration among regulators, industry organisations, housebuilders and the supply chain. We work with others to tackle industry-wide challenges including through the Home Builders Federation, During 2021, we contributed to the development of the Future Homes Delivery Plan and inputted into the work of the Future Homes Hub, including a project with Next Generation to develop a common set of sustainability metrics for the new homes sector.

#### Climate change

We are determined to play our part in tackling climate change and supporting the transition to a net zero society.

Science-based approach: Our ambitious science-based carbon reduction target has been approved by the Science Based Targets initiative (SBTi). It covers emissions from our operations (1.5% of total), supply chain (54.8% of total) and the homes we build (43.6% of total). The SBTi has confirmed that our operational target is consistent with reductions required to keep warming to 1.5°C, the most ambitious goal of the Paris Agreement. Our scope 3 goal meets the SBTi's criteria for ambitious value chain reductions, in line with current best practice.

Climate risk: Natural resources and climate change has been added as a Principal Risk. We support the Task Force on Climate-related Financial Disclosures (TCFD), and disclose consistently with its recommendations in our Annual Report and Accounts on pages 48 to 55.

**External assurance:** Our carbon and energy use data is externally assured by the Carbon Trust to a limited assurance level. We are the only UK homebuilder to hold the Carbon Trust Standard for our overall approach to carbon management, including our policy, strategy and verification of our data and processes.

Benchmarks: We disclose our performance to CDP Climate Change and publish our submission on our website. We received a score of A- in 2021 (2020: B) joint first among the large UK housebuilders. We were recognised by the CDP as a Supplier Engagement Leader and received a Supplier Engagement score of A for our approach to engaging suppliers on climate change (2020: A-). We were included on the Financial Times European Climate Leaders list during 2021 and were Highly Commended in the Sustainable housebuilder of the Year category at the Housebuilder Awards 2021.

#### Transition to net zero carbon

targets across our value chain. the first step for our business on

Transition Plans' guidance issued by

#### **Incentivising progress**

0.59%

0.06%

0.25%

0.22%

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#### Our carbon footprint

Our operational emissions intensity (scope 1 and 2), has decreased by 13% against our 2019 baseline with absolute operational emissions falling by 20% over the same period. This is due to increased use of renewable electricity, energy efficiency measures and a reduction in diesel use on our sites.

Since 2013, we have reduced absolute emissions (scope 1 and 2) by 35%, and reduced our direct emissions intensity by 50%.

Our total carbon footprint (scopes 1, 2 and 3) was 2.65 million tonnes in 2021 (2020: 1.97). This year-on-year increase reflects an increase in build volumes. Total intensity reduced to 190.0 tonnes per 100sqm of build (2020: 209.8).

#### Reducing operational carbon emissions

**Energy efficiency**: We are working on a range of projects to reduce energy use on our sites. This includes partnering with cabin manufacturer Danzer and the Carbon Trust to design and trial new energy efficient portacabins. We're also developing an energy-efficiency retrofit approach for our existing stock of cabins. Our Energy Use Dos and Don'ts guide is supporting our teams to make improvements.

When we build or refurbish our offices we integrate energy efficiency measures including LED lighting and efficient heating, ventilation and air conditioning (HVAC) systems. We

have installed PV panels on some offices, including our business unit in Exeter. Many offices now have electric vehicle charging points.

Renewable and lower carbon energy: We purchase 100% renewable electricity for new sites during construction (including temporary building supplies), offices, show homes, sales areas and plots before sale. This is around 72% of our total electricity consumption (2020: 58%). Our green electricity is REGO backed, confirming it comes from genuine renewable energy.

We have successfully tested hydrotreated vegetable oil as a lower carbon alternative to diesel for plant on site and are assessing the potential to extend its use. We are also trialling a hybrid generator on one of our sites. We now use all electric mechanised handling equipment at our logistics centre (previously diesel).

Company car fleet: Our flexible car benefit scheme 'MyDrive' enables employees to have access to a new low emission car, fully maintained and provided in a tax-efficient way, including electric and ultra-low emission vehicles. Of the cars currently ordered through the scheme

## reduction

in direct carbon emissions intensity since 2013

around 91% are either hybrid or electric. Around 43% of vehicles in our company car fleet are now EV or hybrid (2020: 30%). To support our environmental strategy, in both the flexible and company car scheme we now only offer cars with a CO2 rating of less than 130g/km.

We have reduced company car fleet emissions (excluding grey fleet) by 36.5% since 2019.

#### Tackling scope 3 emissions

Scope 3 emissions represent the biggest portion of our footprint and are among the most challenging to reduce, requiring collaboration with suppliers and others to tackle industry-wide challenges.

We are engaging with suppliers on carbon emissions through our procurement processes (page 27), research and development (page 9 and 10) and through our membership of the Supply Chain Sustainability School (SCSS), (page 27). We are part of the SCSS Carbon Group which is collecting energy and carbon data from 400 construction suppliers.

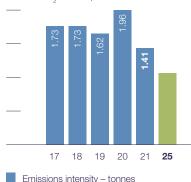
Read more: Materials with lower embodied carbon, page 24.

Read more: Green buildings and reducing customer energy use and carbon emissions, page 8.

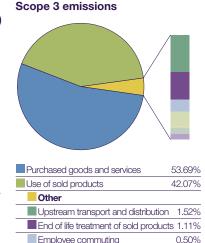
Read more: Climate change adaptation and mitigation, page 12.

#### Greenhouse gas emissions intensity (scope 1 and 2 emissions)





Emissions intensity – tonnes CO<sub>a</sub>e/100sgm completed homes 2025 target



Employee commuting

Business travel

Waste generated in operations

Fuel and energy related activities

Downstream leased assets



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#### **Nature**

We are creating more space for nature on our sites, aiming to play our part in addressing the UK's biodiversity crisis. We take a holistic approach starting with site design and layout, and encompassing use of green infrastructure, habitat improvements, wildlife enhancements and wildlife friendly planting.

Partnerships: We are partnering with nature organisations to help develop our approach including Hedgehog Street, a campaign by the British Hedgehog Preservation Society and People's Trust for Endangered Species, and Buglife – The Invertebrate Conservation Trust.

Biodiversity net gain: We have been developing our metrics to enable us to assess net gain on our sites and have established an internal working group with representatives from strategic land, planning, sustainability and technical functions. We are developing practical guidance for our regional businesses and land teams to support them to manage the risks, costs and opportunities associated with net gain. This will be launched in 2022.

Some of our sites are already integrating a biodiversity net gain approach. For example, our 105 unit site in Cullompton near Exeter is expected to achieve a 12% biodiversity gain from on-site habitat.

Wildlife enhancements: Wildlife enhancements can play an important role in supporting native species. We aim to integrate enhancements on all suitable new sites and have started with hedgehog highways, bee bricks and bug hotels. We developed technical guidance for our regional businesses on hedgehog highways, with input and review by Hedgehog Street. Our guidance on installation of bug hotels and bee bricks included input and review by Buglife. To date we have installed hedgehog highways on more than 100 sites. We have also worked with our brick supplier Ibstock on development of their first range of bee bricks and have trialled them at one of our sites.

We're supporting Buglife's B-Lines project, an initiative to create 'insect pathways' of pollinator-friendly habitat through the UK's countryside and towns. We're mapping our sites to see which ones fall on a B-Line and we've started testing a more pollinator friendly approach to planting.

#### Reducing ecological impacts:

We conduct an ecological impact assessment for all sites, that identifies protected species or habitats. We use ecologists' reports to identify measures needed and these recommendations are embedded into the Site Specific Environmental Action Plan, part of our Environmental Management System.

Our LEADR system also assesses biodiversity risks, such as proximity to sites of particular importance for biodiveristy or protected areas, see page 11.

Our Home for Nature Toolkit includes practical ideas, costs and guidance to help our teams implement appropriate biodiversity enhancement measures. We updated it in 2021 with further information on nature friendly planting and how to provide forage for native species. Our Guide to Green Infrastructure incorporates recommendations from the Wildlife Trust and helps our teams to use green infrastructure (such as sustainable drainage and green spaces) to benefit biodiversity, create a strong sense of place, support water management and reduce flood risk.

**Engaging customers and** communities on nature: We want to engage and involve our customers in our work on nature and encourage them to adopt nature friendly gardening practices. This can help to significantly expand space for nature on completed developments. We have added information for customers on our websites, developed a range of communications materials that business units can use to engage customers and local communities in nature-based activities, and are developing free 'nature packs' that customers can use in their own gardens. We have also run training sessions for our sales and marketing

teams to help them talk to customers about nature on our sites. One of our sites in the West Midlands is installing a nature friendly show home garden to show customers what can be done.

In some locations we are installing beehives, and have found this to be a good way to get customers and colleagues thinking about nature and the importance of pollinators. Three business units have installed bee hives so far.

## 100 sites

installed a hedgehog highway in 2021





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#### **Resource efficiency**

We are working in our business and with suppliers and peers to reduce waste and increase our use of recycled materials and those with lower embodied carbon. Improving water use efficiency and deepening our understanding of air quality impacts are also priorities.

## Waste reduction, reuse and recycling

We generated 89,204 tonnes of waste in 2021 (2020: 80,011) and waste intensity reduced to 6.52 tonnes of waste per 100 sqm of build (2020: 8.71). The increase in waste volumes reflects the increase in completions compared with 2020, while the reduction in waste intensity reflects our work to improve waste management on site.

We have reduced waste intensity by 13% against our 2019 baseline, on track to meet our target of 15% reduction by 2025.

97% of our construction waste is recycled and our goal is to maintain or increase this year on year.

Process changes: We have reduced off-cuts by specifying timber and plaster board sizes to suit our configurations, while increased use of modular components constructed off site is also reducing waste. We worked with a supplier to develop a reusable alternative to temporary decking and joists (used to prevent accidents by covering stairwell holes during construction). This is now being rolled out and will save over 3.000 tonnes of timber and avoid up to 1,000 tonnes of CO2 over the next five years. We have also tested an automated machine learning platform for tracking material deliveries and waste removals at one of our sites.

**Paint can recycling:** During 2021, over 45,000 paint pots were returned for reuse or recycling from our sites, reducing waste to landfill (2020: 19,445).

Pallets: We use a pallet repatriation service through which 65,352 pallets were picked up from our sites in 2021 (2020: 71,916). This represents around 1,176 tonnes of wood (2020: 1,300). 53% of these pallets are suitable and sent for, reuse (2020: 53%).

