

F0. Introduction

F0.1

(F0.1) 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 areas in which we operate. We are first and foremost a local business and an important contributor to local communities.

We are comprised of 23 business units (BUs) that operate across the UK (except Northern Ireland) and a business in Spain. Our approach to the environment is shaped by our Environment Strategy, which was developed over the course of 2020. The Environment Strategy has three main pillars: climate change, nature and resources and waste. We have set challenging targets within each of these pillars. For climate change, our principal target is a science-based carbon reduction target that has been verified by the Science-Based Targets Initiative (SBTI). For nature, our principal target is to increase natural habitats on all new sites 10% from 2023 and to deliver our priority wildlife enhancements from 2021. These enhancements include hedgehog highways, bug hotels and bee bricks, and from 2022 onwards bat boxes, bird boxes, wildlife ponds, and hibernation sites for amphibians and reptiles. For resources and waste, our principal target is to reduce construction waste intensity 15% by 2025 and to use more recycled materials. We also will publish a 'toward zero waste' strategy by 2022.

We invest significant sums in research and development projects that will help us become a greener, more resource efficient builder. Through our 'Functional Interface Group' (R&D Committee), we assess and monitor trials of new construction products, processes and approaches that can improve our operations. We also engage with our trade body, the Housebuilders Federation, and with the UK Government on forthcoming changes to Building Regulations and the net zero carbon agenda.

F0.2

(F0.2) State the start and end date of the year for which you are reporting data.

	Start Date	End Date
Reporting year	January 1 2020	December 31 2020

F0.3

(F0.3) Select the currency used for all financial information disclosed throughout your response.

GBP

F0.4

(F0.4) Select the forest risk commodity(ies) that you are, or are not, disclosing on (including any that are sources for your processed ingredients or manufactured goods); and for each select the stages of the supply chain that best represents your organization's area of operation.

	Commodity disclosure	Stage of the value chain	Explanation if not disclosing
Timber products	Disclosing	Retailing	<Not Applicable>
Palm oil	This commodity is not produced, sourced or used by our organization	<Not Applicable>	<Not Applicable>
Cattle products	This commodity is not produced, sourced or used by our organization	<Not Applicable>	<Not Applicable>
Soy	This commodity is not produced, sourced or used by our organization	<Not Applicable>	<Not Applicable>
Other - Rubber	Not disclosing	Retailing	Rubber may be a minority constituent of some house building products. e.g seals and damp proof membranes
Other - Cocoa	This commodity is not produced, sourced or used by our organization	<Not Applicable>	<Not Applicable>
Other - Coffee	This commodity is not produced, sourced or used by our organization	<Not Applicable>	<Not Applicable>

F0.5

(F0.5) Are there any parts of your direct operations or supply chain that are not included in your disclosure?

Yes

F0.5a

(F0.5a) Identify the parts of your direct operations or supply chain that are not included in your disclosure.

Value chain stage	Exclusion	Description of exclusion	Potential for forests-related risk	Please explain
Direct operations	Country/ geographical area	We have excluded the direct operations and supply chain of our Spanish business from our disclosure. Spain is a non-material part of our business, accounting for ~2.5% of total turnover.	Potential for forests-related risk but not evaluated	House building in Spain represents ~2.5% of our revenue. This is excluded from our disclosure this year, as the number of houses built by our Spanish business is small relative to the number of houses built in the UK.
Direct operations	Specific supplier(s)	We also have excluded those parts of the UK timber supply chain comprised of small- and micro-enterprises that are appointed by our regional businesses. We believe the volume of timber procured by these regional businesses is relatively small.	Potential for forests-related risk but not evaluated	While these suppliers are relatively large in number, they supply a small % of the group's total timber supply.

F1. Current state

F1.1

(F1.1) How does your organization produce, use or sell your disclosed commodity(ies)?

Timber products

Activity

- Using for construction
- Buying manufactured products
- Distributing/packaging
- Retailing/onward sale of commodity or product containing commodity

Form of commodity

- Sawn timber, veneer, chips
- Paper
- Boards, plywood, engineered wood
- Secondary packaging
- Tertiary packaging

Source

- Contracted suppliers (processors)
- Contracted suppliers (manufacturers)

Country/Area of origin

- Austria
- Belgium
- Brazil
- Canada
- Chile
- China
- Congo
- Croatia
- Denmark
- Estonia
- France
- Gabon
- Germany
- Ghana
- Hungary
- Ireland
- Italy
- Latvia
- Lithuania
- Malaysia
- Netherlands
- New Zealand
- Norway
- Poland
- Portugal
- Russian Federation
- Slovenia
- Solomon Islands
- Spain
- Sweden
- Thailand
- United Kingdom of Great Britain and Northern Ireland
- United States of America

% of procurement spend

1-5%

Comment

F1.2

(F1.2) Indicate the percentage of your organization's revenue that was dependent on your disclosed forest risk commodity(ies) in the reporting year.

	% of revenue dependent on commodity	Comment
Timber products	91-99%	All of Taylor Wimpey's houses contain timber products. There is a small amount of revenue which comes from land sales and is therefore not dependent on timber.
Palm oil	<Not Applicable>	<Not Applicable>
Cattle products	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

F1.5

(F1.5) Does your organization collect production and/or consumption data for your disclosed commodity(ies)?

	Data availability/Disclosure
Timber products	Consumption data available, disclosing
Palm oil	<Not Applicable>
Cattle products	<Not Applicable>
Soy	<Not Applicable>
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	<Not Applicable>

F1.5a

(F1.5a) Disclose your production and/or consumption data.

Forest risk commodity

Timber products

Data type

Consumption data

Volume

89540

Metric

Cubic meters

Data coverage

Partial commodity production/consumption

Please explain

This figure has been calculated by adding up the total volume of timber components our Group suppliers provided us with in 2020. We engaged with our suppliers to collect this information. Data coverage is partial because our regional business units procure other timber products such as fencing from small and micro-enterprises with which we have not yet been able to engage. We believe the volume of timber procured regionally is relatively small.

F1.5b

(F1.5b) For your disclosed commodity(ies), indicate the percentage of the production/consumption volume sourced by national and/or sub-national jurisdiction of origin.

Forest risk commodity

Timber products

Country/Area of origin

Brazil

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Parana, Rio Grande do Sul)

% of total production/consumption volume

1

Please explain

Taeda pine from plantations in Brazil is used to manufacture newel posts by one of our suppliers. Taylor Wimpey monitors where its Group suppliers purchase timber from via an annual supplier survey. This survey shows that 98% of our timber does not come from any of the producer areas CDP has highlighted.

