

## W0. Introduction

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### W0.1

**(W0.1) Give a general description of and introduction to your organization.**

Taylor Wimpey plc is a customer-focused residential developer building and delivering homes and communities across the UK and in Spain.

We are one of the UK's leading residential developers. We do much more than build homes - we add social, economic and environmental value to the wider communities in which we operate. We are first and foremost a local business and an important contributor to the local communities.

### W0.2

**(W0.2) State the start and end date of the year for which you are reporting data.**

Reporting year	Start date	End date
Reporting year	January 1 2018	December 31 2018

### W0.3

**(W0.3) Select the countries/regions for which you will be supplying data.**

Spain  
United Kingdom of Great Britain and Northern Ireland

### W0.4

**(W0.4) Select the currency used for all financial information disclosed throughout your response.**

GBP

### W0.5

**(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.**

Companies, entities or groups over which financial control is exercised

### W0.6

**(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?**

Yes

### W0.6a

**(W0.6a) Please report the exclusions.**

Exclusion	Please explain
Spain	Spain is a non-material part of our business (roughly 2.5% turnover). The detailed systems and processes that we have for water data in the UK business are not in place for our Spanish business and so we do not have robust data for Spain.
Certain categories of unmetered water excluded from quantitative assessment	In cases where there is no measurement or estimation mechanism in place, such as water from hydrant and standpipe licences or water in bowers used for dust suppression, we have excluded this consumption from our quantitative assessment.

## W1. Current state

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## W1.1

### (W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Important	Important	Supply of freshwater is essential for our construction operations, for personnel use as well as for various construction purposes such as: washing tools, homes and vehicles; as an ingredient in mortar and concrete; and irrigating gardens and open spaces (part direct operations and supply chain). This is why 'Important' is selected for direct use. It is also essential that there is a sufficient supply of good quality freshwater at our developments. Homes that we build require water for domestic purposes such as washing, cooking and sanitation (indirect use). This is why 'Important' is selected for indirect use. Providing the water supply infrastructure is part of the sites' development costs. However, the cost of water is currently not material. Nevertheless, we are taking measures and are committed to reducing operational water consumption and increasing the water efficiency of our site compounds and the homes we build, as a minimum in line with Building Regulations. Future freshwater dependency is unlikely to be significantly different between our direct operations and indirectly through our value chain in the future. Both require and draw on freshwater in the same geographical regions, and we are aiming to implement ongoing efficiency improvements in both areas of operation.
Sufficient amounts of recycled, brackish and/or produced water available for use	Not important at all	Not very important	We do not use brackish or produced water in our construction operations (site operations) and the amount of recycled water is not known but anticipated to be non-material. This is why 'Not important at all' is selected for direct use. Downstream (indirect use), our homes do not use brackish or produced water. This is why 'Not very important' is selected for indirect use. The amount of recycled water is not known but anticipated to be immaterial. However, we have evaluated the importance of water in our supply chain as part of a wider project to quantify and value our supply chain water consumption, greenhouse gas emissions and waste generation. Future dependency is unlikely to be significantly different between our direct operations and indirectly through our value chain in the future. Both would draw on water in the same geographical regions, and we currently anticipate little change in the importance level to the business.

## W1.2

### (W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	100%	100% of UK sites are covered by this measurement and monitoring. Figures are collated quarterly from invoices/manual meter reads.
Water withdrawals – volumes from water stressed areas	1-25	The South East and East Anglia are the two water stressed areas that we operate in. Our water withdrawal within these areas is 23% of our overall withdrawal in the UK.
Water withdrawals – volumes by source	100%	100% of UK sites are covered by this measurement and monitoring. Figures are collated quarterly from invoices/manual meter reads.
Entrained water associated with your metals & mining sector activities - total volumes [only metals and mining sectors]	<Not Applicable>	<Not Applicable>
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<Not Applicable>	<Not Applicable>
Water withdrawals quality	Less than 1%	Taylor Wimpey is currently unable to measure this information.
Water discharges – total volumes	100%	100% of UK sites are covered by this measurement and monitoring. Figures are collated quarterly from invoices/manual meter reads, and a conversion factor applied to take into account water that is used in the environment (e.g. irrigation) or in construction (e.g. concrete).
Water discharges – volumes by destination	Less than 1%	Taylor Wimpey is currently unable to measure this information.
Water discharges – volumes by treatment method	Less than 1%	Taylor Wimpey is currently unable to measure this information.
Water discharge quality – by standard effluent parameters	Less than 1%	Taylor Wimpey is currently unable to measure this information.
Water discharge quality – temperature	Not relevant	We do not currently have any operations which would produce water discharge at temperatures that would affect the surrounding environment.
Water consumption – total volume	100%	Taylor Wimpey estimated water consumption based on water withdrawal data and average discharge rates for office and construction sites. 100% of UK sites are covered by this measurement and monitoring.
Water recycled/reused	Not monitored	Taylor Wimpey is currently unable to measure this information.
The provision of fully-functioning, safely managed WASH services to all workers	100%	WASH (water, sanitation and hygiene) services are covered in Taylor Wimpey's health and safety policies and apply to all employees (100% of sites in the UK as it is a UK requirement). Health and Safety audits are completed annually.

## W1.2b

### (W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	487.91	Higher	Our water use is mainly weather dependent. April, May, July, August, September, October, November and December were all hotter than 2017 and the water withdrawals reflected that situation.
Total discharges	297.63	Higher	Our water use is mainly weather dependent. April, May, July, August, September, October, November and December were all hotter than 2017 and the water withdrawals reflected that situation. Our water discharges, were estimated at a proportionate rate and reflect these increased withdrawals.
Total consumption	190.29	Higher	Our water use is mainly weather dependent. April, May, July, August, September, October, November and December were all hotter than 2017 and the water consumption reflected that situation. A conversion factor is applied to take into account water that is used in the environment (e.g. irrigation) or in construction (e.g. concrete). Our water consumption is estimated is the balance between withdrawals and discharges, and the amount reflects these increased withdrawal levels.

## W1.2d

(W1.2d) Provide the proportion of your total withdrawals sourced from water stressed areas.

	% withdrawn from stressed areas	Comparison with previous reporting year	Identification tool	Please explain
Row 1	26	Higher	WRI Aqueduct	The World Resources Institute's Aqueduct tool has been used this year to assess the baseline water stress levels of the Business Unit regions in which Taylor Wimpey operates: the ratio of total annual water withdrawals to total available annual renewable supply. High baseline water stress is when withdrawals are in the range of 40-80% of total annual available blue water. Extremely high baseline water stress is when withdrawals are >80% of availability of blue water. The percentage of water withdrawn in water stressed areas is higher using this tool than the FAO Aquastat tool used in the previous year. Only Business Unit areas which entirely, or predominantly cover water-stressed regions have been included. Some business unit areas are based in regions which only partially have higher water stress levels. These have not been included in the overall percentage. If all Business Unit regions with a mix of Low to Medium to High waters stress levels were included, then this would account for 68% of water withdrawn.