Community wood recycling: We partner with Community Wood Recycling, a network of social enterprises. In 2021, this resulted in 2,680 tonnes of wood from our sites being reused (25%), recycled (61%) or processed into firewood (14%). As well as avoiding waste, this saved 1,335 tonnes of CO<sub>2</sub> and supported paid jobs for 29 people.

Plastic packaging: This is a major source of waste on our sites. We partnered with Valpac, Reconomy, Barratt Developments, Bellway, Zero Waste Scotland and the Supply Chain Sustainability School to better understand packaging waste streams and work with suppliers to achieve reductions. We are engaging with central suppliers on single-use plastic in packaging during the procurement process. We will use the information gained through this exercise to identify reduction opportunities.

**excavation waste:** We often reuse appropriate excavation waste and crushed bricks and blocks on our sites. For example, at our Stourport

Reusing demolition and

sites. For example, at our Stourport site in the West Midlands we have used crushed concrete for road bases and pipe bedding on site.

#### Embedding resource efficiency:

We engage our teams on waste reduction through: our Waste Dos and Don'ts guide and induction process for site teams; a waste league table for our regional businesses; and 15% of the potential bonus for Site Managers is linked to performance on waste reduction. Waste is one of the KPIs included in our performance dashboard for business unit management teams.

Each regional business has a Resource Management Plan with waste reduction and resource efficiency targets. They receive a resource report quarterly, which includes a user-friendly infographic grading performance on energy, water and waste. This enables them to compare their progress with other business units.

### Materials use and embodied carbon

The materials we purchase have a significant environmental impact from extraction and processing, to

manufacturing and transport.
Reducing embodied carbon is a big challenge but must be a high priority for our sector if we are to reach the UK's carbon reduction targets.

For a number of years we have used input output (IO) analysis on the materials and services we procure to model and estimate embodied carbon. This has enabled us to identify where our most significant hot spots lie and the best opportunities to reduce these. However, there are limitations to the IO approach which is dependent on assumptions within the model used.

To make progress on the accurate measurement needed to record reductions in embodied carbon against our target, we have explored using environmental product declarations (EPDs) to help us assess and reduce the environmental footprint of the purchased goods and materials we use to build our homes. However, this approach is challenging because not all products and suppliers currently have EPDs. As a result, during 2022 we will extend our efforts towards better quantification of embodied carbon both for homes and developments.

97%

construction waste recycled in 2021

45,000

paint pots returned for reuse or recycling in 2021





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#### Improving soil and earthworks management on our sites

how we manage earthworks on

training to our technical and

our largest groundworks contractors,

Recycled and lower carbon materials: We already source many materials with recycled content and lower embodied carbon and energy. Examples include:

- Timber frame can have a significantly lower carbon footprint than traditional 'brick and block' building techniques due to the materials and use of off-site construction techniques. We are currently at 18.5% of completions from timber frame and aim to reach 20% and increase consistency of use across our regions.
- Our glass mineral wool insulation, supplied by Knauf Insulation, is made from recycled glass through Knauf's partnership with waste management company Veolia. The equivalent of around nine million wine bottles were used to create the insulation for our homes in 2021.
- Recycled uPVC makes up over 60% of the material used in our window frames and cavity closers supplied by Eurocell, our main window frame supplier that supplied around half our window frames in 2021.
- Use of recycled aggregates and recycled bricks and blocks on several of our sites supplied by Sheehan.
- Our kitchens supplied by Symphony (around 80% of our total) include interior cabinets made from at least 50% recycled chipboard and some ranges include doors made from 100% recycled board. All timber used is FSC certified.

#### Air quality

Air quality on our construction sites and in finished homes can impact customer health and wellbeing. We conducted research with Building Research Establishment (BRE) in 2021 to increase our understanding of the factors that influence internal air quality. This highlighted the importance of correct installation and use of ventilation systems and extractor fans and engaging with subcontractors on our standards. We added guidance for customers on how to maintain good air quality at home to our home manual and maintenance guide.

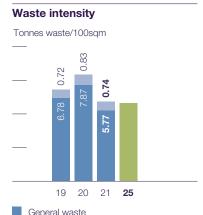
#### Water efficiency

Many parts of the UK are already experiencing water stress and this will increase with climate change. We aim to reduce water use in our operations and we integrate measures to protect water quality during construction and to manage surface water and reduce flood risk on our completed developments. We also help customers to use water efficiently, see page 8.

We used 32.1 m<sup>3</sup> of metered mains water per 100 sam of build during 2021 (2020: 49.4 m<sup>3</sup>).

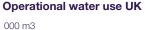
We published our Water Policy in 2021 committing to reduce water use and protect water environments and received a B rating from CDP Water Security (2020: B).

We are working with local authorities in some areas to address challenges associated with nutrient and water neutrality issues.





Notes to chart: Data is for UK only. We have improved our waste data collection processes and are now capturing data for some construction waste not previously included in our reporting. Our data now also includes hazardous waste. As a result we have restated our waste data for the last three years.





- Consumption of metered mains water
- Consumption of metered mains water per 100sqm of completed build (m3/100sgm)

Notes to chart: Operational water use includes water used on building sites, in sales areas, show homes, plots before sale, offices and our logistics business. Data is for UK and metered water only. A water footprint method statement summary can be found on our website.





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#### **Environmental management** system

Our Health, Safety and Environmental Management System (EMS) covers all site activities and helps us to keep noise, dust and disturbance to a minimum, to prevent pollution incidents and to protect biodiversity. It requires all operational sites to carry out mandatory environmental checks and to have a Site Specific Environmental Action Plan (SSEAP). Site management teams are trained on our EMS. The health and safety elements are described on page 18.

Our environmental management approach is subject to regular review and auditing. This includes:

- Annual internal audit of our EMS by our regional Health, Safety and Environment (HSE) Advisers.
- LEADR our digital platform for assessing and managing sustainability and technical risks associated with land. It includes a pre-acquisition screening and risk assessment process for potential new sites. Any risks identified must be managed and mitigated through the SSEAP.

- A review of environmental checks and SSEAP during monthly site visits by local management team directors, including unannounced spot checks.
- Independent, unannounced HSE audits at every operational site at least once a month by our external site HSE advisers.
- A quarterly environmental checklist for production teams which is reviewed by the technical team to ensure action is taken to address any identified issues.

Employees, contractors and site operatives can use our Environmental Advice Line to get advice or, in the case of an incident, obtain specialist environmental support immediately.

We support the principles of the Considerate Constructors Scheme (CCS) and over 1.000 of our sites have registered with the CCS since the scheme began in 1997.

We will publish an updated Environment Policy in 2022, covering climate change, biodiversity, waste, water and timber sourcing.

Compliance with environmental regulation is covered on page 37.

#### **Sustainability Sponsors and**

**Champions:** We have a Sustainability Champion in each of our regional businesses. They help us engage colleagues on resource efficiency and monitor progress at the local level. They use our resource portal to track performance, assess the costs of resource use and waste disposal and compare progress with other parts of the business.

In 2021, we appointed a Sustainability Sponsor in each regional business. The Sponsors are members of the local Management Team and will help to drive progress on our targets.

#### Training and engagement: We ran a series of masterclass training

sessions for colleagues during 2021 including functional specific sessions. These covered a wide range of topics including biodiversity net gain, hedgehog highways and bug hotels, sustainability and planning, home energy efficiency and nature for customers. Further sessions are planned for 2022.

#### Environmental **Innovation Grants**

Our Environmental Innovation to improve our environmental study of waste produced on a single reduction; and a new partnership with

#### **Progress against targets**

#### Target **Progress** Achieved?

Achieve our science-based carbon reduction target; reduce operational carbon emissions intensity by 36% by 2025: reduce carbon emissions intensity from our supply chain and customer homes by 24% by 2030

Our operational emissions intensity (scope 1 and 2), decreased by 13% against our 2019 baseline, meaning we are on track to our target. We are developing our methodology and expect to report progress on carbon emissions reduction from our supply chain and customer homes from 2022.



Increase natural habitats by 10% on new sites from 2023 and include our priority wildlife enhancements from 2021

We are developing our biodiversity net gain measurement approach for launch in 2023. We began the roll out of wildlife enhancements on our sites starting with hedgehog highways and bee bricks and bug hotels.



Cut our waste intensity by 15% by 2025 and use more recycled materials. By 2022, publish a 'towards zero waste' strategy for our sites

We have reduced waste intensity by 13% since 2019. We will publish our toward zero waste strategy during 2022. We are reviewing opportunities to expand our use of recycled materials and measure progress.









Not achieved

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## Responsible sourcing

Suppliers and subcontractors play a vital role in our business, providing the materials and products we use to build our homes and many of the operatives who work on our sites.

We expect suppliers to meet high standards and to work with us to achieve our targets for quality, safety and the environment. Materials shortages during 2021 have created challenges for our sourcing teams but have not impacted our commitment to sustainable sourcing.

We have been recognised by the CDP as a Supplier Engagement Leader and received a Supplier Engagement score of A for our approach to engaging suppliers on climate change.

#### Targets for 2022+

- Set improvement targets in relation to embodied carbon and waste for key

#### Supply chain standards

Our Supply Chain Policy explains our supplier standards for safety, quality, ethics, human rights and the environment. Our Supplier Code of Conduct requires suppliers to respect workers' human rights and prohibits all forms of modern slavery. It is embedded into our Framework Agreements (contracts) with Group suppliers (those managed by our Group procurement team).

Group suppliers are required to confirm compliance with our standards via our digital tender system, including in relation to employment standards, modern slavery and the real living wage. Further requirements on climate change, waste, packaging, nature, water and air quality will be added during 2022.

In 2021, we asked Group suppliers to complete a questionnaire covering policies, processes and performance on modern slavery, climate change, product embodied carbon, waste, packaging, environmental management systems and governance. The responses will help us identify gaps, establish a baseline and work with suppliers to improve performance. During 2022, we will begin setting improvement targets for categories of suppliers in areas such as embodied carbon and waste as part of our work to prepare for the Future Homes Standard and to reduce our scope 3 carbon footprint.

Our national partner suppliers who provide strategically important products and materials such as bricks, doors, sanitaryware and kitchens now have quarterly review meetings, which cover issues relating to H&S, sustainability and quality.