Forest risk commodity

Timber products

Country/Area of origin

Malaysia

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Pahang Terrenganu Perak Kuantan Rompin District)

% of total production/consumption volume

1

Please explain

Moderate volumes of certified timber products in doors and sheet materials. Taylor Wimpey monitors where its Group suppliers purchase timber from via an annual supplier survey. This survey shows that 98% of our timber does not come from any of the producer areas CDP has highlighted.

Forest risk commodity

Timber products

Country/Area of origin

Thailand

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Nonthaburi)

% of total production/consumption volume

1

Please explain

Substantially <1% in some rubberwood flooring products. Taylor Wimpey monitors where its Group suppliers purchase timber from via an annual supplier survey. This survey shows that 98% of our timber does not come from any of the producer areas CDP has highlighted.

Forest risk commodity

Timber products

Country/Area of origin

Congo

State or equivalent jurisdiction

Specify state/equivalent jurisdiction (Brazzaville)

% of total production/consumption volume

1

Please explain

Substantially <1% supplied via a single supplier in engineered timber products for second fix. All either FSC or PEFC certified. Taylor Wimpey monitors where its Group suppliers purchase timber from via an annual supplier survey. This survey shows that 98% of our timber does not come from any of the producer areas CDP has highlighted.

Forest risk commodity

Timber products

Country/Area of origin

Any other countries/areas

State or equivalent jurisdiction

<Not Applicable>

% of total production/consumption volume

98

Please explain

Taylor Wimpey monitors where its Group suppliers purchase timber from via an annual supplier survey. This survey shows that 98% of our timber does not come from any of the producer areas CDP has highlighted.

F1.6

(F1.6) Has your organization experienced any detrimental forests-related impacts?

Yes

F1.6a

(F1.6a) Describe the forests-related detrimental impacts experienced by your organization, your response, and the total financial impact.

Forest risk commodity

Timber products

Impact driver type

Reputational and markets

Primary impact driver

Increased cost of certified sustainable material

Primary impact

Increased operating costs

Description of impact

Taylor Wimpey is committed to procuring timber from sustainable sources with the assurance provided by an approved certification scheme such as FSC, PEFC or SFI. Limited availability of certified material would drive up cost or in extreme circumstances disrupt production.

Primary response

Engagement with suppliers

Total financial impact

Description of response

Forest risk commodity

Timber products

Impact driver type

Physical

Primary impact driver

Forest fires

Primary impact

Increased operating costs

Description of impact

We recognise that a wide range of physical climate impacts could disrupt the supply of timber. One example that was relevant in 2020 was forest fires. As a result of drought and extreme temperatures, forest fires were observed in the Amazon and Siberia in numbers rarely seen in the last decade. The majority of Taylor Wimpey's timber is sourced from Europe. An increase in forest fires may impact the supply and therefore the price of timber.

Primary response

Please select

Total financial impact

Description of response

F2. Procedures

F2.1

(F2.1) Does your organization undertake a forests-related risk assessment?

Yes, forests-related risks are assessed

F2.1a

(F2.1a) Select the options that best describe your procedures for identifying and assessing forests-related risks.

Timber products

Value chain stage

Supply chain

Coverage

Partial

Risk assessment procedure

Assessed as part of an established enterprise risk management framework

Frequency of assessment

Annually

How far into the future are risks considered?

1 to 3 years

Tools and methods used

Internal company methods

External consultants

Please explain

Detailed description of the tool/method: Timber-related risks are assessed as part of our company-wide risk assessment. We have a Sustainability and Climate Change Risk and Opportunity Register which was developed by senior members of staff who sit on the Legacy, Engagement and Action for the Future (LEAF) committee. The register is a standing item on the LEAF committee agenda and is revised on a quarterly basis. The LEAF is chaired by our Divisional Chair for London and the South East who sits on the General Management Team and raises sustainability issues at board level. In addition, the category managers within the procurement team are responsible for identifying and assessing timber-related risks. We have managers for timber-related categories including roofs, floors, timber frames and internal timber products such as MDF. The category managers conduct category-specific risk assessments, looking at issues such as sustainability, availability, quality and price. Identified risks are fed up to the Procurement Director and, where appropriate, to the LEAF committee and/or the executive team. Where necessary we use external consultants and tools to help assess risks. For example, 82% of our priority suppliers registered with the Sustainability Supply Chain School (SCSS) in 2020. The SCSS provides training and other resources to our suppliers. This helps them identify their strengths and weaknesses in relation to issues such as sustainable sourcing. It also provides them an action plan with resources and training materials to help address any gaps. Risks are assessed based on key criteria that rank risks in relation to their impact on the business and the required level of involvement by management to limit the effect of the risk. This is assessed over a number of categories, including financial impact, brand impact, health & safety and environment. Risks are ranked from 1 to 5 based on their impact on the business and the required level of involvement by management to limit the effect of the risk. 'Insignificant' risks score a 1; 'Catastrophic' risks score a 5. Why this method was chosen and how it has been used to assist the risk assessment on forests-related issues: This method was chosen because it integrates into the overall risk management process of the business and involves all relevant groups within the business.

F2.1b

(F2.1b) Which of the following issues are considered in your organization's forests-related risk assessment(s)?

Availability of forest risk commodities

Relevance & inclusion

Relevant, always included

Please explain

We assess the risk associated with the availability of forest risk commodities as part of our company-wide risk assessment process as described in F2.1a. 1) Explanation of why this issue is important for Taylor Wimpey: Timber is an essential material in the construction of the structural elements of a house (e.g. joists, roof trusses). The availability of timber is therefore critical for Taylor Wimpey and the construction schedule it aims to meet each year. In addition, we made a commitment to increase the proportion of homes built using timber frames to 20% by 2020. The availability of timber for use in timber frame kits is therefore of growing importance for the business. 2) How the information about this issue is used internally for decision-making: We have category managers within the procurement team, including category managers for roofs, floors, timber frames and internal timber products such as MDF. The category managers conduct specific risk assessments for each of their categories, looking at issues such as sustainability, availability, quality and price. Identified risks are fed up to the Procurement Director and, where appropriate, to the LEAF Committee and/or the executive team.