## W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Not relevant	<Not Applicable>	<Not Applicable>	This accounts for a very small percentage of Taylor Wimpey's withdrawal water and is therefore not relevant. This will remain a very small percentage of our water withdrawal and therefore we have no plans to measure this in the future.
Brackish surface water/Seawater	Not relevant	<Not Applicable>	<Not Applicable>	At Taylor Wimpey we use water for various construction purposes including washing tools, homes, and vehicles, mixing cement and concrete, and irrigating gardens and open spaces. For these purposes fresh water is used. We do not use brackish and/or surface water for any of our operations and it therefore not relevant. As such, we do not have any plans to measure brackish and/or surface water.
Groundwater – renewable	Relevant but volume unknown	<Not Applicable>	<Not Applicable>	Groundwater may be withdrawn for engineering, remediation and construction purposes and a percentage of this may come from renewable groundwater sources, however the exact volume is unknown.
Groundwater – non-renewable	Not relevant	<Not Applicable>	<Not Applicable>	Groundwater may be withdrawn for engineering, remediation and construction purposes. However, Taylor Wimpey avoids using any non-renewable groundwater sources where possible and therefore this category is not relevant.
Produced/Entrained water	Not relevant	<Not Applicable>	<Not Applicable>	At Taylor Wimpey we use water for various construction purposes, including washing tools, cleaning homes and vehicles, as an ingredient in mortar and concrete, and irrigating gardens and open spaces. For these purposes, fresh water is used. Produced water is not relevant.
Third party sources	Relevant	487.91	Higher	Our metered mains water footprint includes water used on building sites, in sales areas, show homes, plots before sale, offices and our logistics business. Our total metered water consumption and our water intensity increased this year. This is believed to be due to hotter monthly temperatures last year.

## W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water	Relevant but volume unknown	<Not Applicable>	<Not Applicable>	Some engineering operations will discharge water into a water body with permission. This is not something Taylor Wimpey currently measures.
Brackish surface water/seawater	Not relevant	<Not Applicable>	<Not Applicable>	All water from offices, show homes, plots before sale and welfare facilities on building sites is discharged to sewer. Other water used on building sites may become permanently locked into materials (e.g. concrete), evaporate (e.g. irrigation or wash water), infiltrate (e.g. irrigation water) or find its way into surface water systems (e.g. road cleaning water). Taylor Wimpey does not discharge into brackish surface water or seawater.
Groundwater	Relevant but volume unknown	<Not Applicable>	<Not Applicable>	Our engineering operations will often inject discharge water back into the ground and occasionally the sewer. This is not something Taylor Wimpey currently measures.
Third-party destinations	Relevant	297.63	Higher	As a UK focused residential developer, all water from offices, show homes, plots before sale and welfare facilities on building sites is discharged to sewer. Other water used on building sites may become permanently locked into materials (e.g. concrete), evaporate (e.g. irrigation or wash water), infiltrate (e.g. irrigation water) or find its way into surface water systems (e.g. road cleaning water). An estimate of Taylor Wimpey water discharge is calculated, and is based on water withdrawal data and average discharge rates for office and construction sites. Our total metered water consumption and discharges increased this year. This is believed to be due to hotter monthly temperatures last year.

## W1.4

**(W1.4) Do you engage with your value chain on water-related issues?**

Yes, our suppliers

W1.4a

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**(W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?**

Row 1

**% of suppliers by number**

76-100%

**% of total procurement spend**

76-100

**Rationale for this coverage**

Taylor Wimpey understands that by far the most significant part of its operational resource use is in its supply chain and that decoupling growth from resource dependency will reduce business risks. This engagement covered tier 1 and 2 suppliers, which accounted for the majority of our supply chain (76-100% of suppliers by number and 76-100% of total procurement spend).

**Impact of the engagement and measures of success**

TYPE OF INFORMATION REQUESTED FROM SUPPLIERS In 2014 Taylor Wimpey commissioned Trucost to analyse 1469 of our suppliers, and, of these suppliers, we engaged with 250 companies to collect primary data from the top 3 suppliers (by total environmental cost) in each Taylor Wimpey category. Trucost was able to verify and integrate information provided by 82 companies. For Tier 1 suppliers (direct suppliers) water consumption was 744,953 m3. For Tier 2 suppliers (suppliers to Tier 1 suppliers) consumption was 27,440,140 m3. HOW THE INFORMATION IS USED WITHIN THE COMPANY The information is used to quantify and value the natural capital impacts of Taylor Wimpey's supply chain. The information is also used to engage with our suppliers on energy, water, waste and GHG emissions. DETAILS OF HOW THE SUCCESS IS MEASURED One measure of success from this engagement was the response rate. Suppliers were not incentivised to report however we received a response rate of 33%.

**Comment**

W1.4b

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**(W1.4b) Provide details of any other water-related supplier engagement activity.**

**Type of engagement**

Incentivizing for improved water management and stewardship

**Details of engagement**

Water management and stewardship is integrated into supplier evaluation processes

**% of suppliers by number**

76-100

**% of total procurement spend**

76-100

**Rationale for the coverage of your engagement**

Of our 90 group suppliers, 74 are registered with the Supply Chain Sustainability School (SCSS). Being part of the SCSS helps us to improve our supplier engagement on water-related issues and reduce our water footprint.

**Impact of the engagement and measures of success**

DETAILS OF THE BENEFICIAL OUTCOMES OF THE ENGAGEMENT ACTIVITY SCSS is a collaboration between clients, contractors and first-tier suppliers who have a mutual interest in building skills of their supply chain. As part of this best practice is shared through training sessions. CLEAR DESCRIPTION OF HOW SUCCESS OF SUPPLIER ENGAGEMENT IS MEASURED One of the measures of success from this supplier engagement is the attendance of training sessions. In the past 12 months, 419 delegates from these organisations have attended a training session with the SCSS. Since the School began in 2012, 392 delegates from these organisations have attended training.