Our Sustainable Procurement Working Group develops our approach to engaging suppliers on sustainability issues with representatives from our procurement and sustainability teams.

We are an accredited Living Wage Employer which covers people working for us via a subcontractor or supplier service company. See page 29.

#### **Training and engagement**

We use the Supply Chain Sustainability School (SCSS), an industry collaboration, to help engage our suppliers on sustainability.

Through the SCSS, suppliers can complete a sustainability selfassessment, create an action plan and use free resources to address gaps in their approach. 40 of our suppliers re-assessed themselves during 2021, achieving an average 18% improvement in their score. Suppliers also used the online resources over 8,200 times during 2021 covering topics such as waste, modern slavery, sustainable materials, biodiversity, supplier diversity, and wellbeing. They attended over 335 hours of CPD virtual training.

See page 14 for supplier quality training and page 19 for information on suppliers and safety.



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#### **Human rights and** modern slavery

We respect the human rights of our employees, workers in our supply chain, customers, people in the communities in which we operate and others affected by our business activities. We are guided in our approach by international standards such as the United Nations' Universal Declaration of Human Rights and the European Convention on Human Rights. We respect the rights of our employees and those working on our behalf, including the rights to freedom of assembly and association, and non-discrimination.

Our work on issues such as health, safety, diversity and the environment supports our commitment to uphold human rights.

We do not tolerate any form of slavery, forced labour, child labour or human trafficking in our business or supply chain. We have established our Modern Slavery Act multidisciplinary working party, to oversee our approach to due diligence and our work with suppliers to reduce modern slavery risks.

More information is available in our Modern Slavery Act Statement. www.taylorwimpey.co.uk/corporate /sustainability/modern-slavery-act

#### Responsible timber sourcing

We use a lot of timber in our developments and want to make sure it comes from sustainably managed forests and that our sourcing does not contribute to deforestation.

We require all suppliers to provide timber from legally logged sources in line with our Supply Chain Policy and the EU Timber Regulation. Our tender documents and trade specifications state that we require all suppliers to supply timber from responsibly managed forests certified by recognised schemes such as the Forest Stewardship Council (FSC) and Programme for the Endorsement of Forest Certification (PEFC).

We survey suppliers to identify supply chain risks. We require any companies sourcing from higher risk countries to carry out due diligence to ensure timber meets our standards.

Around 98% of timber supplied by Group suppliers is FSC or PEFC certified. We have followed up with the suppliers for the remaining 2%. and established that in the majority of cases the products contain a mixture of wood from both the PEFC and FSC certification schemes. This means they do not meet the thresholds needed to achieve certification to either scheme.

We recognise the importance of transparency and participate in CDP Forests, the investor-led disclosure initiative. We scored B- in 2021 (2020: B).

#### **Prompt payment**

We are committed to treating suppliers fairly and paying on time. Our standard payment terms for suppliers and contractors are to pay by the end of the following month after receipt of invoice. The payment terms for contractors are 37 days. We have self-billing arrangements in place for subcontractors which automate and speed up the invoicing and payment process. This can be particularly important for small firms working with us.

#### Small and local suppliers

We work with many small and medium sized (SME) businesses who provide labour, trades and services to our construction sites. Many of our partners are local and family-run businesses and working with them supports the local economy around our sites.

We hold regular subcontractor engagement sessions in our regional businesses to help local SMEs do business with us. 'Meet the Buyer' events enable local SME businesses to meet our commercial team and learn how to apply through our tender processes.

We provide advice and help to small and medium sized businesses including: support with training; a review of their health, safety and environment management; and help with the site-specific procedures that they need to prepare in order to work with us.

During 2022, we will be working with local suppliers to help them prepare for forthcoming regulatory changes to Building Regulations and the Future Homes Standard. This will include running a Supply Chain Day with our technical team and helping smaller subcontractors to access the training they need to prepare for the changes. During the COVID-19 pandemic we have supported subcontractors in a number of ways, including:

- The 'Taylor Wimpey Pay it Forward Scheme', providing advance payments for self-employed subcontractors during the first lockdown
- Access to our employee helpline so subcontractors could get support and guidance on topics including finances, budgeting, stress and anxiety
- Use of our mental health and wellbeing app and access to a range of wellbeing activities and webinars
- Access to trade masterclasses and production best in class sessions on topics such as brickwork, plasterboard finishing, door installation, roofing, and condensation control

#### **Progress against targets**

Target	Progress	Achieved?
Roll-out our sustainability questions to national partner suppliers	We rolled out the questionnaire to group suppliers during 2021 and will be reviewing the results in early 2022.	
Launch new digital tender system for Group suppliers and integrate sustainability compliance into the tender process	Group suppliers are required to confirm compliance with our standards via our digital tender system, including in relation to employment standards, modern slavery and the real living wage. Further requirements on climate change and waste will be added during 2022.	-
Increase the proportion of homes built using timber frame to 20%	We are currently at 18.5% and aim to increase consistency of use across our regions.	•







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## People and skills

We want to be known as an employer of choice in our sector and beyond, recruiting a diverse workforce and offering industry-leading development opportunities.

Addressing the skills shortage in our sector is essential to enable us to meet growing demand for quality, sustainable new homes and changing regulatory requirements.

#### Targets for 2022+

- Benchmark our policies and practices against the Stonewall Diversity Benchmark
- Extend our respectful workplace training to site management teams in nine more regional businesses to ensure every site provides an inclusive work environment
- Review and update our Paternity Policy

#### **Culture and values**

We aim to create a strong, positive work culture at Taylor Wimpey, guided by our vision and values. All employees are appraised against our values as part of our performance review process.

Code of Conduct: Our employee Code of Conduct sets out the high standards of integrity and conduct we expect. It summarises the key policies and procedures that everyone should be familiar with and has been distributed to all employees.

**Induction process:** Our induction process 'Laying the Foundations', includes pre-start material to engage new employees and help them quickly become familiar with how we work. It includes content on our commitment to customers and how we operate as a listed company, as well as topics such as diversity and inclusion, modern slavery, and privacy and data security.

#### Awards, accreditations and memberships

Living Wage: In 2021, we became an accredited Living Wage Employer. meaning that all our directly employed staff and all those working for us via a subcontractor or service company are paid at least the real living wage, as set by the Living Wage Foundation.

**Memberships:** We are members of the Employers Network for Equality and Inclusion, which promotes equality and inclusion in the workplace. We have signed the Social Mobility Pledge, an initiative by former MP Justine Greening, signalling our commitment to boost opportunity and social mobility.

We have signed up to the UK Government's Disability Confident scheme, are a Stonewall LGBTQ+ Diversity Champion and are working towards becoming a Menopause Friendly accredited Company with Henpicked.

**Recognition**: We were recently recognised as a best practice leader (one of the top 20 out of 388 European companies) in the European Women on Boards Gender Diversity Index and are in the top 10 best performers in the FTSE Women Leaders Review for gender diversity on Boards in FTSE 350 firms. We ranked 238 out of 15,000 companies in the Financial Times most inclusive companies in Europe survey.

We have a gold award from the Defence Employer Recognition Scheme and promote jobs with Taylor Wimpey to veterans via the Careers Transition Partnership Platform.

#### Workforce and employee turnover

During 2021, we directly employed, on average, 5,271 people across the UK (2020: 5,948) and provided opportunities for a further 11.100 operatives on our sites (2020: 12,300).

Our voluntary employee turnover was 19% (2020: 9.4%). We aim to keep this below 15%. We believe the increase reflects catch-up from a lower than normal turnover rate in 2020 as a result of the pandemic.

#### Skills and development

Building the skills of our current and future workforce is essential to address the skills shortage in our industry. With the introduction of the Future Homes Standard and other regulatory and technical changes, the types of skills we need are changing. For example, when all electric homes are introduced from 2025 we may need significantly more people qualified to install air source heat pumps but fewer gas engineers. We are working in our business, and with our peers, subcontractors, suppliers, industry associations and educational organisations to help address this.





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#### Building the skills pipeline

Entry level roles: We offer a range of entry-level roles to encourage people into our business. Entry level positions make up around 9% of our total workforce (2020: 14%). These include:

- Trade apprenticeships three to five-year placements for bricklayers, carpenters, painters, roofers, scaffolders and joiners
- Management trainees three year development programme to become a Site Manager, Quantity Surveyor, Buyer, Design and Planning Executive, or Engineer and gain professional qualifications
- Graduates placements, formal training, special projects and coaching over two to three years to develop our future managers and leaders

**Enhancing early career development:** To support our school leavers, our Early in Career programme focuses on development in presence and impact, negotiation skills, giving and receiving feedback and working with others. Our graduates participate in our Future Leaders programme developing skills in collaboration, innovation, project management, stakeholder management, emotional intelligence, time management, networking, problem solving and communication.

Educational links: We support our regional businesses to develop local links with colleges, universities and schools and encourage a diverse

range of candidates to consider careers in housebuilding. This includes attending careers fairs, offering work placements, giving talks and lectures and working with careers advisers. For example, in 2021 we partnered with Birmingham University to enable students on their Built Environment course to study one of our sites. Students met with Taylor Wimpey team members, including one of our regional managing directors, to learn about the housebuilding process and the real world challenges and opportunities.

**Direct hiring:** We are increasing the number of experienced tradespeople that we hire directly, focusing on key trades: bricklayers, carpenters, roofers, painters, scaffolders and joiners.

#### Learning and training

Our training focuses on: management and leadership: personal development skills (such as presentation. communication, negotiation and time management); and technical knowledge and capabilities.

Our technical academies cover production, sales and customer service, providing structured career and skills development, and enabling employees to gain a formal qualification. Over 1,700 employees have enrolled on or completed academy courses. In 2021, we ran two on-site apprentice training academies.

Our online training offer includes:

- Best-in-class: how-to videos for each function on technical and operational subjects
- Masterclasses: one hour sessions and discussions led by colleagues or external experts on business and technical subjects
- Spotlight: invitation only masterclasses for senior colleagues led by internal experts

Over 3,000 employees attended a masterclass and over 4.000 viewed a best in class session during 2021.

We assess the impact of our training and development using metrics such as employee productivity and retention, build quality scores, customer satisfaction scores and sales figures. An Academy Board meets quarterly to review our academies, and how they are impacting business performance.