Quality of forest risk commodities

Relevance & inclusion

Relevant, always included

Please explain

We assess the risk associated with quality of forest risk commodities as part of our company wide risk assessment process as described in F2.1a. 1) Explanation of why this issue is important for Taylor Wimpey: Taylor Wimpey is one of the UK's largest residential developers and we are focused on delivering high-quality homes for our customers, benefiting the wider communities in which we work and creating value for our shareholders. Build quality is critical to the business, and we have further increased our focus on this, including introducing additional independent quality inspections by the National House Building Council (NHBC). Sourcing high quality timber is a core part of our commitment to build quality. We have also made a commitment to increase the proportion of homes built using timber frame which can have a significantly lower carbon footprint than traditional 'brick and block' building techniques. The quality of timber that we purchase is therefore of growing importance for the business. 2) How the information about this issue is used internally for decision-making: We have category managers within the procurement team, including category managers for roofs, floors, timber frames and internal timber products such as MDF. The category managers conduct specific risk assessments for each of their categories, looking at issues such as sustainability, availability, quality and price. Identified risks are fed up to the Procurement Director and, where appropriate, to the LEAF Group and/or the executive team. We have had issues in the past with MDF quality but this was related to the processing quality rather than the quality of the raw materials.

Impact of activity on the status of ecosystems and habitats

Relevance & inclusion

Relevant, always included

Please explain

We assess the risk associated with ecosystems and habitats located on or near to our construction sites as part of our company-wide risk assessment process as described in F2.1a. We do not assess the risk associated with the ecosystems and habitats from which we source our timber. This is because we are committed to buying timber from responsibly managed forests certified by recognised certification schemes such as the Forest Stewardship Council (FSC), Programme for the Endorsement of Forest Certification (PEFC) or Sustainable Forestry Initiative (SFI). These certification schemes all have requirements around ecosystems and habitats. Furthermore, our procurement policy commits us to procure timber products from species that are not included on the IUCN Red List of Threatened Species. 1) Explanation of why this issue is important for Taylor Wimpey: Our health, safety and environmental management system covers all our business activities. It includes procedures and processes to protect the biodiversity of the local environment. This is important to us because we are committed to a sustainable future and want to leave a positive environmental, social and economic legacy that future generations can enjoy. We have also conducted research which shows that sites with better green infrastructure and higher biodiversity levels also score well against our placemaking criteria and for resident satisfaction. 2) How the information about this issue is used internally for decision-making: During the planning process, we assess the likely impact of construction and the finished development on biodiversity. We carry out an ecological impact assessment for all sites and recommendations are embedded into the Site Specific Environmental Action Plan, part of our environmental management system. Our Guide to Green Infrastructure was launched in May 2018 to help our teams successfully plan and implement effective green infrastructure. It includes advice on how to use green spaces to support biodiversity, such as maintaining mature trees, planting native species, providing wildlife corridors and enhancing waterways with natural edges. In July 2019 we published the first document in our 'Home for Nature' series. The document provides information and guidance on how we can provide opportunities for a variety of animals and plants to thrive on our developments.

Regulation

Relevance & inclusion

Relevant, always included

Please explain

We assess the risk associated with timber regulation as part of our company-wide risk assessment process as described in F2.1a. 1) Explanation of why this issue is important for Taylor Wimpey: There is significant regulation around the use of timber products. This includes their structural integrity, durability, longevity, health and safety, COSSH and other areas. This is managed by our technical, design and EMS teams. We use substantial amounts of timber on our developments and we expect the use of timber will increase further. We require all suppliers to provide timber from legally logged sources in line with our policy and the EU Timber Regulation. We have gone further than the regulatory requirements and we are committed to buying timber from responsibly managed forests certified by recognised certification schemes such as the Forest Stewardship Council (FSC), Programme for the Endorsement of Forest Certification (PEFC) or Sustainable Forestry Initiative (SFI). 2) How the information about this issue is used internally for decision-making: We have category managers within the procurement team, including category managers for roofs, floors, timber frames and internal timber products such as MDF. The category managers conduct specific risk assessments for each of their categories, looking at issues such as regulation. Identified risks are fed up to the Procurement Director and, where appropriate, to the LEAF Group and/or the executive team. We regularly review and confirm that chain of custody evidence is in place for all our key suppliers, accounting for around 95% of timber used on our sites. In 2020 spoke three suppliers (GD Woodworking, Stewart-Milne and Donaldson Timber Engineering) to better understand their timber procurement practices and compliance with FSC and PEFC certification. Our next step is to review compliance among suppliers the use smaller quantities of timber, such as fencing suppliers. We also have reviewed our direct paper use, including sales and marketing and office paper. This confirmed that our paper is sourced in line with our policy and that our suppliers have good sustainability credentials. Paper use in our offices has already reduced significantly due to better print management, technology changes and working practices, and is likely to reduce further as digital technologies progress.

Climate change

Relevance & inclusion

Relevant, always included

Please explain

We assess the risk associated with timber and climate change as part of our company wide risk assessment process as described in F2.1a. 1) Explanation of why this issue is important for Taylor Wimpey: Taylor Wimpey recognises that deforestation and forest degradation account for significant global greenhouse gas emissions and biodiversity loss. We also recognise that home building at scale has the potential to sequester large volumes of carbon dioxide through the use of wood products. We also plant trees as part of our development designs, and these can sequester carbon over many years. Addressing deforestation, using wood based products and scheme landscape design are therefore important for meeting our environmental ambitions. We also recognise that changes in climate could significantly impact the ability of some tree species to grow by altering their habitat or shortening their growing season. Climate change may also lead to desertification or forest fires. 2) How the information about this issue is used internally for decision-making: We have category managers within the procurement team, including category managers for roofs, floors, timber frames and internal timber products such as MDF. The category managers conduct specific risk assessments for each of their categories, looking at issues such as sustainability (including climate change), availability, quality and price. Identified risks are fed up to the Procurement Director and, where appropriate, to the Legacy, Engagement and Action for the Future (LEAF) Group and/or the executive team. We also have a Sustainability and Climate Change Risk and Opportunity Register which was developed by senior members of staff who sit on the LEAF Group. The register is a standing item on the LEAF Group agenda, and is revised on a quarterly basis. Our LEAF Group is chaired by our Divisional Chair for London and the South East, who is a member of the General Management Team (GMT) and raises sustainability issues at board level. Risks are assessed based on key criteria that rank risks in relation to their impact on the business and the required level of involvement by management to limit the effect of the risk. This is assessed over several categories, including financial impact, brand impact, health & safety and environment.