**Comment**

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W2. Business impacts

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W2.1

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**(W2.1) Has your organization experienced any detrimental water-related impacts?**

No

W2.2

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**(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?**

No

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## W3. Procedures

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### W3.3

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#### (W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

### W3.3a

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#### (W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

##### Direct operations

###### Coverage

Full

###### Risk assessment procedure

Water risks are assessed as part of other company-wide risk assessment system

###### Frequency of assessment

Six-monthly or more frequently

###### How far into the future are risks considered?

3 to 6 years

###### Type of tools and methods used

International methodologies

Databases

Other

###### Tools and methods used

Environmental Impact Assessment

FAO/AQUASTAT

Internal company methods

External consultants

National-specific tools or standards

###### Comment

##### Supply chain

###### Coverage

Full

###### Risk assessment procedure

Water risks are assessed as part of other company-wide risk assessment system

###### Frequency of assessment

Six-monthly or more frequently

###### How far into the future are risks considered?

3 to 6 years

###### Type of tools and methods used

International methodologies

Databases

Other

###### Tools and methods used

Environmental Impact Assessment

FAO/AQUASTAT

Internal company methods

External consultants

###### Comment

Other stages of the value chain

Coverage

None

Risk assessment procedure

<Not Applicable>

Frequency of assessment

<Not Applicable>

How far into the future are risks considered?

<Not Applicable>

Type of tools and methods used

<Not Applicable>

Tools and methods used

<Not Applicable>

Comment

W3.3b

(W3.3b) Which of the following contextual issues are considered in your organization's water-related risk assessments?

	Relevance & inclusion	Please explain
Water availability at a basin/catchment level	Relevant, always included	HOW AND WHY FACTORED INTO WATER RISK ASSESSMENT The availability of mains water is assessed with utility providers as part of a development's site evaluation. As a UK-focused residential developer water is used within all operations, therefore, ensuring a sufficient supply of water is essential and is always included in risk assessments. COMPANY SPECIFIC EXAMPLE OF THE ASSESSMENT One way that Taylor Wimpey assesses water availability at basin/catchment level is by using the Aquastat database published by the Food and Agricultural Organisation (FAO) of the United Nations. The outcomes and data from these assessments are integrated into how we assess risk. For example, we will not commence with development unless we can ensure that the land represents a low flood risk or that a technically robust programme of flood mitigation works is in place, having taken into account current planning policy guidance and the views of local stakeholders.
Water quality at a basin/catchment level	Relevant, always included	HOW AND WHY FACTORED INTO WATER RISK ASSESSMENT As a UK-focused residential developer, water is essential to our construction operations for personnel use as well as for various construction purposes such as mixing cement and concrete and irrigating gardens. Maintaining a high level of water quality is therefore important to Taylor Wimpey and is always included in risk assessments. COMPANY SPECIFIC EXAMPLE OF THE ASSESSMENT Good quality water is required for the development of sites in homes for domestic purposes such as washing, cooking and sanitation. Water quality of surface water and groundwater features is often assessed by desk study and investigated by physical sampling and analysis, particularly for brownfield sites to ensure good quality water is available.
Stakeholder conflicts concerning water resources at a basin/catchment level	Not relevant, explanation provided	WHY THIS ISSUE IS NOT RELEVANT: Taylor Wimpey do not experience conflicts relating to water resources at the basin/catchment level. We will continue to manage our water related risks throughout the organisation and report on them within our CDP water response and do not anticipate this being relevant in the future.
Implications of water on your key commodities/raw materials	Relevant, sometimes included	HOW AND WHY FACTORED INTO WATER RISK ASSESSMENT: The current implications of water on raw materials are important to Taylor Wimpey. Water is essential for the mixing of cement, a key raw material used in the construction of homes. COMPANY SPECIFIC EXAMPLE: In 2016 we completed work with Trucost examining water in our supply chain. Part of this work helped us to understand key risk areas in terms of current and future raw materials. During 2017 we continued to engage with our suppliers on sustainability issues through the Supply Chain Sustainability School. This work continued into 2018.
Water-related regulatory frameworks	Relevant, always included	HOW AND WHY FACTORED INTO WATER RISK ASSESSMENT: Regulatory frameworks affect Taylor Wimpey in a number of ways including for water supply, flood risk assessment, and drainage assessment. We evaluate regulatory frameworks and factor these into our water risk assessments as it is vital that we stay on top of any environmental legislation surrounding water. COMPANY SPECIFIC EXAMPLE: We recently undertook a company-wide risk assessment to determine the risk of increased fluvial flood levels under updated Environment Agency climate projections and understand what this might mean for us in terms of risk to development area and flood mitigation costs.
Status of ecosystems and habitats	Relevant, always included	HOW AND WHY FACTORED INTO WATER RISK ASSESSMENT: As a responsible developer Taylor Wimpey is committed to protecting the built and natural environment. We carry out work on water features such as rivers, ponds or lakes where retention, maintenance or improvement of ecology requires it. COMPANY SPECIFIC EXAMPLE: Where there are protected or sensitive species or habitats on a potential development site an ecological survey will be commissioned. For example, at our Leybourne Chase development in Kent, the identification of a population of voles and dormice led us to build tunnels across the new link road. At our site in Stepps, West Scotland, new homes are situated next to a glacial 'kettle' loch in an area of wetland. We have implemented several improvements to the local environment to benefit biodiversity and residents, including an area of marshland with new ponds and channels and refuge areas for amphibians. We also have included, bird and bat boxes, a new butterfly meadow and areas of bare ground.
Access to fully-functioning, safely managed WASH services for all employees	Relevant, always included	HOW AND WHY FACTORED INTO WATER RISK ASSESSMENT: WASH (water, sanitation and hygiene) services are covered in Taylor Wimpey's health and safety policies, apply to all employees and are always included in risk assessments (100% of sites in UK as a requirement). COMPANY SEPCIFIC EXAMPLE: At our construction sites we ensure that toilets and washing facilities are available in line with the Workplace (Health, Safety and Welfare) Regulations of 1992 and HSE code of practice.
Other contextual issues, please specify	Not considered	Not applicable