#### Performance appraisal and development

We've updated our performance review process in response to feedback from our employee survey. Shorter term performance objectives are now set and reviewed multiple times throughout the year using a more efficient and straightforward process. This ensures performance reviews are relevant and meaningful, encourages more regular dialogue between colleagues and line managers, and supports ongoing performance improvements. Line managers are being trained on the new approach. As a minimum, every employee has their objectives set at the

start of the year, a mid-year review, and an annual appraisal but in many cases reviews are more frequent.

All new Directors and Managing Directors receive a 360 appraisal around 55 people per year.

#### Diversity and inclusion (D&I)

We want to create a truly inclusive workplace and for our workforce to reflect the diversity of the communities in which we operate. This is the right thing to do and brings business benefits including access to a wider talent pool, better alignment with our customer base and enhanced creativity and innovation.

Historically, the housebuilding sector has attracted fewer women and people from ethnic minorities. This is changing but more work is needed before our business and sector is fully reflective of the UK's diversity.

We focus on three key areas:

- 21st Century Leadership: Ensuring that our line managers understand their role and responsibility in developing a more diverse and inclusive culture.
- **Employer of Choice:** Ensuring that our working environment, polices. procedures and development and progression opportunities support greater diversity and inclusivity.
- **Expanding our Reach:** Developing broader recruitment channels and taking positive action to expand the diversity of candidates we attract.

#### Supporting successors to **Managing Director roles**

We ran our first Development Centre for potential regional Managing Directors in 2021. This gave potential candidates an opportunity to learn about the role of Managing Director in more detail including some of the technical elements and to get feedback to support their development and progression to the role. The Centre was developed following feedback from previous Managing Directors and candidates.

Our Diversity and Inclusion (D&I) Committee is chaired by a member of our GMT and Head of HR. Each regional business has a D&I Champion and a D&I action plan. We are setting quantitative targets to help speed up progress.

We were pleased at the results of our latest employee survey which showed that:

95%

of employees believe that Taylor Wimpey offers opportunities for employees from all backgrounds to progress

96%

of employees feel that they can be their authentic self at work



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#### Our policies

We are fully committed to equality of opportunity in all our employment practices and have a zero-tolerance approach to discrimination or harassment of any kind including on the grounds of age, disability, gender, gender reassignment, marital status, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

We published our updated Equality, Diversity and Inclusion Policy, Maternity and Adoption Leave Policy, and first Menopause Policy during 2021.

Our Maternity and Adoption Leave Policy includes a phased return to work after maternity and adoption leave. Our female leaders now receive 1-2-1 coaching before, during and after parental leave to help ensure a smooth process and return to work. Quarterly group coaching sessions will be available to all employees taking or returning from parental leave. Our next step is to review our Paternity Policy and to monitor the impact of our policy changes through our employee surveys.

#### Training and coaching

All new employees are required to complete our Diversity and Inclusion e-learning which is mandatory for all new and existing colleagues. Our senior leaders previously completed mandatory unconscious bias training and we have introduced mandatory and targeted diversity training for hiring managers at all levels. We run regular diversity awareness events for employees and managers on subjects

such as race, gender, sexuality and disability throughout the year.

**Leadership training:** In 2021, we increased the inclusion training and support offered to our Managing Directors (MDs), business unit management teams and middle management. This included an inclusive leadership coaching programme for MDs and an inclusion workshop for regional directors, focusing on attracting, selecting and retaining diverse candidates. In 2022, we will be running an inclusive leadership coaching programme for MDs.

Inclusive construction sites: We expect all construction sites to be inclusive and welcoming and to apply our zero-tolerance approach to bullying, harassment, inappropriate comments and behaviours. In 2021, we trialled a Respectful Workplace training and culture change programme for site management teams at two regional businesses. This includes a webinar for MDs, visual signage and information for use around sites, respectful workplace training and talks for employees and sub-contractors, an updated site induction and a review of site facilities. It will be expanded to nine more regional businesses in 2022.

**Reverse mentoring:** We ran reverse mentoring for 10 senior leaders in 2021 who were partnered with colleagues who are black. Asian or from another ethnic minority and/or LGBTQ+. The programme aims to raise awareness among senior

management of the challenges faced by people from other backgrounds, whilst providing under-represented employees with access to the insights and experiences of senior leaders. Feedback suggests it is having an impact with all participants strongly agreeing that they had benefited.

#### **Recruitment and retention**

**Inclusive hiring practices:** We provide diversity training for hiring managers and review our job adverts, careers site and candidate communication to ensure they are inclusive. We track candidate ethnicity, gender and age.

Recruitment partners: To reach a diverse range of candidates we work with workingmums.co.uk, Sponsors for Educational Opportunity London and Black Professionals in Construction. With the Leonard Cheshire Change 100 programme, we provide work experience for talented undergraduates with a disability. We focus our direct university recruitment advertising on institutions with a higher proportion of students who are Black, Asian or from another ethnic minority.

Flexible and agile working: We encourage flexible working arrangements which can help us recruit and retain talented employees, as well as benefiting employee engagement and wellbeing. We have remote and agile working principles and guidance, have trained line managers to support colleagues working from home and provided financial support for employees to set up their home office. During 2022,

we will be exploring how we can increase flexibility for on-site roles including Site Manager positions.

#### Engagement

Conferences: Regular D&I conferences and events engage employees and leaders on the importance of diversity. We show our support for external campaigns and in 2021 we celebrated International Women's Day, LGBTQ+ Pride, National Inclusion Week, Black History Month and Men's Health Month and International Men's Dav.

Employee resource groups: We support colleagues to form employee resource groups where they can share experiences, support each other, and help to create a fully inclusive workplace. Our current networks include a Working Parents Network, Embracing the Change Menopause Network, Proud2B LGBTQ+ Network, and Race and Ethnicity Network, Each of these networks is sponsored by a member of our GMT.

#### Performance in 2021

Overall we have a gender mix of 68% male and 32% female across the Company, 36% women on our GMT and 50% women on our plc Board. This reflects our progress at retaining and progressing female talent.

While we are nearing gender balance at Board and GMT level, we have more work to do in our regional business management teams. Women made up 24% of these roles in 2021, an increase from 18% the previous year.

#### Tackling taboo around the menopause

Most women will go through the menopause during their working life and symptoms can affect their wellbeing and time at work. Yet in the past many women have not felt comfortable talking about the menopause in the workplace.

Our new Menopause Policy provides quidance and support for our employees on an important topic that will affect most employees either directly or indirectly. Our policy provides guidance for managers and employees on the impact that menopause can have at work and the proactive steps that we are committed to, to ensure every employee is supported to perform at their best at work. To enhance the policy we have also produced an easy to read Professional Woman's Guide to the Menopause, with information and advice for colleagues.

Our new Menopause Network aims to raise awareness and support colleagues who are going through the menopause or who want to find out more about this topic. It is running monthly menopause awareness sessions for employees with a not-for-profit organisation called MenoHealth. The network is sponsored by a member of our GMT, and is open to all employees. Around 25% of attendees at the launch session were men, who wanted to be able to better support their partners and colleagues.



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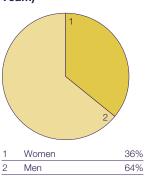
We are pleased to report that we hold 92% volunteered workforce diversity data on our HR system. In 2021, this shows that 5% of our employees are from a Black. Asian or other minority ethnic background which is an increase from 4% in 2020. We recognise that further work is needed in this area.

We have seen an increase in diversity in our early entry schemes and regional leadership. In 2021, our Management Trainee scheme included 26% women and 11% people who are Black, Asian or another ethnic minority (2020: 20%, 6%). For our Graduate programme the figures were 57% female and 23% people who are Black, Asian or another ethnic minority (2020: 57%, 6%).

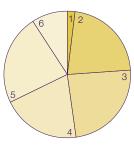
We continue to try and improve our workforce data to enable us to monitor LGBTQ+ inclusion. This relies on self-declaration by employees and as a result of our efforts to increase awareness and support on this topic, we have seen a 1% increase in employees reporting their sexuality. In 2021 1.4% of employees identified on our HR system as LGBTQ+.

Our 2022 Gender Pay Gap Report showed a mean gender pay gap of -6% and a median pay gap of -5%, meaning that females received more pay than males at our snapshot date of 5 April 2021, though the data was impacted by employees on furlough. Our mean bonus pay gap was -47%. Our median bonus pay gap was 65%.

#### Gender balance in executive leadership (Group Management Team)



#### Age diversity in our workforce



1	<20	2%
2	20-29	22%
3	30-39	24%
4	40-49	20%
5	50-59	23%
6	60+	9%

#### Gender balance in our workforce



#### Health and wellbeing

We support colleagues to maintain good mental, physical, social and financial health. Our Health and Wellbeing Committee coordinates our efforts supported by a Health and Wellbeing Champion in every regional business.

Wellbeing Policy: Our Policy, published in 2021, sets out our commitment to create a workplace where health and wellbeing concerns are addressed in an open and supportive way. It details key commitments, the role of line managers and the tools and options available to support wellbeing.

We were pleased that 93% of our employees in our latest survey agreed that they know how to access support for mental health and wellbeing at work.

Healthcare benefits: Our core benefits package includes healthcare for all employees, through private medical insurance or health cash plans. All office-based employees are entitled to regular health assessments after completing two year's service. Our Employee Assistance Programme (EAP) offers counselling, financial advice and a support line. All colleagues can use our virtual GP offer to get an appointment with a GP to discuss any health concerns, obtain advice and treatment such as medical prescriptions.

Addressing mental health in construction: Mental health is a significant concern for the construction industry. We have provided mental health training to line managers which aims to tackle stigma and empower people to get help if they need it. We have over 150 Mental Health First Aiders who support managers and employees when mental health issues arise. These First Aiders commenced refresher training in 2021 and we have introduced quarterly meetings to gain feedback, build our understanding of employee mental health concerns and further support First Aiders in their role. We use the Thrive mental health app, approved by the NHS, which provides tools to manage and improve mental

wellbeing. We are a signatory to the Building Mental Health Charter.

#### Support in the pandemic:

Supporting wellbeing has been important during the pandemic. We have offered a range of support including online events and activities and wellbeing webinars for site teams on issues such as stress and managing mental health. Wellbeing Champions completed refresher training covering topics such as health promotion, stress, resilience, and positive psychology to help them implement local wellbeing plans.