Impact on water security

Relevance & inclusion

Relevant, sometimes included

Please explain

We assess the risk associated with timber and impacts on water security as part of our company wide risk assessment process as described in F2.1a. 1) Explanation of why this issue is important for Taylor Wimpey: Taylor Wimpey recognises that deforestation and forest degradation can lead to a deterioration in water quality and affect groundwater levels. The timber that we use in the homes we build is procured from FSC and PEFC certified forests, and therefore is from forests managed with water and water-related ecosystem services in mind. We also plant trees as part of our development designs, and these can play a role in retaining water and attenuating flood risk. Addressing deforestation, using wood based products and scheme landscape design is therefore important for meeting our environmental ambitions. 2) How the information about this issue is used internally for decision-making: We have category managers within the procurement team, including category managers for roofs, floors, timber frames and internal timber products such as MDF. The category managers conduct specific risk assessments for each of their categories, looking at issues such as sustainability (including water scarcity), availability, quality and price. Identified risks are fed up to the Procurement Director and, where appropriate, to the Legacy, Engagement and Action for the Future (LEAF) Group. and/or the executive team. We also have a Sustainability and Climate Change Risk and Opportunity Register which was developed by senior members of staff who sit on the LEAF Group. The register is a standing item on the LEAF Group agenda, and is revised on a quarterly basis.

Tariffs or price increases

Relevance & inclusion

Relevant, always included

Please explain

We assess the risk associated with timber tariffs or timber price increases as part of both our procurement processes and our company wide risk assessment process as described in F2.1a. 1) Explanation of why this issue is important for Taylor Wimpey: We use substantial amounts of timber on our developments and we expect this will increase further. We require all suppliers to provide timber from legally logged sources in line with our policy and the EU Timber Regulation. We have gone further than the regulatory requirements and we are committed to buying timber from responsibly managed forests certified by recognised certification schemes such as the Forest Stewardship Council (FSC), Programme for the Endorsement of Forest Certification (PEFC) or Sustainable Forestry Initiative (SFI). We recognise that our commitment to purchase certified timber increases our exposure to tariff or price increases. 2) How the information about this issue is used internally for decision-making: We have category managers within the procurement team, including category managers for roofs, floors, timber frames and internal timber products such as MDF. The category managers conduct specific risk assessments for each of their categories, looking at issues such as sustainability, availability, quality and price (including tariffs). The category managers complete regular reviews of exchange rate tariffs on timber products. Identified risks are fed up to the Procurement Director and, where appropriate, to the LEAF Group and/or the executive team. Wood is an essential construction material, and plays a part in many off site construction techniques which have the potential to improve the speed, productivity and performance of the construction industry. These include timber frame and CLT (cross laminated timber). Any significant increases in prices or tariffs could limit the use of these off site construction methods.

Loss of markets

Relevance & inclusion

Not relevant, explanation provided

Please explain

We assess the risk associated with loss of markets as part of our company-wide risk assessment process as described in F2.1a. 1) Explanation of why this issue is not important for Taylor Wimpey: We do not believe timber is a significant factor in relation to the loss of markets. In the unlikely event that timber becomes scarce or prohibitively expensive, this would impact the whole of the construction industry and alternatives would be found. We carried out a materiality assessment in 2016 and again in 2019 which reviewed and ranked a wide range of issues, including responsible sourcing. We sought the views of investors, local and central government, suppliers, NGOs, industry groups, registered social landlords and sustainable business organisations. Ethical sourcing and human rights (including responsible sourcing of timber) was identified as a material issue by both our external and internal stakeholders and is therefore important for us to maintain our market share. 2) How the information about this issue is used internally for decision-making: Through our materiality assessment and wider stakeholder engagement, we recognise that our customers care about responsible sourcing. The outcomes of the materiality assessment were used to inform our business and sustainability priorities. Taylor Wimpey is one of the UK's largest residential developers. A core part of our purpose is to add social, economic and environmental value to the wider communities in which we operate. Taylor Wimpey recognises that deforestation and forest degradation account for significant global greenhouse gas emissions and biodiversity loss, and therefore, tackling deforestation is important for meeting our environmental ambitions. We use substantial amounts of timber on our developments and we expect this will increase further. We require all suppliers to provide timber from legally logged sources in line with our policy and the EU Timber Regulation. We have gone further than the regulatory requirements and we are committed to buying timber from responsibly managed forests certified by recognised certification schemes such as FSC & PEFC. We believe our commitment to purchasing sustainable timber is a core part of our company commitment to benefit the wider communities in which we work.

Leakage markets

Relevance & inclusion

Not relevant, explanation provided

Please explain

We carry out an annual timber survey to establish the countries and where appropriate regions of origin of the timber we procure. The survey results indicate that the majority (>95%) of timber we procure centrally is from low-risk forest areas such as Europe and North America. Where timber is from higher-risk forest areas such as South-East Asia, we insist on FSC and PEFC certification as standard. The overall risk of leakage markets represented by our procurement practices is therefore minimal.

Brand damage related to forest risk commodities

Relevance & inclusion

Relevant, always included

Please explain

We assess the risk associated with brand damage related to timber as part of our company-wide risk assessment process as described in F2.1a. Our Corporate Communications team manage communication matters associated with the brand. 1) Explanation of why this issue is important for Taylor Wimpey: We carried out a formal materiality assessment in 2016 and again in 2019 which reviewed and ranked a wide range of issues, including responsible sourcing. We sought the views of investors, local and central government, suppliers, NGOs, industry groups, registered social landlords and sustainable business organisations. Ethical sourcing and human rights (including responsible sourcing of timber) was identified as a material issue by both our external and internal stakeholders and is therefore important for us to maintain our brand reputation. Illegal logging is often associated with deforestation and a range of environmental and human rights violations. The EU believes that 15-30% of all wood traded globally may be illegally logged and that the UK is the EU's second-biggest importer of illegal timber. There are often headlines in the daily papers which implicate companies legally or ethically in bad practice, often due to a lack of transparency in supply chains. The WWF believes that Britain cannot "continue to have a market where customers cannot be sure the product they buy is made from the wood declared. In the absence of better information from companies that their wood has come from a legally or sustainably logged forest, customers are in the dark." Taylor Wimpey's investors - including its largest investor, BlackRock- are taking stronger stances on sustainability, climate, responsibility, purpose and related issues. There are potential brand issues for Taylor Wimpey. 2) How the information about this issue is used internally for decision-making: Through our materiality assessment and wider stakeholder engagement, we recognise that our customers and investors care about ethical sourcing and human rights. The outcomes of the materiality assessment were used to inform our business and sustainability priorities.