W3.3c

**(W3.3c) Which of the following stakeholders are considered in your organization's water-related risk assessments?**

	Relevance & inclusion	Please explain
Customers	Relevant, always included	Customers' water consumption from their homes in use is estimated as part of the development design. We integrate water efficiency into our homes to help reduce future water use by our customers, in line with Building Regulations. All new homes have water meters fitted where required, and we also include low flow taps and showers, and dual flush toilets. At Taylor Wimpey, water is well integrated into the business strategy and risk assessment process. We engage customers through our Touchpoint customer portal which aims to strengthen customer communication and interaction. Once a customer moves-in they can log any issues or problems that arise via Touchpoint and track our response.
Employees	Relevant, always included	Employees' water use is subject to an ongoing review. In particular we include employees in the water risk assessment to understand more about our water use in metered offices. We have achieved a 38% reduction in the water intensity of our metered offices (per full time employee) since 2014. The reduction is due to a combination of moving into more water efficient offices, addressing water leaks, implementing efficiency measures and an increase in the number of employees in these locations which affects the intensity measurement. Employees are engaged on water-related issues via internal company emails, information on our website and posters. A record 72% of our people completed our employee survey in 2017 and their feedback demonstrates a high level of engagement. Based on the survey, our overall employee engagement score is 93%, well above the benchmark for UK companies, and we are taking action to address those areas where our employees have indicated improvement is needed.
Investors	Relevant, always included	We include water related information in benchmarks such as CDP, FTSE4Good and DJSI, and in our sustainability report, which investors refer to for their decision making.
Local communities	Relevant, always included	Local communities have the opportunity to raise any concerns they have about water through community consultation exercises we conduct prior to making planning applications. We regularly transform empty, derelict or contaminated areas of land into vibrant new communities. In 2018, around 37% of our homes (2017: 45%) were built on previously developed land, known as brownfield land. We protect water quality by remediating groundwater on brownfield sites and preventing silt run off or fuel spills on our construction sites through our environmental management system. Local communities are engaged on water-related topics through our tailored community engagement strategy using our Community Engagement Toolkit. Our approach goes beyond regulatory requirements, with engagement starting before we submit a planning application and continuing throughout the development process. We also have a community review process in place to evaluate the effectiveness of our community engagement projects.
NGOs	Not relevant, explanation provided	Through our business activities we interact with and have an impact on a wide range of stakeholders. We aim to build positive relationships with our stakeholders through clear, open and accurate communication, and be responsive to their views and concerns. Dialogue with our stakeholders can help us to improve how we work, run a more efficient and effective business and address the social, economic and environmental impacts of our operations. For example, during 2018 we were involved in the Westminster Sustainable Business forum and contributed to Bricks and Water, a research document on sustainable house building and water management in the construction industry. NGOs do not express concern about water issues associated with our activities and are therefore not routinely included in risk assessments. We will continue to manage our water related risks throughout the organisation and report on them within our CDP water response and do not anticipate this being relevant in the future.
Other water users at a basin/catchment level	Not relevant, explanation provided	Through our business activities we interact with and have an impact on a wide range of stakeholders. We aim to build positive relationships with our stakeholders through clear, open and accurate communication, and be responsive to their views and concerns. Dialogue with our stakeholders can help us to improve how we work, run a more efficient and effective business and address the social, economic and environmental impacts of our operations. Other water users at a local level do not express concern about water issues associated with our activities. We will continue to evaluate our risk assessment processes on a regular basis to determine whether other water users should be considered in the future.
Regulators	Relevant, always included	The Environment Agency (EA) is a statutory consultee for flooding through the planning system. The Scottish Environmental Protection Agency (SEPA) in Scotland and National Resources Wales (NRW) in Wales have similar roles. The local authority Environmental Health department will comment and approve water risk assessments and remedial proposals, sometimes in consultation with the EA, SEPA or NRW. The Environment Agency published new climate change allowances for England during 2016, based on the latest climate change projections. Since this time we have reviewed 47 sites selected from our English regional businesses and Strategic Land North and South, with more detailed reviews at 16 of those sites. We identified that in general our business is not significantly exposed to the risk of increased river flood levels or extent in future climate change scenarios. However, there are circumstances where there is potential for individual sites to be impacted but the majority of Taylor Wimpey sites are located outside of any formal Flood Zones. The methods used to engage regulators include attendance of the Westminster Sustainable Business Forum and membership of the All Party Parliamentary Climate Change Group.
River basin management authorities	Not relevant, explanation provided	A building site is of limited size and does not significantly impact on a river basin scale. Taylor Wimpey does not plan to have any building sites large enough to effect water on this scale and river basins will therefore not be considered in risk assessments in the future.
Statutory special interest groups at a local level	Not relevant, explanation provided	No other statutory special interest groups at a local level have been identified. We will continue to evaluate our risk assessment processes on a regular basis to determine whether statutory special interest groups should be considered in the future.
Suppliers	Relevant, always included	Suppliers of mains water services, sewers, drainage, low flow taps and showers, and dual flush toilets will always be assessed for prospective house building sites. Taylor Wimpey work in close partnership with contractors to keep our sites safe. All contractors tendering for work have to provide details of their risk assessment process and safe system of work for their area of activity. One method of how we engage with our suppliers is through the Supply Chain Sustainability School which helps us engage with suppliers on resource efficiency. This work continued into 2018 with workshops to share best practice, including around risk assessment processes.
Water utilities at a local level	Relevant, always included	The availability of mains water is assessed with utility providers as part of a development site's evaluation. As a UK-focused residential developer, water is used in all operations. Ensuring a sufficient supply of water is therefore essential and is always included in risk assessments. We engage with water utility companies for every site that we develop for the purposes of installation of mains water, sewerage connections and where appropriate drainage. This includes employing subcontractors to install mains and sewers and local connections. As an example as part of water utility infrastructure at our development in Cambourne, Cambridgeshire we built three new foul water pumping stations. On our behalf, the house building industry's trade body the HBF have conducted research on water leaks and have identified that cumulatively in England and Wales water mains losses are around 25% of all potable water supplied across all customers. The last reported figures in 2015 confirmed a daily loss of 3,136 mega-litres/day. This is the equivalent of filling Kielder Reservoir in Northumberland around 5 times each year (Kielder is 9km long, 3km wide and holds 200 billion litres). Leaking mains and sewers can also contribute to the collapse of structures and highways. Gypsum and limestone rock formations (karstic rocks) are particularly vulnerable. The HBF found little evidence in progress in leakage reduction.
Other stakeholder, please specify	Not relevant, explanation provided	Not applicable

W3.3d

**(W3.3d) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.**

#### **THE PRIMARY TOOLS USED IN SELECTION AND THE RATIONALE**

Water-related risks are assessed as part of company-wide risk assessment processes. Risk impact is ranked from 1-5, 1 being insignificant, 5 being catastrophic. These are looked at from range of perspectives, including financial, brand/reputation, customer, health & safety, employees, environment, operations and legal. Within both our direct operations and the supply chain, water-related risks are assessed as part of business as usual, and escalated to the relevant heads of function to form Taylor Wimpey's risk register. One key concern for Taylor Wimpey in water-related risk assessments is flooding. Taylor Wimpey submits a flood risk assessment developed by specialist external consultants for each site. A range of tools are used to identify, assess and respond to water-related risks, including FAO/AQUASTAT, national specific standards, internal company methods and external consultants.

#### **APPLICATION OF THESE TOOLS**

Water scarcity data is sourced from Aquastat, a database published by the Food and Agriculture Organization (FAO) of the United Nations. Taylor Wimpey submits a flood risk assessment for each site; these are developed by specialist external consultants and adhere to national-specific standards. These tools were used on a frequent basis throughout 2018 .

#### **DESCRIPTION OF THE RISK-RESPONDING DECISION MAKING PROCESS**

As a responsible developer we ensure that our developments are built to appropriate standards in terms of water risk. The outcomes and data from these assessments are integrated into how we assess risk. For example, we will not start developing a site unless we can ensure that the land represents a low flood risk or that a technically robust programme of flood mitigation works is in place, having regard to current planning policy guidance and the views of local stakeholders.