#### Supporting physical and financial

**health:** Regular events and classes encourage employees to look after their physical health, such as our Spring Get Moving challenges, and drop in Yoga, Pilates and HIIT sessions. Our annual Taylor Wimpey Challenge involves a variety of physical team building activities, see page 34.

We have a range of options to support everyone's financial wellbeing, to assist employees to be more confident with their money, and to gain skills and capability to manage their finances well. Optional benefits include discounted shopping, access to retail offers and a new salary sacrifice car scheme enabling employees to access energy efficient vehicles for them and their families. We also run regular employee sessions on pensions, benefits and webinars on managing money and budgeting.



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#### **Employee engagement**

#### Regular employee surveys

Our full employee survey in 2021 captured views from 66% of employees. It showed an overall engagement score of 91% with 95% of employees being proud to work for Taylor Wimpey. Higher scoring areas included health and safety, diversity and inclusion, and our vision and strategy.

The survey also showed that colleagues think we can do more to ensure that employee views are heard across the business consistently, to develop our line managers to support their teams, to provide clarity on career opportunities, to benchmark pay and reward, and to report back on actions taken following the survey. The results of the survey were reviewed by the Board, our GMT, heads of function and regional leadership teams.

We also use pulse surveys during the year to check progress on specific topics and assess the impact of new policies and programmes.

#### **Employee forums**

We have a National Employee Forum (NEF) and Local Employee Forums (LEF) in our regional businesses to enhance communication between employees and our leadership and ensure that employee views on matters affecting the business are heard and represented.

We now have an LEF for every regional business as well as for our

strategic land division, head office and logistics business. Each LEF includes elected employees, with each key function represented, as well as members of the local leadership. LEFs meet at least twice a year and feedback from the sessions is reviewed by regional and Group management, and informs the agenda for our NEF meetings where appropriate. Our NEF has 15 members with representatives drawn from our LEFs. Meetings are attended by members of our GMT. The NEF met four times in 2021 and discussed issues including our environmental strategy, supply chain management, employee survey results and our family friendly policies including maternity, paternity and wellbeing.

The Board has an appointed Employee Champion to strengthen the Board's engagement with employees and champion the 'employee voice' in the boardroom. The appointed Employee Champion, Gwyn Burr, attends NEF meetings and feeds back to the Board. When Gwyn steps down from the Board in 2022, Robert Noel, our Senior Independent Director will become the Board's Employee Champion. In 2022, in addition to attending the NEF meetings, the Employee Champion will meet with small groups of junior to mid-level employees in each Division, to gather feedback directly from employees in an informal setting. These meetings will be called Employee Focus Groups.

#### **Progress against targets**

Target	Progress					
Launch our updated Equality, Diversity and Inclusion Policy, Maternity, Paternity and Adoption Leave Policy, and first Menopause Policy	We launched our updated Equality, Diversity and Inclusion Policy, Maternity and Adoption Leave Policy, and first Menopause Policy during 2021, and made a policy summary available to all employees explaining the changes.					
Introduce reverse mentoring with LGBTQ+ colleagues	We ran reverse mentoring for 10 senior leaders in 2021 who were partnered with colleagues who are Black, Asian or from another ethnic minority and/or who identify as LGBTQ+.	$\vee$				
Launch our updated Wellbeing Policy	We launched our Wellbeing Policy, which sets out our commitment and the support we offer to create a workplace where health and wellbeing concerns are addressed in an open and supportive way.	$\bigcirc$				
Roll-out respectful workplace training to site management teams to ensure every site provides an inclusive work environment	We trialled our training in two business units and received positive feedback from colleagues. We will extend the training to nine further business units in 2022.					







#### Labour relations

The Construction Industry Joint Council (CIJC) Working Rule Agreement is an industry-wide collective agreement between employer and trade union representatives. It governs the pay rates of operatives on our sites as well as factors such as fare and travel allowances, holidays and sick pay. Pay rates are above the voluntary living wage. Around 35% of direct employees are also covered by the agreement.

#### Raising concerns

We encourage employees to share any concerns, breaches of our policies or suspected cases of unethical conduct with their direct line manager, another manager or by reporting to our Group General Counsel and Company Secretary, Group HR Director or Head of Internal Audit. This includes any form of harassment or bullying, or if any employee has reason to believe that modern slavery of any form may exist within our organisation or our supply chain, or may occur in the future. We also operate an independent confidential reporting hotline, Safecall,

available to all employees and subcontractors. We are reminding employees about these arrangements through our Respectful Workplace Training.

For information on succession planning, reward and remuneration see our Annual Report and Accounts.





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We give money and time to support charities doing important work on issues connected to our business. We aim to build long lasting partnerships, to get our people involved and to maximise the impact of our giving.

#### Targets for 2022+

#### **Our priorities**

We focus on three priorities:

- Aspiration and education: Projects that promote aspiration and education in disadvantaged
- Tackling homelessness: Intervening in and improving homelessness situations for seriously economically disadvantaged groups in the UK
- Local projects: Initiatives that have a direct link with our regional businesses and developments

#### **Charity governance**

Our Charity Committee oversees our charity partnerships. Its members include senior leaders such as our Group HR Director (Chair), Group General Counsel and Company Secretary, a regional Land Director (vice Chair) and a variety of other employees including managers, personal assistants and graduate trainees.

The committee monitors the impact of our giving and select projects to support where we can make the most difference.

#### **Kev partnerships**

We have six national partner charities and each regional business also has a charity budget to support organisations close to our sites.

Our national partners are: Youth Adventure Trust, which helps young people fulfil their potential; End Youth Homelessness (we are a founding partner to this Centrepoint-led movement of local charities); Crisis, a homelessness charity; St Mungo's, a homelessness charity; CRASH, a construction and property industry charity for the homeless; and Foundations Independent Living Trust, which helps older and vulnerable people live with dignity in their own homes.

#### **Engaging our colleagues**

We hold regular Group and local fundraising challenges to get our colleagues involved in supporting our charity partners and our Volunteering Policy enables all employees to take two full days, or four half days, paid time off to volunteer. We promote fundraising and volunteering opportunities via our intranet, email and Yammer social media network. Not all fundraising and volunteering challenges were able to go ahead during 2021 due to the pandemic.

#### Our colleagues get involved

- part in the **Taylor Wimpey** Challenge raising over £103k of
- We donated £20k to the Crisis at Christmas campaign and our
- Adventure Trust's **Housebuilders** Challenge, a tough 34 kilometre



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#### **Graduate challenge**

We set a charity project each year for participants on our graduate programme, enabling them to apply their business experience to help one of our charity partners. In 2021, our graduates entered the Prince's Trust 'Million Makers' challenge to raise money to support vulnerable young people. This included developing an Eco Activity book to encourage children to engage with nature and highlighting the important environmental improvements being made on Taylor Wimpey sites such as hedgehog highways.

#### What we gave

We donated and fundraised over £1.1 million for registered charities and local community causes in 2021 (2020: £0.76 million). This is an increase on last year but employee fundraising is still lower than prepandemic levels due to the challenges of organising fundraising events.

These figures do not include investments made as a result of our planning obligations, see page 7, or the value of employee time spent volunteering.

#### Charitable donations and fundraising



Donations to registered charities and local community causes

Value of employee fundraising

**Progress against targets** 

Achieved? Target **Progress** 

Hold our Taylor Wimpey Challenge and participate in the Housebuilders Challenge event

2021 saw 169 participants take part in the Taylor Wimpey Challenge raising over £103k of which £75k was donated to the Youth Adventure Trust and £28k to other charities. We also entered 15 teams for the Youth Adventure Trust Housebuilder Challenge event raising over £47k.



Continue to support St Mungo's Construction Skills programme with a focus on helping people progress from training and into work

Our donation of £132k in 2021 directly supported two Construction Skills Tutors working in the St Mungo's Construction Skills Training Centres in Brent and Camden. The centres help people recovering from homelessness to gain new skills and qualifications, build their confidence and find employment in the construction industry.



Run a graduate challenge to raise money for the Prince's Trust

Our graduates entered the Prince's Trust 'Million Makers' challenge to raise money to support vulnerable young people. They raised over £27k through two initiatives.









#### Helping St Mungo's build skills and tackle homelessness

## £315,000

#### Helping voung people secure a safe home

Many young people can't access council housing but private renting can be unaffordable, especially for those not working or earning the minimum wage. We donated £260,000 to End Youth Homelessness in 2021, to help its Housing Fund support young people across the UK to access housing and avoid homelessness. The Fund provides grants to cover upfront costs and deposits as well as advice from a housing officer to help young people secure a safe and stable home.



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We have integrated sustainability into our management systems, policies and procedures.

#### Roles and responsibilities

Environment

Board level: Our Board of Directors is responsible for oversight of our sustainability initiatives, risks and opportunities. From 2022, they will receive an ESG (environmental. social, governance) update twice a year, which will include progress made towards targets during the period. The Chair of the Legacy, Engagement and Action for the Future (LEAF) Committee and our Director of Sustainability will also attend the Board on at least one separate occasion during the year.

**Executive level:** Our Chief Executive (CEO) has ultimate responsibility for achieving our sustainability targets. The Group Management Team (GMT) receive a monthly update from the Director of Sustainability on sustainability matters.

LEAF Committee: Ingrid Osborne, a member of our GMT, chairs our LEAF committee, which is responsible for reviewing sustainability strategy, risks and opportunities. It meets four times a year. LEAF members include the heads of our sustainability, technical, production, customer and design functions and representatives from our regional businesses.

During 2021, the LEAF Committee met four times to discuss issues. including our environment strategy, regulatory changes, biodiversity, waste and resource efficiency, and customer communication on sustainability. The committee reviews our Climate Change and Sustainability Risk and Opportunity Register, see page 38.

The Director of Sustainability is responsible for monitoring sustainability issues and oversees our reporting and disclosures. They report directly to our Chief Executive.

Cross-functional working groups, including our Environment Strategy Working Group, Road to Zero Carbon Working Group, Functional Interface Group (R&D), Charity Committee, Waste and Resources Group, Timber Frame Working Group, and our Diversity and Inclusion Strategy Committee support effective governance of sustainability.

**Operational level:** The managing director in each regional business has responsibility for achieving our environment targets at the local level. They have nominated a Sustainability Sponsor within their management team and a Sustainability Champion to assist with implementation and data collection.

At a project level, the sustainability aspects of a development are initially the responsibility of the land and planning and design teams. Once work has begun on site, the production management team, including the Site Manager and contractors, ensures that a wide range of site-specific sustainability issues are addressed and monitored.