Corruption

Relevance & inclusion

Relevant, always included

Please explain

We assess the risk associated with corruption related to timber as part of our company-wide risk assessment process as described in F2.1a. 1) Explanation of why this issue is important for Taylor Wimpey: We do not tolerate bribery or corruption and we are committed to conducting our business activities in an ethical and transparent way. We expect the same standards from our suppliers and anti-corruption provisions are included in our supplier contracts. We recognise the link between illegal timber and corruption. 2) How the information about this issue is used internally for decision-making: The Audit Committee of our Board oversees our approach and regularly reviews and approves our Anti-Corruption, Business Conduct and Whistleblowing and Disclosure policies. We provide annual training on our Anti-Corruption Policy and on our Competition Law Guidelines to all business units. We expect and encourage employees to report any suspected business wrongdoing. This can be done via our confidential whistleblowing and reporting hotline Safecall or directly to our Anti-Corruption Compliance Officer, who is the Group General Counsel and Company Secretary. Employees raising concerns are protected by our Whistleblowing Policy.

Social impacts

Relevance & inclusion

Relevant, always included

Please explain

We assess the risk associated with social impacts related to timber as part of our company-wide risk assessment process as described in F2.1a. 1) Explanation of why this issue is important for Taylor Wimpey: We recognise and champion the importance of social value at Taylor Wimpey. Dialogue with local communities through planning helps us to build desirable places to live that meet the needs of local people. We build a substantial amount of social infrastructure including homes, gardens, schools, colleges, parks, recreation grounds, community centres and shops. We promote the socio-economic benefits that home building brings. In relation to wood products, we recognise the strong link between illegal timber and social impacts including human rights. We recognise that millions of people live in tropical forest areas, including in countries such as Ghana, Malaysia or the Republic of Congo where parts of our supply chain source timber. There are numerous reported instances where illegal logging has threatened their lives, land and livelihoods. 2) How the information about this issue is used internally for decision-making: Through our materiality assessment and wider stakeholder engagement, we recognise that our stakeholders care about ethical sourcing and human rights. The outcomes of the materiality assessment were used to inform our business and sustainability priorities.

Other, please specify

Relevance & inclusion

Not considered

Please explain

No other timber-related risks and impacts are included in TW risk assessments.

F2.1c

(F2.1c) Which of the following stakeholders are considered in your organization's forests-related risk assessments?

Customers

Relevance & inclusion

Relevant, always included

Please explain

Example of any risk considered in relation to customers: In our latest materiality assessment, our external and internal stakeholders (which included customer representatives) identified moderate concern over ethical sourcing and human rights including ethical timber sourcing. There is research that indicates that millennials (typically considered to be those born between 1981 and 1996) take environmental issues (including deforestation) much more seriously than previous generations. As millennials become a greater part of our customer base it is anticipated that these issues will become more important. Method of engagement: We carried out a formal materiality assessment in 2016 and again in 2019 which reviewed and ranked a wide range of issues, including ethical sourcing. It took account of how important each issue is to our business strategy; which issues could represent a significant risk or opportunity for the business; how important each issue is to our key stakeholders; and whether our business operations could have a significant negative or positive impact on people or the environment. Interviews were carried out with a wide range of external stakeholders to discuss their views on the priority issues for Taylor Wimpey and to gather feedback on our current approach. Stakeholders included investors, local and central government, suppliers, NGOs, industry groups, registered social landlords and sustainable business organisations. It also looked at the results of customer research, customer representative views, and the outcomes from community engagement processes conducted by our regional businesses. Internal views were assessed through interviews with senior managers in our corporate centre and regional businesses, supplemented by research with a number of our Heads of Customer Service and graduate recruits. The research findings were used to create a materiality matrix that was reviewed by our senior leadership and published in our annual Sustainability Report.

Employees

Relevance & inclusion

Relevant, sometimes included

Please explain

Example of any risk considered in relation to employees: In our latest materiality assessment, employees identified moderate concern over ethical sourcing including timber. Method of engagement: We carried out a formal materiality assessment in 2016 and again in 2019 which reviewed and ranked a wide range of issues, including ethical sourcing. It took account of how important each issue is to our business strategy; which issues could represent a significant risk or opportunity for the business; how important each issue is to our key stakeholders; and whether our business operations could have a significant negative or positive impact on people or the environment. Interviews were carried out with a wide range of external stakeholders to discuss their views on the priority issues for Taylor Wimpey and to gather feedback on our current approach. Stakeholders included investors, local and central government, suppliers, NGOs, industry groups, registered social landlords and sustainable business organisations. Internal views were assessed through interviews with senior managers in our corporate centre and regional businesses, supplemented by research with a number of our Heads of Customer Service and graduate recruits. The research findings were used to create a materiality matrix that was reviewed by our senior leadership and published in our annual Sustainability Report.

Investors

Relevance & inclusion

Relevant, sometimes included

Please explain

Example of any risk considered in relation to investors: In our latest materiality assessment, stakeholders which included investors identified moderate concern over responsible sourcing including timber. Through CDP and other disclosures such as FTSE4Good, DJSI and Next Generation, investors expect information on a range of ESG issues including deforestation. Method of engagement: We carried out a formal materiality assessment in 2016 and again in 2019 which reviewed and ranked a wide range of issues, including ethical sourcing. It took account of how important each issue is to our business strategy; which issues could represent a significant risk or opportunity for the business; how important each issue is to our key stakeholders; and whether our business operations could have a significant negative or positive impact on people or the environment. Interviews were carried out with a wide range of external stakeholders to discuss their views on the priority issues for Taylor Wimpey and to gather feedback on our current approach. Stakeholders included investors, local and central government, suppliers, NGOs, industry groups, registered social landlords and sustainable business organisations. Our investors have not spoken about forests specifically but have said the following about ESG more generally: "ESG (environmental, social, governance) is now a strategic priority." "We see ESG as a proxy for quality of management." "ESG issues are definitely becoming more important. More clients of fund managers are interested in these issues and see them as material to the investment case." "We are looking at these issues across all our funds." Internal views were assessed through interviews with senior managers in our corporate centre and regional businesses, supplemented by research with a number of our Heads of Customer Service and graduate recruits. The research findings were used to create a materiality matrix that was reviewed by our senior leadership.