## **W4. Risks and opportunities**

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### **W4.1**

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**(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?**

No

### **W4.1a**

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**(W4.1a) How does your organization define substantive financial or strategic impact on your business?**

#### **DEFINITION OF SUBSTANTIVE CHANGE:**

Taylor Wimpey defines substantive change as an issue which could have negative repercussions both on our bottom line and/or non-financial issues such as our brand reputation. We also consider the impact to our stakeholders, including employees, customers, contractors and investors. Our approach to conducting a risk assessment involves using a heat map matrix to assess impact magnitude and likelihood.

#### **MEASURE/METRICS/INDICATORS + THRESHOLD WHICH INDICATES A SUBSTANTIVE CHANGE:**

We prioritise our risks and opportunities based on their materiality to our business. Impact to business is measured in % of profit before tax (PBIT). A % PBIT greater than 20% is considered a moderate impact, and 50% a major impact.

This definition applies to Taylor Wimpey's direct operations and supply chain.

#### **EXAMPLE OF A SUBSTANTIVE IMPACT CONSIDERED:**

Supply of freshwater is essential for our construction operations. It is used by site personnel as well as for various construction purposes such as washing tools, homes and vehicles, mixing cement and concrete and irrigating gardens and open spaces. We consider the financial and strategic impact of a lack of good quality freshwater during risk assessments. However, the cost of water is not currently material.

### **W4.2b**

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**(W4.2b) Why does your organization not consider itself exposed to water risks in its direct operations with the potential to have a substantive financial or strategic impact?**

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	WHY THERE ARE NO SUBSTANTIVE RISKS TO OUR DIRECT OPERATIONS: Although water in direct operations is important to Taylor Wimpey, an assessment of our water accounting data in terms of impact on PBIT suggests that water use is not material to Taylor Wimpey's business, either in terms of spend on water (-£1m) or natural capital costs associated with water scarcity. METHOD FOR ASSESSING RISKS: We use a heat map matrix to assess risks in terms of impact to business and likelihood. Impact to business is measured in % of profit before tax (PBIT). A % PBIT greater than 20% is considered a moderate impact, and 50% a major impact. EXAMPLE OF RISK IDENTIFIED: In 2016 the Environment Agency published updated guidance on climate change allowances that should be used for planning. The changes in regulation represented a risk to Taylor Wimpey. We therefore conducted a review to determine the risk of increased fluvial flood levels under the updated climate projections. WHY WATER RISK IS CONSIDERED NON-SUBSTANTIVE: Considered to be non-substantive due to the low level of expenditure on water (0.1% of turnover).

**W4.2c**

**(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?**

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	WHY THERE ARE NO SUBSTANTIVE RISKS TO OUR SUPPLY CHAIN: In 2016 we completed an assessment of the importance of water in our supply chain. This was part of a wider project to quantify and value our supply chain greenhouse gas emissions, water consumption and waste generation. Also in 2016, we asked external and internal stakeholders what issues they believed were most material to Taylor Wimpey. Water was an issue of relatively low importance to external stakeholders and in terms of its impact on the business. METHOD FOR ASSESSING RISKS: For our supply chain assessment, we used input-output modelling to estimate hot spots in our supply chain. We then engaged with high impact suppliers in order to collect actual water data from 82 suppliers. EXAMPLE OF RISK IDENTIFIED AND WHY IT IS CONSIDERED NON-SUBSTANTIVE: Risks include a supply failure or water quality issues. However, it is not expected that these risks would be material to the business. Impact to business is measured in % of profit before tax (PBIT). A % PBIT greater than 20% is considered a moderate impact, and 50% a major impact. To date, no risks of this magnitude have been identified. WHEN THIS ASSESSMENT WILL BE REPEATED: We will review the value of repeating a supply chain assessment in the next 1-3 years.

**W4.3**

**(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes, we have identified opportunities, and some/all are being realized

**W4.3a**

**(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.**

**Type of opportunity**

Efficiency

**Primary water-related opportunity**

Improved water efficiency in operations

**Company-specific description & strategy to realize opportunity**

OPPORTUNITY: We have a business wide target in place for water reduction, including in our offices. The main opportunity is to reduce toilet flush size and better manage water in urinals. STRATEGY TO REALISE THE OPPORTUNITY: In existing offices we have requested that our BUs include cistern bricks and display consumption information. When purchasing or refurbishing new offices, we have installed more efficient features installed such as dual flush toilets and low flow taps. HOW STRATEGY IS BEING IMPLEMENTED (EXAMPLE): We have rolled out a network of Sustainability Champions, one in each of our 24 regional businesses, who will engage our employees on waste reduction and energy and water efficiency, identify areas for improvement and help us to implement best practices.

**Estimated timeframe for realization**

1 to 3 years

**Magnitude of potential financial impact**

Low

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

2470

**Potential financial impact figure – minimum (currency)**

<Not Applicable>

**Potential financial impact figure – maximum (currency)**

<Not Applicable>

**Explanation of financial impact**

FINANCIAL IMPLICATIONS: The cost of water is not currently material to Taylor Wimpey. Nevertheless, we are taking measures and are committed to reducing operational water consumption and increasing the water efficiency of our site compounds and the homes we build, in line with Building Regulations. Savings from reductions in metered office water consumption in 2018 (taking into account the increased number of UK completions) totalled £2470. It is uncertain what proportion of this is due to water.

**Type of opportunity**

Efficiency

#### Primary water-related opportunity

Improved water efficiency in operations

#### Company-specific description & strategy to realize opportunity

OPPORTUNITY: Extending water targets to cover the entire business, including sites. STRATEGY TO REALISE THE OPPORTUNITY: We are rolling out a UK wide water reduction strategy for building sites, sales areas and plots before sale. HOW STRATEGY IS BEING IMPLEMENTED (EXAMPLE): We have achieved a 38% reduction in the water intensity of our metered offices (per full time employee) on a 2014 baseline. - We participated in the CDP water benchmark for the fourth time in 2018 achieving a score of B, the highest score among UK housebuilders. Our network of Sustainability Champions also will work to reduce water consumption levels on the sites and offices of their respective BUs.

#### Estimated timeframe for realization

1 to 3 years

#### Magnitude of potential financial impact

Low

#### Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

#### Potential financial impact figure (currency)

62818

#### Potential financial impact figure – minimum (currency)

<Not Applicable>

#### Potential financial impact figure – maximum (currency)

<Not Applicable>

#### Explanation of financial impact

FINANCIAL IMPLICATIONS: The cost of water is not currently material to Taylor Wimpey. Nevertheless, we are taking measures and are committed to reducing operational water consumption and increasing the water efficiency of our site compounds and the homes we build, in line with Building Regulations. Savings (taking into account the increased amount of UK completions) resulting from our target to reduce metered water use intensity in 2019 on a 2018 baseline could total £62,818 if a 5% reduction in water use intensity is met. However, we have not made a commitment to a 5% reduction in water use intensity at this time.