#### **Engaging our people on** sustainability

**Training:** We have a sustainability training plan for relevant functions to support the roll out of our environment strategy. In 2021, we ran 18 masterclasses and engagement sessions on sustainability topics from all colleague sessions to functional specific training. These included sessions on: our environment strategy, biodiversity net gain. hedgehog highways and bug hotels, climate change and planning, and how to discuss home energy efficiency and nature with customers. We also held sessions with our nature partners Buglife and Hedgehog Street on how colleagues could make nature-friendly changes at home.

We use our internal communications channels to engage our people on sustainability. For example, teamTALK, our internal magazine, includes at least one article on sustainability topics per issue. It is distributed to all employees.

Our induction e-learning programme includes topics such as diversity and inclusion and modern slavery. Functional training, such as our Design and Production Academies, also cover aspects of sustainability and we have more detailed training for our Sustainability Champions network.

All employees are trained on our approach to health and safety.



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**Remuneration:** We link performance review and bonuses to sustainability in a number of areas. For example, customer service and quality are integrated into the corporate bonus scheme for all employees and into our Executive Incentive Scheme while 15% of the potential bonus for Site Managers is linked to performance on waste reduction. We have introduced a carbon-reduction related measure into our Executive Incentive Scheme for 2022.

Health and safety and customer service form part of all senior managers' business objectives.

#### Stakeholder engagement

We engage with a wide range of stakeholders to run our business and these interactions help shape our approach to sustainability issues. You can read about our approach on the following pages: employees page 33; local and central government page 13; local communities page 12; suppliers page 27; NGOs and industry associations page 13. We also conduct a regular formal materiality process which is explained on page 5.

We were Highly Commended in the Sustainable Housebuilder of the Year category at the Housebuilder Awards 2021.

#### **Investor engagement**

We engage with investors on our approach to ESG issues and participate in several global and sectoral benchmarks.

- Constituent of the Dow Jones Sustainability Europe Index
- Included in the S&P Sustainability Yearbook 2022
- Constituent of the FTSE4Good Index series
- MSCI AA rating
- Sustainalytics ESG Risk Rating of Low
- Member of Next Generation. ranked third out of 27 companies with a score of 74% and a Gold Award (2020: fourth, 69%, Silver). Next Generation is a rigorous and detailed sustainability performance benchmark of UK homebuilders.
- CDP Climate Change A- (2020: B)
- CDP Water B (2020: B)
- CDP Forests B- for timber sourcing (2020: B)
- CDP Supplier Engagement Leader with a score of A for our approach to engaging suppliers on climate change.

Our Annual Report includes disclosures reflecting the recommendations of the Task Force on Climate-related Financial Disclosures and the Sustainability Accounting Standards Board recommended disclosures for our sector.





#### Public policy and political donations

Regulation has an impact on our business and we think it is important to share our views with policy makers at the local, regional and national level. This includes direct engagement such as responding to Government consultations, engagement with local and regional government through the planning process and engagement via our membership of trade associations. See page 13.

Public policy work is carried out in a way that reflects our values and cultural principles and key policies such as our Business Conduct Policy. We strive for clear, open and accurate communication. It is our policy not to make donations to political parties or organisations, see our Annual Report and Accounts page 126.

Our main trade association memberships are the HBF, the NHBC, the Confederation of British Industry and the British Property Federation. Regional businesses are also members of trade associations. for example our Scottish businesses are members of Homes for Scotland.

#### Regulatory HSE compliance

There were no health and safety or environmental prosecutions.

We were notified by the Health & Safety Executive that we would be required to pay a fee for intervention in relation to lifting operations of timber frame at one of our sites in East Scotland.

We received an Environment Agency notice of a small fine in relation to silt run-off due to a burst water main after groundworks at a development of our Exeter business.

#### Risk management

Our Risk Management and Internal Control Framework defines our procedures to identify, assess, mitigate and monitor risks, both financial and non-financial, facing the Group. The Board has overall responsibility for risk management and our approach to risk combines a top-down and bottom-up review.

Risk registers are maintained throughout the Group at a business unit and function level, are formally reviewed twice a year as part of our financial planning cycle by GMT members and updated throughout the year to recognise new or changed risks or mitigations. The registers document the risks faced by each business unit, including significant site-level and functional risks, arising from factors both internal and external to the Group as well as risks to and from the delivery of our strategy.

A standard methodology is applied to the assessment of identified risks, which requires each risk to be measured according to specified likelihood (based on probability of occurrence) and impact (based on financial, reputation, customer, health and safety, employees, environment, operational, legal and regulatory and IT) criteria. After consideration of appropriate mitigations against each risk, a residual risk is determined to identify those considered to be the most significant.

A consolidated view of the risk environment, including potential Emerging Risks, is discussed and approved by the GMT, Audit Committee and Board, ensuring all key risks to the Group are known and are being actively mitigated and monitored and ensuring the correct identification of the Principal Risks and uncertainties facing the Group.

#### Sustainability risk

The identification, assessment. mitigation and monitoring of sustainability and climate-related risks is included as part of our overall risk management process, the outcomes of which are formally reported to the Board once a year, with detailed updates provided at two Audit Committee meetings during the year. As part of this process, the individual sustainability and climate-related risks are considered through functional and business unit risk registers, our climate change and sustainability risk and opportunity register and on a regular



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basis by senior management, assessing the impact they may have on the Group's strategy, looking at short, medium and in particular longer term emerging risks which may arise as the area continues to evolve. During 2021, a new Principal Risk entitled 'Natural resources and climate change' was introduced, recognising the increasing significance a transition to a low carbon and resource efficient economy has on both our operations and the world in which we live and conduct business. Health and safety. quality and people risks are also included in our Principal Risks.

Sustainability risks are also monitored via function risk registers and our Climate Change and Sustainability Risk and Opportunity Register, which is maintained by our LEAF committee and reviewed at each meeting. For each climate-related risk and opportunity the register identifies the: risk driver; description of risk; potential impact; timeframe; whether the risk or opportunity is direct or indirect; likelihood; and magnitude of impact. The LEAF Committee makes recommendations to the GMT on how to mitigate, transfer, accept, or control climate-related risks. We prioritise our climate change risks and opportunities based on their materiality to our business, measured in percentage of profit before tax (PBT). A percentage of PBT greater than 20% is considered a major impact. A large risk in terms of likelihood is a greater than 50% chance. A separate methodology is

used for other sustainability risks and opportunities in the register.

See our Annual Report and Accounts 2021 for more on risk management.

#### **Anti-bribery and corruption**

We do not tolerate bribery or corruption and we are committed to conducting our business activities in an ethical and transparent way.

We provide annual training on our Anti-Corruption Policy and on our Competition Law Guidelines to all business units and there is an annual review and sign-off on continued compliance with each Policy by management. We expect the same standards from our suppliers and anti-corruption provisions are included in all relevant supplier contracts.

Our employee Code of Conduct sets out the high standards of integrity and conduct we expect. It summarises the key policies and procedures that everyone should be familiar with and has been distributed to all employees and is available on our intranet (see page 29.

Guidance is available for employees in a number of areas, including gifts, hospitality, sponsorship, political and charitable donations, share dealing, conflicts of interest, confidentiality, business activities, procurement processes and dealings with land agents. Each regional business must keep a register in which all activities relating to gifts, hospitality, sponsorship and donations are

recorded, including invitations or gifts which are declined. These registers are also checked annually.

The Board oversees our approach and regularly reviews and approves our Anti-Corruption and Business Conduct policies. The Board also oversees our independent whistleblowing service, Safecall and Whistleblowing Policy. Our Internal Audit function reviews policy compliance on an ongoing basis, in the course of their regular audits.

#### Whistleblowing procedures:

Anyone, including employees; subcontractors; suppliers; customers; and the general public can use Safecall, our independent hotline. confidentially and anonymously, if required, to report any concerns. We raise awareness about the service through posters in our offices, on sites and via our intranet. Employees raising concerns are protected by our Whistleblowing Policy.

All whistleblowing cases are investigated by the Head of Internal Audit, Group Human Resources Director and / or the Group General Counsel and Company Secretary depending on the nature of the issue. and (where appropriate) the Head of HSE. The Chief Executive is apprised, on an anonymous basis, of all allegations and conclusions of the related reviews. Whistleblowing incidents and their outcome are reported to the Board, on an anonymous basis.

#### Reporting, data and external assurance

This is our 15th year of reporting on sustainability as Taylor Wimpey. This document covers our performance and data for the period 1 January to 31 December 2021.

We are moving towards integrated reporting, increasing disclosure on sustainability topics in our Annual Report and Accounts. This includes our reporting against the recommendations of the Taskforce on Climate-Related Financial Disclosures and the Sustainability Accounting Standards Board Standard for the Home Building Sector. This Sustainability Supplement and ESG Addendum contains further information and social and environmental performance data. Case studies are included on our website.

We collect a wide range of social and environmental data from our regional businesses through our COMBINE (Co-ordinated Measurement of Business Information) system. This covers health and safety, environment, sustainable construction, resource efficiency, planning and community engagement, employee and customer data. This data is used to measure. monitor and improve our performance.

We have achieved certification to the Carbon Trust Standard which includes independent verification of our greenhouse gas data (scope 1 and 2) and energy data. Their statement is on page 39 and published on our website at

www.taylorwimpey.co.uk/corporate /sustainability.

We publish our key Company policies on our website, including those relating to business ethics, human rights, health, safety and environmental management and community investment.

See www.taylorwimpey.co.uk/corporate /our-company/governance/our-policies



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#### **Carbon Trust Certification** Ltd Assurance Statement

Relating to Taylor Wimpey Plc's GHG emissions claim

#### **Terms of Engagement**

Carbon Trust Assurance Limited (CTA) was commissioned by Taylor Wimpey Plc to provide an independent, limited level of assurance on the following Selected Information:

- Scope 1 emissions
- Scope 2 (location-based) emissions
- Scope 2 (market-based) emissions
- Scope 3 emissions within categories 1a. Product-related purchased goods & services, 3, Fuel and energy related activities, and 11.a. Direct use of sold products

The Selected Information is presented within page 33 of Taylor Wimpey plc's Sustainability Supplement and ESG Addendum. We have not performed any work, and do not express any conclusion, over any other information that may be included in the Sustainability Report or on Taylor Wimpey Plc's website for the current year or for the previous periods unless otherwise indicated.