Local communities

Relevance & inclusion

Not relevant, explanation provided

Please explain

We recognise that millions of people live in tropical forest areas, including in countries such as Ghana, Malaysia or the Republic of Congo where parts of our supply chain source timber. There are numerous reported instances where illegal logging has threatened their lives, land and livelihoods. Example of any risk considered in relation to local communities: Taylor Wimpey specifies certified timber because of the protection it offers local communities in terms of customary use rights, shared ecosystem services, human rights and labour rights. Certification also has substantial social value potential; FSC in particular with its local consultation requirements is well placed to deliver these outcomes. Method of engagement: Community engagement and feedback from local stakeholders is gathered via NGO reports on sourcing areas. Taylor Wimpey uses this public information to help assess risk.

NGOs

Relevance & inclusion

Relevant, sometimes included

Please explain

Example of any risk considered in relation to NGOs: Some NGOs are concerned about responsible sourcing and we engage with a number of them about our response to the issue, for example through the Next Generation Benchmark. In our latest materiality assessment, our stakeholders identified moderate concern over responsible sourcing including timber. Method of engagement: We carried out a formal materiality assessment in 2016 and again in 2019 which reviewed and ranked a wide range of issues, including ethical sourcing. It took account of how important each issue is to our business strategy; which issues could represent a significant risk or opportunity for the business; how important each issue is to our key stakeholders; and whether our business operations could have a significant negative or positive impact on people or the environment. Interviews were carried out with a wide range of external stakeholders to discuss their views on the priority issues for Taylor Wimpey and to gather feedback on our current approach. Stakeholders included investors, local and central government, suppliers, NGOs, industry groups, registered social landlords and sustainable business organisations. Internal views were assessed through interviews with senior managers in our corporate centre and regional businesses, supplemented by research with a number of our Heads of Customer Service and graduate recruits. The research findings were used to create a materiality matrix that was reviewed by our senior leadership and published in our annual Sustainability Report.

Other forest risk commodity users/producers at a local level

Relevance & inclusion

Relevant, always included

Please explain

Our Supply Chain policy commits us to procure timber from sustainable sources, with the assurance provided by schemes such as the Forest Stewardship Council (FSC), Programme for the Endorsement of Forest Certification (PEFC) and Sustainable Forestry Initiative (SFI). These certification schemes ensure that the producers of raw timber are engaged in consultation and dialogue on our behalf so that forests are managed sustainably. Sustainable management produces multiple benefits for a range of users, including forests users such as indigenous peoples, hunter-gatherers, tourists and others.

Regulators

Relevance & inclusion

Relevant, always included

Please explain

Example of any risk considered in relation to regulators: In our latest materiality assessment, stakeholders including regulators identified moderate concern over ethical sourcing including timber. However, it is seldom a priority for local authorities through planning. Method of engagement: We carried out a formal materiality assessment in 2016 and again in 2019 which reviewed and ranked a wide range of issues, including ethical sourcing. It took account of how important each issue is to our business strategy; which issues could represent a significant risk or opportunity for the business; how important each issue is to our key stakeholders; and whether our business operations could have a significant negative or positive impact on people or the environment. Interviews were carried out with a wide range of external stakeholders to discuss their views on the priority issues for Taylor Wimpey and to gather feedback on our current approach. Stakeholders included investors, local and central government, suppliers, NGOs, industry groups, registered social landlords and sustainable business organisations. Internal views were assessed through interviews with senior managers in our corporate centre and regional businesses, supplemented by research with a number of our Heads of Customer Service and graduate recruits. The research findings were used to create a materiality matrix that was reviewed by our senior leadership and published in our annual Sustainability Report.

Suppliers

Relevance & inclusion

Relevant, always included

Please explain

Example of any risk considered in relation to suppliers: We have a Supply Chain Policy that commits us to procure timber from sustainable sources. Ethical timber sourcing is, therefore, a high priority for our suppliers. This is reflected in our materiality review. Transparency and ESG issues in the supply chain are a growing risk to our business across a range of issues from deforestation to Modern Slavery. Method of engagement: We carried out a formal materiality assessment in 2016 and again in 2019 which reviewed and ranked a wide range of issues, including ethical sourcing. It took account of how important each issue is to our business strategy; which issues could represent a significant risk or opportunity for the business; how important each issue is to our key stakeholders; and whether our business operations could have a significant negative or positive impact on people or the environment. Stakeholders included investors, local and central government, suppliers, NGOs, industry groups, registered social landlords and sustainable business organisations. Internal views were assessed through interviews with senior managers in our corporate centre and regional businesses, supplemented by research with several of our Heads of Customer Service and graduate recruits. The research findings were used to create a materiality matrix that was reviewed by our senior leadership and published in our annual Sustainability Report. We also engage with our suppliers on a range of sustainability issues (including timber) through the Supply Chain Sustainability School (SCSS). Suppliers can self assess their sustainability performance and have access to a range of e-learning resources including on timber sourcing. Of our 90 group suppliers, 68 are registered with the SCSS. In addition, our Procurement colleagues regularly meet with group suppliers, discuss improvements, run trials, and offer training and masterclasses. In 2018, the Procurement function arranged for the Taylor Wimpey Sustainability team to visit a Jeld-Wen factory and learn about their timber procurement approach. In 2020, the Procurement team participated in a workshop hosted by the SCSS to strengthen their understanding of sustainability issues, including timber-related issues.

Other stakeholders, please specify

Relevance & inclusion

Not considered

Please explain

We do not have any other major stakeholder groups.

F3. Risks and opportunities

F3.1

(F3.1) Have you identified any inherent forests-related risks with the potential to have a substantive financial or strategic impact on your business?

	Risk identified?
Timber products	Yes
Palm oil	<Not Applicable>
Cattle products	<Not Applicable>
Soy	<Not Applicable>
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	<Not Applicable>

F3.1a

(F3.1a) How does your organization define substantive financial or strategic impact on your business?

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.

We prioritise our risks and opportunities based on their materiality to our business. Substantial financial or strategic impact may arise from risks or opportunities being realised in direct operations or the value chain. Impact on Taylor Wimpey is measured in % of profit before tax (PBIT). A % PBIT greater than 20% is considered a moderate impact, and 50% a major impact.