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#### Type of opportunity

Markets

#### Primary water-related opportunity

Stronger competitive advantage

#### Company-specific description & strategy to realize opportunity

OPPORTUNITY: Sustainable urban drainage systems (SUDs) have the potential to increase the visual and ecological quality of developments and hence contribute to place making. STRATEGY TO REALISE THE OPPORTUNITY: We put in place mitigation measures to reduce the risk of flooding such as sustainable drainage systems and we will not purchase land where it is not possible to mitigate flood risk. Our SUDs approach has been under development subject to government guidance. HOW STRATEGY IS BEING IMPLEMENTED (EXAMPLE): - Many of our sites include sustainable drainage systems (SDS) that reduce flood risk associated with water run-off. - We part-funded a research project with Abertay University and other partners in Scotland to explore how gardens in new homes can be used to absorb heavy rainfall, help prevent flooding in built-up areas and contribute to biodiversity. We are also trialling new approaches at our Torrance Park development and have helped to produce a Developer's Guide to Greener Gardens and a learning package for schools. In addition, we have developed a guidance document (called 'A home for nature') on enhancing biodiversity on our sites. 'A home for nature' includes information on using soft engineering solutions such as SUDs to meet ecological, placemaking and flood mitigation goals. 'A home for nature' is being launched across the business in 2019.

#### Estimated timeframe for realization

4 to 6 years

#### Magnitude of potential financial impact

Low

#### Are you able to provide a potential financial impact figure?

No, we do not have this figure

#### Potential financial impact figure (currency)

<Not Applicable>

#### Potential financial impact figure – minimum (currency)

<Not Applicable>

#### Potential financial impact figure – maximum (currency)

<Not Applicable>

#### Explanation of financial impact

FINANCIAL IMPLICATIONS: The financial benefit of using SUDs for placemaking and flood mitigation purposes is likely to be low (<1% revenue). However, SUDs can have cheaper capital costs than conventional drainage solutions. They also improve the attractiveness of sites and therefore potentially can enhance the sales values of homes. Conversely, they reduce net developable area and are a long-term maintenance liability. We do not have sufficiently robust data to quantify the financial impact of these advantages and disadvantages.

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#### Type of opportunity

Efficiency

#### Primary water-related opportunity

Improved water efficiency in operations

#### Company-specific description & strategy to realize opportunity

OPPORTUNITY: Improved water efficiency from integrating water saving features to provide a secondary water source for operations. STRATEGY TO REALISE THE OPPORTUNITY: We have identified that rainwater harvesting (capturing rain water) and greywater recycling (capturing water from baths, basins, showers etc.) can provide a secondary water source for toilet flushing or irrigation. HOW STRATEGY IS BEING IMPLEMENTED (EXAMPLE): - Rainwater harvesting has been used on external landscaping at The Arboretum in Haverhill and Greenwich Millennium Village in Greenwich. - In addition, we use greywater systems using recycled bath water to flush toilets at Leybourne Grange in Kent and Great Western Park in Didcot. This is an example of our response to regulatory requirements and/or customer demands.

**Estimated timeframe for realization**

1 to 3 years

**Magnitude of potential financial impact**

Low

**Are you able to provide a potential financial impact figure?**

No, we do not have this figure

**Potential financial impact figure (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure – minimum (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure – maximum (currency)**

&lt;Not Applicable&gt;

**Explanation of financial impact**

FINANCIAL IMPLICATIONS: We do not have sufficiently robust data to quantify the financial impact of rainwater harvester and greywater recycling systems on our sites.

**Type of opportunity**

Products and services

**Primary water-related opportunity**

Increased sales of existing products/services

**Company-specific description & strategy to realize opportunity**

OPPORTUNITY: Water side properties command an uplift on property prices. Research published by Knight Frank in 2014 indicates prime waterfront properties in the UK are worth an average of 60% more than properties located further from water . We have reviewed research that suggests that a waterfront position in South West England, for example, offers the most added value when compared to a similar property inland, with prices 75% higher. Prime riverside homes in London (+55%) and waterfront properties in the South East (+44%) and East Anglia (+41%) command the next largest uplifts. We are factoring this into our assessment of new sites for development. Taylor Wimpey can take this as an opportunity to increase the value of properties by choosing locations close to or with view of water. STRATEGY TO REALISE THE OPPORTUNITY: In carefully selected circumstances we purchase land with views over water or enhance or install new water features to improve sales values. HOW STRATEGY IS BEING IMPLEMENTED (EXAMPLE): At our Greenwich Millennium Village site, we installed an ecology park with a wooden walk way over a water feature.

**Estimated timeframe for realization**

1 to 3 years

**Magnitude of potential financial impact**

Low-medium

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

528000

**Potential financial impact figure – minimum (currency)**

&lt;Not Applicable&gt;

**Potential financial impact figure – maximum (currency)**

&lt;Not Applicable&gt;

**Explanation of financial impact**

FINANCIAL IMPLICATIONS: The average price of a Taylor Wimpey property is £264,000. Uplifts will be site specific, and may vary between a few % and the figures quoted by Knight Frank. Assuming a conservative uplift of 20% this can generate an extra £52,800 per property. Assuming 10 properties per year this would be around £528,000. Proximity to existing water features is typically at least partially factored into land values.

**W6. Governance****W6.1****(W6.1) Does your organization have a water policy?**

No

**W6.2****(W6.2) Is there board level oversight of water-related issues within your organization?**

Yes

**W6.2a**

**(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.**

Position of individual	Please explain
Chief Executive Officer (CEO)	The Chief Executive Officer leads the board and is ultimately responsible for water within the organisation. The CEO puts in place the personnel structure to ensure that figures reported in the Annual Report and Sustainability Report are complete and accurate. Responsibility cascades down to our Major Developments Director, who is a member of the General Management Team and chair of the Legacy, Engagement and Action for the Future (LEAF) committee.

**W6.2b**

**(W6.2b) Provide further details on the board's oversight of water-related issues.**

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Monitoring implementation and performance Overseeing acquisitions and divestiture Overseeing major capital expenditures Providing employee incentives Reviewing and guiding annual budgets Reviewing and guiding business plans Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing and guiding corporate responsibility strategy Reviewing innovation/R&D priorities Setting performance objectives	The Chief Executive Officer leads the board and is ultimately responsible for environmental matters within the organisation. The CEO puts in place the personnel structures to ensure that water-related issues reported in the Annual Report and Sustainability Report are complete and accurate. Responsibility cascades down to our Major Developments Director, a member of the General Management Team and chair of the Legacy, Engagement and Action for the Future (LEAF) committee. The board considers a number of water-related issues including: flood risk and other water-related risk assessments, SUDS, improving quality of open spaces, reviewing and guiding the strategy, setting water targets and objectives. They are briefed by the chair of the LEAF group on these matters.