#### Scope

This engagement covers the verification of emissions from anthropogenic sources of greenhouse gases included within the organisation's boundary (Scope 1&2) and within the organisation's selected value chain categories as defined by the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

- Organisational boundary: Taylor Wimpey Plc UK & Spain
- Control approach: Financial Control
- Reporting period: 01/01/2021-31/12/2021

#### **Our Conclusion**

Based on the work we have undertaken and the evidence provided by Taylor Wimpey Plc, nothing has come to our attention that leads us to believe that the Selected Information has not been properly prepared, in all material respects, in accordance with the Reporting Criteria.

The total verified Scope 1&2 footprint was 22,870 tCO<sub>2</sub>e, according to the location-based method and 19.736 tCO<sub>2</sub>e, according to the marketbased method. The breakdown by scope is:

- Scope 1: 17,464 tCO₂e
- Scope 2 (location-based): 5,406 tCO<sub>2</sub>e
- Scope 2 (market-based): 2,272 tCO<sub>2</sub>e

The total verified Scope 3 footprint of selected categories was 2,526,629 tCO<sub>2</sub>e with the following breakdown by Scope 3 category:

- 1.a. Purchased goods and services (product-related): 1,413,410 tCO<sub>2</sub>e
- 3. Fuel and energy related activities: 5.802 tCO<sub>2</sub>e
- 11.a. Use of sold products (direct): 1,107,417 tCO<sub>2</sub>e

This conclusion shall be read in the context of the remainder of this Assurance Statement, in particular the inherent limitations explained below and this report's intended use.

#### **Reporting Criteria**

The Reporting Criteria used by Taylor Wimpey Plc for the preparation of their Scope 1&2 footprint is the GHG Protocol. The Reporting Criteria used for the preparation of the Scope 3 footprint is the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard and Technical Guidance for Calculating Scope 3 Emissions (version 1.0).

#### **Management Responsibility**

The management of Taylor Wimpey Plc are responsible for:

- designing, implementing and maintaining internal controls relevant to the preparation and presentation of the Selected Information that is free from material misstatement, whether due to fraud or error:
- selecting and/or developing objective Reporting Criteria;
- measuring and reporting the Selected Information in accordance with the Reporting Criteria; and
- the contents and statements contained within the Report and the Reporting Criteria.

#### **Our Responsibilities**

Our responsibility is to plan and perform our work to obtain limited assurance about whether the Selected Information has been prepared in accordance with the Reporting Criteria and to report to Taylor Wimpey Plc in the form of an independent limited assurance conclusion based on the work undertaken and the evidence obtained.

#### **Assurance Standards Applied**

We performed our work for Scope 1&2 in accordance with CTA's assurance methodology based on ISO 14064-3. For Scope 3, we performed our work in accordance with CTA's assurance methodology based on Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard, and Technical Guidance for Calculating Scope 3 Emissions (version 1.0).

#### **Our Assurance Activities**

Our objective was to assess whether the Selected Information is reported in accordance with the principles of completeness, comparability and accuracy. We planned and performed our work to obtain all the information and explanations that we believe were necessary to provide a basis for our assurance conclusions.

Considering the level of assurance and our assessment of the risk of material misstatement of the Selected Information, whether due to fraud or error, our work included, but was not restricted to:

- assessing the appropriateness of the Reporting Criteria for the Selected Information;
- conducting interviews with Taylor Wimpey Plc management to obtain an understanding of the key processes, systems, controls and related documentation in place over the preparation of the Selected Information:
- performing analytical reviews and detailed sampling of the Selected Information: and

- reading the Sustainability Report and narrative accompanying the Selected Information in the Sustainability Report with regard to the Reporting Criteria, for consistency with our findings.

#### **Inherent Limitations**

The accuracy and completeness of the Selected Information is subject to inherent limitations given their nature and methods for determining, calculating and estimating such data. As such, this Assurance Statement should be read in connection with the Sustainability Report, For those subject matters with a limited assurance, the evidence-gathering procedures are more limited than with a reasonable assurance, and therefore less assurance is obtained than in an overall reasonable assurance statement.

#### **CTA's Competence and** Independence

CTA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach is rigorous and transparent.

For and on behalf of Carbon Trust Assurance Limited



**Hugh Jones Managing Director** 





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## ESG Addendum – performance data

	Coverage		t <b>202</b>	1 2020	2019	2018	2017
General							
Revenue £m	Group	£m	4,284.9	2,790.2	4,341.3	4,082.0	3,965.2
Operating profit £m <sup>1</sup>	Group	£m	828.0	300.3	850.5	880.2	841.1
Number of completions (including joint ventures)	UK	Number	14,08	9,609	15,719	14,933	14,541
	Spain	Number	21	190	323	342	301
Number of completions (excluding joint ventures)	UK	Number	13,929	9,412	15,520	14,822	14,387
Sustainable homes and communities							
Planning obligations							
Value of Section 106 (England and Wales) and Section 75 (Scotland) and CIL							
agreements delivered	UK	£m	418	<b>3</b> 287	447	455	413
Affordable housing							
Completions designated as affordable	UK	%	18	<b>3</b> 20	23	23	19.0
Number of affordable homes	UK	Units	2,50	1,904	3,548	3,416	2,809
First time buyers – % of completions	UK	%	4	40	36	38	39
Help to Buy – % of completions	UK	%	30	53	48	53	50
Efficient, lower carbon homes							_
Homes built using timber frame	UK	%	18.	18.6	13.6	10.8	-
Homes with on-site renewables (eg PV panels)	UK	%	10	14	9	9	-
Homes with on-plot EV charging points	UK	%		-	-	-	-
Land, planning and engagement							
Plots owned or with planning consent (short term landbank)	UK	Number	85,37	77,435	75,612	75,995	74,849
Short term landbank – number of plots converted from strategic land pipeline	UK	Number	7,69	4,010	8,387	7,619	7,863
Strategic pipeline – number of potential plots	UK	Number	c.145,000	c.139,000	c.140,000	c.127,400	c.117,000
Completions sourced from strategic pipeline	UK	%	5(	55	56	58	53
Homes built on brownfield land	UK	%	2	1 25	29	37	45
Sustainable transport – customers							
Completions within 500 meters of a public transport node	UK	%	6	7 71	57	52	50
Completions within 1000 meters of a public transport node	UK	%	8	88	74	66	63

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	Coverage	Unit	2021	2020	2019	2018	2017
Build quality							
Taylor Wimpey average NHBC Construction Quality Review score <sup>3</sup>	UK	Out of 6	4.67	4.45	4.13	3.93	3.74
Industry average NHBC Construction Quality Review score	UK	Out of 6	4.43	4.32	4.01	_	_
Average reportable items per NHBC inspection	UK	Number	0.26	0.24	0.28	0.28	0.26
Customer satisfaction							
Customers satisfied or very satisfied with quality of their home <sup>4</sup>	UK	%	88.9	88.6	87.1	88.9	87.9
Customers satisfied or very satisfied with the service provided before purchase <sup>4</sup>	UK	%	84.7	83.5	83.3	86.4	84.1
Customers 'Would you recommend us to a friend?' (8 week score) <sup>4</sup>	UK	%	92	92	89	90	89
Homebuilder average – 'Would you recommend us to a friend?' (8 week score) <sup>4</sup>	UK	%	91	91	89	87	86
Customers 'Would you recommend us to a friend?' (9 month score) <sup>5</sup>	UK	%	79.2	78.2	76.8	76.2	74.2
Homebuilder average – 'Would you recommend us to a friend?' (9 month score) <sup>6</sup>	UK	%	-	76	75.7	71	
Customers who would recommend us to a friend	Spain	%	93	93	93	100	100
Health and safety							
Number of reportable RIDDOR injuries per year	UK	Number	35	26	32	43	28
Annual Injury Incidence Rate (AIIR) for all reportable injuries (incidence rater per 100,000	)	per 100,000 employees					
employees and contractors)	UK	and contractors	214	151	156	228	152
Annual Injury Incidence Rate (AIIR) for all major injuries (incidence rater per 100,000		per 100,000 employees					
employees and contractors)	UK	and contractors	73	58	44	64	54
		per 100,000 employees					
HBF Homebuilder average AllR <sup>7</sup>	UK	and contractors	264	263	282	330	334
Fatalities – employees and contractors	Group	Number	0	0	0	1	0
	1.11.2	per 1 million hours					
Lost-time injury frequency rate (LTIFR) for employees	UK	worked	1	1			
Lost time injury frequency rate (LTIED) for contractors	UK	per 1 million hours worked	1.36	0.93			
Lost-time injury frequency rate (LTIFR) for contractors	UK	worked	1.30	0.93			
HSE Training							
HSE training days – site management and operational staff	UK	per employee	4.2	3.39	4	4.3	4.5
HSE training days – support staff (office based)	UK	per employee	0.35	0.13	0.3	0.2	0.1
Number of staff trained on health and safety standards within the last year	UK	Number	4,954	4,210	4,767	5,207	5135
HSE performance Spain <sup>8</sup>							
Annual injury incidence rate for reported workplace injuries (incidence rate per 100,000		per 100,000 employees					
employees and contractors)	Spain	and contractors	300	456	179	324	361
Number of reported workplace injuries per year	Spain	Number	3	4	2	4	4
Annual Injury Incidence Rate (AIIR) for all major injuries (incidence rater per 100,000	0 .	per 100,000 employees		40	10	00	
employees and contractors)	Spain	and contractors	30	46	18	32	0