F3.1b

(F3.1b) For your disclosed forest risk commodity(ies), provide details of risks identified with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Forest risk commodity

Timber products

Type of risk

Reputational and markets

Geographical scale

Global

Where in your value chain does the risk driver occur?

Direct operation
Supply chain

Primary risk driver

Increased cost of certified sustainable material

Primary potential impact

Increased operating costs

Company-specific description

Taylor Wimpey is committed to procuring timber from sustainable sources with the assurance provided by an approved certification scheme such as FSC, PEFC or SFI. Limited availability of certified material would drive up cost or in extreme circumstances disrupt production. Build cost inflation, including materials, was elevated in 2020. Prices for lumber in the United States (an exporter of timber to the UK) have increased 180% since March 2020. This is primarily due to tight supplies for lumber arising from coronavirus-related lockdowns. However, in some parts of the world (e.g. Canada) supply issues have been exacerbated by the spread of mountain pine beetle, which kills pine trees used to produce lumber. Mountain pine beetle has spread northwards as a result of climate change.

Timeframe

Current - up to 1 year

Magnitude of potential impact

Medium

Likelihood

Virtually certain

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact (currency)

4500000

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial

Our spend on timber and timber products in 2020 was approximately £ 45,000,000. This figure excludes products such as fencing that typically are supplied by micro-enterprises. Assuming an average across the board 10% increase in prices the total financial impact would be £ £4,500,000. The relatively high percentage increase in prices reflects the elevated build costs we experienced in 2020.

Primary response to risk

Engagement with suppliers

Description of response

Taylor Wimpey seeks to mitigate this risk by building and creating strategic supplier relationships and seeking assurances over long term supply. The approach is ongoing and to date has successfully prevented shortages or unsustainable price rises.

Cost of response

0

Explanation of cost of response

This would be covered under our normal overhead for our procurement teams.

Forest risk commodity

Timber products

Type of risk

Physical

Geographical scale

Global

Where in your value chain does the risk driver occur?

Supply chain

Primary risk driver

Increased severity of extreme weather events

Primary potential impact

Increased operating costs

Company-specific description

We recognise that a wide range of physical climate impacts could disrupt the supply of timber. For example, in some parts of the world (e.g. Canada), climate change has increased the northward spread of mountain pine beetle, which kills pine trees used to produce lumber. This has tightened some supplies of Canadian lumber and raised prices. Although the majority of Taylor Wimpey's timber is sourced from Europe, we procure some timber from Canada and therefore are sensitive to these supply and price changes.

Timeframe

4-6 years

Magnitude of potential impact

Medium

Likelihood

Unlikely

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact (currency)

4500000

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial

Our spend on timber and timber products in 2020 was approximately £ 45,000,000. This figure excludes products such as fencing that typically are supplied by micro-enterprises. Assuming an average across the board 10% increase in prices the total financial impact would be £ £4,500,000. The relatively high percentage increase in prices reflects the elevated build costs we experienced in 2020.

Primary response to risk

Engagement with suppliers

Description of response

Taylor Wimpey seeks to mitigate this risk by building and creating strategic supplier relationships and seeking assurances over long term supply. Suppliers may well seek to diversify their supply chain to ensure they have access to timber from more than one region, so supply is continuous. The approach is ongoing and to date has successfully prevented shortages or unsustainable price rises.

Cost of response

0

Explanation of cost of response

This would be covered under our normal overhead for our procurement teams.

Forest risk commodity

Timber products

Type of risk

Technological

Geographical scale

Country

Where in your value chain does the risk driver occur?

Direct operation

Supply chain

Primary risk driver

Other technological driver, please specify (Increased use of timber in construction)

Primary potential impact

Increased operating costs

Company-specific description

In recent years, there has been a move toward a greater volume of timber-frame in house building. Reasons for this include carbon sequestration, speed of build, promotion of offsite production, mitigation of skills risks on-site (e.g. shortages of bricklayers), and quality of build. Whenever there is a change in technology there are technological risks. These risks can be challenging to manage in a construction context because of the industry's complex and diverse supply chains. Each part of the supply chain must be competent with new technology for it to succeed. This includes design, commercial, procurement, material suppliers, technical and production. If there are multiple or systematic failures, then there would be an increase in operating costs associated with mitigation activity.

Timeframe

4-6 years

Magnitude of potential impact

Medium

Likelihood

Very unlikely

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

176000

Potential financial impact figure - maximum (currency)

1760000

Explanation of financial

Poorly functioning supply chains and operations can be expensive. A poorly executed transition to timber frame could add substantial cost. However, we have substantial expertise building in timber frame and therefore the likelihood of poor execution is extremely low. We are able to manage these risks effectively. Nonetheless, assuming these technological risks have an impact on 10% of the timber homes we build and cost between £1000- and £10,000 to resolve, the potential financial impact of this risk will equal: $0.1 * 1,759 = -176$ If remediation costs = $£1000 * 176 = £176,000$ If remediation costs = $£10,000 * 176 = £1.76m$

Primary response to risk

Establishment of site-specific targets

Description of response

Taylor Wimpey set a target for timber frame construction of 20% by 2020. The ambition has helped the supply chain and direct operations prepare for technological change. Taylor Wimpey built 1,759 timber frame houses in 2020 and has successfully developed supply chain and internal skills to be able to deliver the 20% target on an ongoing basis.

Cost of response

5000000

Explanation of cost of response

The cost over and above traditional masonry of hitting our 20% timber frame target in 2020 would have been approximately £3.8m to £7.6m. 18.7% of our completions in 2020 were timber frame, marginally short of the 20% target. This is an approximation based on an additional cost of timber frame relative to traditional masonry of £2,000 to £4,000 per .plot.

F3.2**(F3.2) Have you identified any forests-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

	Have you identified opportunities?
Timber products	Yes
Palm oil	<Not Applicable>
Cattle products	<Not Applicable>
Soy	<Not Applicable>
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	<Not Applicable>

F3.2a

(F3.2a) For your selected forest risk commodity(ies), provide details of the identified opportunities with the potential to have a substantive financial or strategic impact on your business.

Forest risk commodity

Timber products

Type of opportunity

Resilience

Where in your value chain does the opportunity occur?