**W6.3**

**(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).**

**Name of the position(s) and/or committee(s)**

Other, please specify (Director of su)

**Responsibility**

Both assessing and managing water-related risks and opportunities

**Frequency of reporting to the board on water-related issues**

More frequently than quarterly

**Please explain**

Below board-level the Director of Sustainability (DoS) is responsible for water-related issues. The DoS reports to the board on a monthly basis and leads a team to ensure items highlighted are cascaded through the organisation. The DoS is responsible for a broad range of issues at Taylor Wimpey, including corporate responsibility, environmental reporting and the implementation of water reduction targets. The DoS supports the production of Taylor Wimpey's annual Sustainability Report that includes sections on building sustainable homes and communities, managing land, protecting the environment, sourcing responsibly and governance, management and performance. Results and outcomes are reported via the Risk & Opportunities Register and discussed at quarterly LEAF Group Meetings. They are also a standing item on the agenda for the Legacy, Engagement and Action for the Future (LEAF) committee, which is attended by the DoS as well as the Major Developments Director (C-Suite Officer).

W6.5

**(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?**

- Yes, direct engagement with policy makers
- Yes, trade associations

W6.5a

**(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?**

During 2018 Taylor Wimpey were involved in the Westminster Sustainable Business forum, a coalition of leading parliamentarians, businesses, academic institutions and organisations informing better policy-making on sustainability issues for the built environment. In 2017, we submitted information that shaped 'Bricks and Water', a research document on sustainable house building and water management in the construction industry.

PROCESS TO ENSURE CONSISTENCY

Taylor Wimpey is committed to improving water efficiency. We aim to reduce water use in our operations, design our homes to be water efficient in line with Building Regulations and protect water quality during construction and remediation on our sites. Our 2018 water target (a 3% reduction in mains water consumption from our metered UK offices per full time employee, on a 2017 baseline) helps to ensure that all activities seeking to influence policy are consistent with our aims by providing a clear vision under which we operate. During 2018 we will review our water policy, strategy and targets. We will roll out our best practice guidance on water efficiency to production teams and water use will be one of the focus areas for our Sustainability Champions.

PROCESS IF INCONSISTENCY IS FOUND

Taylor Wimpey's activities to influence policy relating to water and climate change are overseen by the LEAF committee. If any inconsistencies are found, they would be fed back to the Director of Sustainability for Business Unit/EMS follow-up.

W6.6

**(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?**

No, but we plan to do so in the next two years

W7. Business strategy

W7.1

**(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?**

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	> 30	How are water-related issues integrated into long-term business objectives Water related issues are integral to our business model. Every site needs to consider as a minimum flooding, drainage, water supply and foul sewage. Water efficient measures are installed in every home to at least the standards required by Building Regulations. At some sites grey water recycling or rain water harvesting systems are installed. 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. Why the time horizon chosen was selected We consider flood risk over a long-term horizon, particularly in relation to flood mapping and use the Environment Agency's flood mapping tools to do this. Risks are considered across short, medium and long-term horizons which to Taylor Wimpey range from 1-100 years.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	5-10	How are they integrated into the plan. We aim to integrate water-related issues into our long-term strategic objectives by engaging with suppliers on water and other resource use. In 2018, we engaged our suppliers through the Supply Chain Sustainability School. We will also review our water policy, strategy and targets. We will roll out best practice guidance on water efficiency to production teams and water use will be one of the focus areas for our Sustainability Champions. We plan to reduce our mains water consumption from our metered UK offices by 3% per full time employee on a 2016 baseline. Why the time horizon chosen was selected. Risks are considered across short, medium and long-term horizons which to Taylor Wimpey range from 1-100 years.
Financial planning	Yes, water-related issues are integrated	5-10	How are they integrated into the plan Water related issues are integral to our business model. We aim to reduce water use in our operations, to design our homes to be water efficient in line with Building Regulations and to protect water quality during construction and remediation on our sites. We integrate measures to manage surface water and reduce flood risk on our completed developments. Water-related issues are factored into our financial planning and risks are assessed via our Risk Register. Although the cost of water is not material within our direct operations, there are risks to the supply chain - for example, supply failures or water quality issues. Impact to business is measured in % of profit before tax (PBIT). A % PBIT greater than 20% is considered a major impact. A high likelihood risk is one with a greater than 50% chance of occurring. To date, no risks of this magnitude have been identified.

W7.2

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

0

Anticipated forward trend for CAPEX (+/- % change)

0

Water-related OPEX (+/- % change)

0

Anticipated forward trend for OPEX (+/- % change)

2.5

Please explain

CAPEX: includes water-related capital expenditure for Head Office and regional office facilities. The level of investment tends to be ad-hoc depending particularly on the refurbishment of office facilities, and is not anticipated to change significantly in the future. OPEX: 2.5% is an order of magnitude estimate for an anticipated increase in site construction costs as the business expands, for roads and sewers at a building site-level for example (not normally categorised as CAPEX within the business model).

### W7.3

(W7.3) Does your organization use climate-related scenario analysis to inform its business strategy?

	Use of climate-related scenario analysis	Comment
Row 1	Yes	

### W7.3a

(W7.3a) Has your organization identified any water-related outcomes from your climate-related scenario analysis?

Yes

### W7.3b

(W7.3b) What water-related outcomes were identified from the use of climate-related scenario analysis, and what was your organization's response?

	Climate-related scenario(s)	Description of possible water-related outcomes	Company response to possible water-related outcomes
Row 1	Other, please specify (Env Agency CCA)	Based on changes the Environment Agency made to climate change allowances Taylor Wimpey appointed specialist flooding consultant BWB to conduct a detailed review of the implications for floor risk assessments, net developable area and flood mitigation works scope and costs.	Taylor Wimpey appointed BWB to review 44 flood risk assessments, and conduct more detailed assessment on 16 of these. The project found that the Taylor Wimpey business as a whole is not currently significantly exposed to the risk of increased fluvial flood levels or extents in future climate change scenarios.

### W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, and we do not anticipate doing so within the next two years

Please explain

Water costs are not material to Taylor Wimpey, therefore currently we are not considering using an internal price on water.

## W8. Targets

### W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Company-wide targets and goals	Targets are monitored at the corporate level Goals are monitored at the corporate level	We are developing a UK wide water reduction strategy for building sites, sales areas and plots before sale. Targets and goals have been developed in alignment with Taylor Wimpey's longer-term strategy.

W8.1a

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(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.