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	Coverage	Unit	2021	2020	2019	2018	2017
Environment <sup>9</sup>							
GHG emissions (tonnes of CO₂e)							
Scope 1 GHG emissions – combustion of fuel	Group	tonnes CO <sub>2</sub> e	17,464	16,522	21,018	20,328	18,888
Scope 2 GHG emissions – market based	Group	tonnes CO2e	2,272	1,981	3,563	4,509	4,794
Scope 2 GHG emissions – location based	Group	tonnes CO2e	5,406	5,272	6,172	6,892	8,236
Total scopes 1 and 2 - market based	Group	tonnes CO2e	19,736	18,503	24,581	24,837	23,683
Emmissions per 100sqm completed homes (scope 1 and 2)	Group	tonnes CO2e/100sqm	1.41	1.96	1.62	1.73	1.73
Scope 3 GHG emissions (total)	Group	tonnes CO2e	2,632,421	1,961,431	3,869,583	2,171,973	1,826,183
Total scopes 1, 2 and 3	Group	tonnes CO2e	2,652,157	1,979,934	3,894,164	2,196,811	1,849,866
Emissions per 100sqm completed homes (scopes1,2 and 3)	Group	tonnes CO <sub>2</sub> e/100sqm	190.0	209.8	255.9	152.7	134.9
Progress against target							
Reduction in carbon emissions intensity (scope 1 and 2) against 2019 baseline							
(science-based target)	Group	%	13.0	(21.0)	-	-	
Reduction in carbon emissions (absolute scope 1 and 2) against 2019 baseline	Group	%	19.7	24.7	-	-	-
Reduction in direct carbon emissions intensity (scope 1 and 2) since 2013	Group	%	49.9	30.5	42.7	38.7	38.7
CDP Climate Change rating	Group	Score	A-	В	В	В	В
Scope 3 emissions categories <sup>10</sup>							
Purchased goods & services	Group	tonnes CO2e	1,413,410	1,114,587	2,242,225	2,143,976	1,797,288
Waste generated in operations	Group	tonnes CO2e	15,446	11,255	17,550	15,845	15,793
Business travel	Group	tonnes CO2e	1,464	6,593	6,303	6,405	6,812
Fuel & energy related activities	Group	tonnes CO2e	5,802	4,503	5,679	5,748	6,290
Downstream leased assets	Group	tonnes CO2e	6,592	6,178	2,656	-	
Use of sold products (homes in use)	Group	tonnes CO2e	1,107,417	754,625	1,476,066	-	-
Upstream transport and distribution	Group	tonnes CO2e	39,891	29,815	64,827	-	
End of life treatment of sold products	Group	tonnes CO2e	29,210	20,105	33,242	-	
Employee commuting	Group	tonnes CO2e	13,189	13,771	21,034	-	_
Energy use <sup>11</sup>							
Operational energy use (fuel and electricity consumption from sites and offices)	UK	MWh	94,992	85,442	101,352	95,170	89,550
Operational energy intensity (site and office fuel and electricity intensity)	UK	MWh / 100 sq	6.9	9.3	6.8	6.8	6.5
Operational energy use (fuel and electricity consumption from sites, offices, fleet)	Group	MWh	104,870	96,165	116,207	111,085	105,123
Operational energy intensity (fuel and electricity intensity from sites, offices, fleet)	Group	MWh / 100 sq	7.5	10.2	7.6	7.7	7.7
Site energy use intensity (fuel and electricity from sites and plots)	UK	MWh / 100 sq	6.7	9.0	6.6	-	-
Reduction in site energy use intensity against 2019 baseline	UK	%	(0.9)	(36.5)	-	-	
Site energy use (fuel and electricity from sites and plots)	UK	MWh	91,355	82,979	98,197	-	-
Reduction in site energy use (absolute) against 2019 baseline	UK	%	7.0	15.5	-	-	



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	Coverage	Unit	2021	2020	2019	2018	2017
Environment (Continued)							
Energy consumption by source							
Renewable electricity REGO-backed (Renewable Energy Guarantees of Origin)	Group	MWh	18,352	13,006	9,344	-	_
Brown electricity	Group	MWh	7,199	9,571	14,563	-	_
Natural gas	UK	MWh	36,357	29,707	33,593	-	
Butane	UK	MWh	435	340	412	-	-
Gas oil and diesel	UK	MWh	32,806	32,949	43,647	-	-
LPG	UK	MWh	61	29	110	-	
Propane	UK	MWh	483	351	497	-	-
Kerosene	UK	MWh	0	10	16	-	-
Total non-renewable energy consumption	Group	MWh	77,342	72,956	92,838	-	_
Total non-renewable energy consumption	Group	%	8.08	84.9	90.9	-	-
Waste and resources <sup>12</sup>							
Construction waste per 100sqm build – general <sup>13</sup>	UK	Tonnes/100sqm	5.77	7.87	6.78	-	-
Construction waste per 100sqm build – plasterboard	UK	Tonnes/100sqm	0.74	0.83	0.72	-	-
Construction waste per 100sqm build – total	UK	Tonnes/100sqm	6.52	8.71	7.50	-	-
Construction waste – general <sup>13</sup>	UK	Tonnes	79,042.2	72,371.5	100,611.7	-	-
Construction waste – plasterboard	UK	Tonnes	10,161.4	7,639.7	10,698.9	-	-
Construction waste – total	UK	Tonnes	89,203.6	80,011.1	111,310.7	-	
Hazardous waste (construction) <sup>14</sup>	UK	tonnes	17.6	5.0	148.1	-	
Reduction in waste intensity against 2019 baseline	UK	%	13	(16)	-	-	-
Reduction in waste (absolute) against 2019 baseline	UK	%	20	28	-	-	_
Recycling							
Construction waste recycled	UK	%	97	97	97	96	95
Construction waste landfilled	UK	%	3	3	3	4	5
Paint cans collected for reuse or recycling	UK	Number	45,021	19,445	19,374	-	_
Pallets returned for reuse or recycling	UK	Number	65,352	71,916	94,984	65,420	67,798
Water use							
Consumption of metered mains water	UK	m <sup>3</sup>	439,955	454,056	505,893	487,915	394,558
Consumption of metered mains water per 100sqm build	UK	m <sup>3</sup> /100sqm	32.14	49.41	34.08	35.09	29.41
Reduction in mains water intensity against 2019 baseline	UK	%	5.7	(45)	-	-	
Reduction in mains water (absolute) against 2019 baseline	UK	%	13.0	10.2	-	-	
Water effluent discharge <sup>15</sup>	UK	m³	276,970	308,590	297,630	240,680	238,280
CDP Water Security rating		Score	В	В	В	В	A-
Biodiversity and ecology							
Sites with hedgehog highways installed	UK	Number	c.100	-	-	-	
Biodiversity risks assessed at % of sites	UK	%	100	100	100	100	100
Biodiversity management plans implemented at % of sites identified as being exposed							
to biodiversity risks	UK	%	100	100	100	100	100



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<u> </u>							
	Coverage	Unit	2021	2020	2019	2018	2017
People							
Average number of employees (weekly and monthly)	UK	Number	5,271	5,948	5,796	5,358	4,893
Average number of employees	Spain	Number	91	81	87	84	102
Average number of employees (weekly and monthly)	Group	Number	5,362	6029	5,883	5,442	4,995
Site operatives	UK	Number	11,100	12330	14,674	13,526	13,422
Annual voluntary employee turnover	UK	%	19	9.4	12.9	14.5	14.3
Skills, learning and development							
Total apprentices, graduates and trainees recruited during the year	UK	Number	150	75	498	372	263
Entry level positions as % of workforce	UK	%	9	14%	16%	13	11
Employees who have enrolled on or completed academy courses	UK	Number	1,700	1,500	1,300	-	_
Gender balance and diversity							
Women in workforce – all employees	UK	%	32	30	29	31	32
Women in junior management	UK	%	47	46	45	48	48
Women in management	UK	%	28	28	28	27	26
Women on our business unit management teams	UK	%	24	18	-	-	-
Women in GMT	Group	%	36	40	44	33	30
Women on the Board of Directors	Group	%	50	50	50	44	30
Employees who are Black, Asian or other minority ethnic	UK	%	5	4	-	-	_
Partnering with charities							
Donations to registered charities	Group	£	840,854	588,000	816,000	754,000	737,000
Donations to local community causes	Group	£	104,364	94,000	129,000	173,000	79,000
Amounts raised by employee fundraising	Group	£	161,168	80,000	364,000	357,000	295,000
Total donations (cash and fundraising)	Group	£	1,106,385	762,000	1,309,000	1,284,000	1,111,000

- Operating profit is defined as profit on ordinary activities before net finance costs, exceptional items and tax, after share of results of joint ventures.
- 2. Includes joint ventures
- 3. The NHBC carries out independent Construction Quality Reviews at key stages of the build. This is the average score from NHBC reviews for calendar year 2021.
- 4. 2021 figures relate to the HBF year of 01.10.20 to 30.09.21 with the comparators relating to the same period in the prior years.
- 5. The 9-month 'would you recommend' score for 2021 relates to customers who legally completed between October 2019 and

- September 2020, with the comparator relating to the same period in the prior years.
- 6. The homebuilder average data is supplied by the NHBC. At the time of publication data was not available for 2021.
- 7. HBF H&S Statistical Analysis Report 2020/2021
- 8. For Spain, our injuries data and annual injury incidence rate include all reported workplace injuries to employees and contractors. This is similar but not directly comparable to our data for the UK which is collected under the UK's Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR).
- 9. Carbon and energy use data is externally assured by the Carbon Trust to a limited assurance level. Data is provided as tonnes of carbon dioxide equivalent (CO2e) for all operations. Scope 1 and 2 emissions are from our sites, offices, show homes and sales areas, plots before sale and car fleet. We have used the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) and emission factors from the Government's GHG Conversion Factors. We use the market-based method of the revised version of the GHG Protocol Scope 2 Guidance. Intensity metrics are calculated using the following figures for completed floor area: Taylor Wimpey UK - 1,395,985 sqm (excludes Taylor Wimpey Central London but includes relevant joint ventures); Taylor Wimpey Spain - 24,874 sqm;
- Taylor Wimpey Group (UK and Spain) 1,409,983 sqm.
- 10. Scope 3 data for 2018 and prior years includes fewer categories of emissions. It therefore cannot be directly compared with data for 2019 onwards.
- 11. Our operational energy use data for the UK includes site and offices. Group data includes site, offices and fleet. Our energy reduction target focuses on UK site energy use.
- 12. We improved our waste data processes and are now capturing data for some construction waste not previously reported. Our data now also includes hazardous waste. As a result we have restated our waste data for the last three years.
- 13. General waste includes compactable waste, inert waste, timber waste and some types of hazardous waste. It also includes non-recyclable mixed waste that cannot be disposed of in any available skips.
- 14. This is construction hazardous waste and includes paint cans and sealant tubes. It does not include any remediation waste or contaminated soils. Hazardous waste reflects production volumes and therefore was significantly lower in 2020 due to the impact of the national lockdown in the UK.
- 15. Water effluent discharge is water that we discharge from our sites and offices into the local sewerage system.