**Target reference number**

Target 1

**Category of target**

Water consumption

**Level**

Company-wide

**Primary motivation**

Water stewardship

**Description of target**

Our target for 2018 was to reduce mains water consumption from our metered UK offices by 3% per full time employee on a 2017 baseline.

**Quantitative metric**

Other, please specify (% reduction per employee)

**Baseline year**

2016

**Start year**

2017

**Target year**

2018

**% achieved**

0

**Please explain**

Metered mains water consumption increased 23.6% from 394,558m3 (2017) to 487,915m3 (2018). The water intensity of our direct operations (the amount of water used per square metre of build) also increased by 19% year-on-year. These increases were due to the hot summer in the UK. We have reduced the water intensity of our metered offices (the amount of water used per full time equivalent employee) by 38% since 2014. However, intensity increased by 7% year-on-year.

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W8.1b

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**(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.**

**Goal**

Other, please specify (Best practice water management)

**Level**

Company-wide

**Motivation**

Water stewardship

**Description of goal**

MEASURE OF SUCCESS: Tighten reporting processes for all leaks and prepare best practice guidance for water management on sites. WHY THIS GOAL WAS ADOPTED: Our total metered water consumption increased 23.6% and our water intensity (the amount of water per square meter of build) increased by 19% year-on-year. These increases were due to the hot summer in the UK in 2018, which increased irrigation for show home and plot gardens, and public open spaces. As a responsible business it is important for us to use water carefully and ensure best practice is followed throughout the company.

**Baseline year**

2017

**Start year**

2017

**End year**

2018

**Progress**

Indicators of progress focus on creating best practice guidance on water efficiency measures and leaks for our building sites, sales areas and plots before sale. This guidance has been added to our intranet, including information on resolving leaks from pipes and taps. During 2017 this was promoted to Production Teams and rolled out throughout Taylor Wimpey.

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**Goal**

Promotion of water data transparency

**Level**

Company-wide

**Motivation**

Water stewardship

**Description of goal**

Monitoring and measuring our impact in relation to water is important to Taylor Wimpey. Several parts of the UK are already experiencing serious water stress and climate change could increase this. We aim to use water carefully and increase the water efficiency of our sites. The CDP water benchmark assesses companies' corporate water stewardship practices and performance. By responding to the CDP we ensure that water is kept high on the agenda which will allow us to achieve our 2018 target to reduce mains water consumption from our metered UK offices by 3% per full time employee on a 2017 baseline. We worked closely with consultants to optimise our Water response. We recognise the tangible business benefits of disclosure and action, raising our ambitions and taking meaningful steps to address climate change and water security.

**Baseline year**

2017

**Start year**

2017

**End year**

2018

**Progress**

Our goal was to continue responding to the CDP Water Submission with a view to improving our score. We were pleased to receive a B rating from CDP Water in 2018. Although this was a fall from our 2017 score (A-), it was the highest score amongst UK housebuilders.

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**W9. Linkages and trade-offs**

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**W9.1**

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**(W9.1) Has your organization identified any linkages or tradeoffs between water and other environmental issues in its direct operations and/or other parts of its value chain?**

Yes

**W9.1a**

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**(W9.1a) Describe the linkages or tradeoffs and the related management policy or action.**

**Linkage or tradeoff**

Linkage

**Type of linkage/tradeoff**

Increased energy efficiency

**Description of linkage/tradeoff**

DESCRIPTION OF LINKAGES: There is a link between the installation of water efficient, low flow taps and showers in the homes we build and our customers' energy bills and carbon emissions. There is also a weaker link between energy and cold water, because energy was needed to process the water and transport it to its point of use. This also impacts on our target to save water in offices and our target to reduce carbon emissions, which in turn has wider environmental benefits. CHANGE IN IMPACT OF LINKAGE: We integrate water efficiency measures into our homes to help reduce future water use by our customers, in line with Building Regulations. All new homes have water meters fitted, and we also include low flow taps and showers, and dual flush toilets. Some developments include additional water saving features such as rainwater harvesting and grey water systems, reflecting local authority priorities.

**Policy or action**

POLICY FOR MANAGING LINKAGES: We have a policy position on preferring water efficient technologies in the homes that we build. This policy is integrated into the business strategy and impacts on our choice of suppliers and partners. It also helps support strategic company-wide targets.

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**Linkage or tradeoff**

Linkage

**Type of linkage/tradeoff**

Environmental restoration

**Description of linkage/tradeoff**

DESCRIPTION OF LINKAGES: In order to redevelop brownfield sites we need to routinely assess and occasionally clean up polluted groundwater. Therefore the recycling of land and the improvement of groundwater quality are positively linked. We regularly transform empty, derelict or contaminated areas of land into vibrant new communities. CHANGE IN IMPACT OF LINKAGE: Around 37% of the homes we built in 2018 (2017: 45%) were built on previously developed land, known as brownfield land. Therefore the impact of this linkage has fallen slightly year- on- year.

**Policy or action**

MANAGEMENT ACTION: We protect water quality by remediating groundwater on brownfield sites and preventing silt run off or fuel spills on our construction sites through our Environmental Management System. Both brownfield regeneration and groundwater remediation are controlled through our Land Assessment and Management Process(LAMP), as well as through planning and other regulatory processes. Our LAMP processes are overseen by the Director of Sustainability, who ensures they are integrated into the business strategy. We have taken a strategic decision to reinvigorate land, rather than choosing to develop previously undeveloped land, and make these areas better places to live. This is considered when we identify and purchase new land.

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**Linkage or tradeoff**

Linkage

**Type of linkage/tradeoff**

Environmental restoration

**Description of linkage/tradeoff**

DESCRIPTION OF LINKAGES: 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 measures such as sustainable drainage systems (SDS) that work by mimicking natural drainage systems, absorbing rainfall in ponds and swales. As well as improving water management, they create attractive natural features that contribute to placemaking (creating an enjoyable place for people to live) and provide habitats for wildlife. Using infiltration and above ground ponds and swales is being increasingly prioritised over buried pipe-based drainage solutions.

**Policy or action**

POLICY FOR MANAGING LINKAGES: We put in place mitigation measures such as sustainable drainage systems to reduce the risk of flooding. In addition, we will not purchase land where it is not possible to mitigate flood risk (purchasing land is a strategic choice for Taylor Wimpey).

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**W10. Verification**

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**W10.1**

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**(W10.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1d)?**

No, we do not currently verify any other water information reported in our CDP disclosure

**W11. Sign off**

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**W-FI**

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**(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

N/A

W11.1

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(W11.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1		Please select

W11.2

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(W11.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

Please select

Submit your response

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In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	Public or Non-Public Submission	I am submitting to
I am submitting my response	Public	Investors

Please confirm below

I have read and accept the applicable Terms