Direct operation

Supply chain

Primary forests-related opportunity

Ensuring supply chain resilience

Company-specific description & strategy to realize opportunity

We are increasing the proportion of homes built using timber frame, an alternative to traditional 'brick and block' construction techniques. Timber frame has a lower environmental impact due to the choice of materials and because it enables greater use of off-site construction techniques. During 2018 we introduced a timber frame standard house type range. We also had internal target to make 20% of the homes we built in 2020 in timber frame. We are working with regional businesses to plot sites which can be built in timber-frame. The procurement category managers are responsible for assessing and ensuring the security of supply.

Estimated timeframe for realization

1-3 years

Magnitude of potential impact

Medium

Likelihood

Very likely

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 figure

Timber frame houses are between £2k-£4k more expensive than traditional masonry – so the additional cost of building the 1,759 timber frame houses Taylor Wimpey built in 2020 was ~£3.094m. In the absence of a carbon price or a change in market sentiment, it is unlikely that building in timber frame will have a substantial financial benefit relative to traditional masonry. This is because there is as yet no difference in the selling price of a masonry home compared to a timber frame home. We believe the benefits of timber frame - mitigating skills risks from bricklayer shortages, increased speed of build, increased build quality and lower embodied carbon emissions - will more than offset the additional cost. We are quantifying this opportunity through trials. In 2017 our regional teams worked with the competition winners Openstudio, to develop their designs, and in 2019, construction of the prototype houses was completed at three trial sites operated by our Manchester, Oxfordshire and West Scotland businesses. Each of the three sites is trialling a different construction method - traditional masonry, timber frame, or cross laminated timber (CLT) - allowing us to compare the production efficiency of each method. We also are testing the impact of the construction method and house design on the insulation and energy performance of the different prototype houses.

Forest risk commodity

Timber products

Type of opportunity

Products & services

Where in your value chain does the opportunity occur?

Direct operation

Supply chain

Primary forests-related opportunity

Increased security of production

Company-specific description & strategy to realize opportunity

Taylor Wimpey are increasing the proportion of homes built using timber frame, an alternative to traditional 'brick and block' construction techniques. During 2018 we introduced a timber frame standard house type range. We also had an internal target to make 20% of the homes we built during 2020 in timber-frame. We are working with regional businesses to plot sites which can be built in timber-frame. The procurement category managers are responsible for assessing and ensuring the security of supply.

Estimated timeframe for realization

1-3 years

Magnitude of potential impact

Low

Likelihood

Very likely

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 figure

Timber frame houses are between £2k-£4k more expensive than traditional masonry – so the additional cost of building the 1,759 timber frame houses Taylor Wimpey built in 2020 was ~£3.094m In the absence of a carbon price or a change in market sentiment, it is unlikely that building in timber frame will have a substantial financial benefit relative to traditional masonry. This is because there is as yet no difference in the selling price of a masonry home compared to a timber frame home. We believe the benefits of timber frame - mitigating skills risks from bricklayer shortages, increased speed of build, increased build quality and lower embodied carbon emissions - will more than offset the additional cost. We are quantifying this opportunity through trials. In 2017 our regional teams worked with the competition winners Openstudio, to develop their designs, and in 2019, construction of the prototype houses was completed at three trial sites operated by our Manchester, Oxfordshire and West Scotland businesses. Each of the three sites is trialling a different construction method - traditional masonry, timber frame, or cross laminated timber (CLT) - allowing us to compare the production efficiency of each method. We also are testing the impact of the construction method and house design on the insulation and energy performance of the different prototype houses.

F4. Governance

F4.1

(F4.1) Is there board-level oversight of forests-related issues within your organization?

Yes

F4.1a

(F4.1a) Identify the position(s) of the individual(s) (do not include any names) on the board with responsibility for forests-related issues.

Position of individual	Please explain
Chief Executive Officer (CEO)	The Chief Executive Officer and Group Management Team together with the plc board are ultimately responsible for environmental issues including deforestation within the organisation. The CEO puts in place the personnel structures to enable these issues to be managed within the supply chain. Taylor Wimpey's Divisional Chair for London and the South East (C-Suite Officer) a member of the General Management Team, chairs the Legacy, Engagement and Action for the Future (LEAF) Group and has responsibility for forest-related issues.

F4.1b

(F4.1b) Provide further details on the board's oversight of forests-related issues.

	Frequency that forests-related issues are a scheduled agenda item	Governance mechanisms into which forests-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Monitoring implementation and performance Overseeing acquisitions and divestiture Overseeing major capital expenditures Reviewing and guiding annual budgets Reviewing and guiding business plans Reviewing and guiding corporate responsibility strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing innovation / R&D priorities Setting performance objectives	Sustainability issues are reported to the board on a monthly basis in the form of an internal Sustainability Report, which is reviewed by the board in meetings. Key elements of this include emerging regulation, updates on progress against goals and targets and financial planning in relation to resources. In addition to this, Taylor Wimpey's Divisional Chair (C-Suite Officer) chairs the LEAF Group on a quarterly basis into which sourcing issues are integrated.

F4.2

(F4.2) Provide the highest management-level position(s) or committee(s) with responsibility for forests-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on forests-related issues	Please explain
Sustainability committee	Both assessing and managing forests-related risks and opportunities	Quarterly	Taylor Wimpey's Divisional Chair for London & the South East (C-Suite Officer) chairs the LEAF Group (Sustainability Committee) on a quarterly basis. The Group is a sub set of the management board and reports its activity back to the Main board on a quarterly basis. The Group considers materiality, risk, opportunity, policy and performance in relation to ethical sourcing including timber buying issues. Taylor Wimpey's Divisional Chair for London & the South East (C-Suite Officer) chairs the Environment Strategy Group which is responsible for developing and delivering our environment strategy.

F4.3

(F4.3) Do you provide incentives to C-suite employees or board members for the management of forests-related issues?

	Provide incentives for management of forests-related issues	Comment
Row 1	No, and we do not plan to introduce them in the next two years	

F4.4

(F4.4) Did your organization include information about its response to forests-related risks in its most recent mainstream financial report?

Yes (you may attach the report – this is optional)

F4.5

(F4.5) Does your organization have a policy that includes forests-related issues?

Yes, we have a documented forests policy that is publicly available

F4.5a

(F4.5a) Select the options to describe the scope and content of your policy.

	Scope	Content	Please explain
Row 1	Company-wide	Commitment to eliminate deforestation Commitment to protect rights and livelihoods of local communities Commitments beyond regulatory compliance Commitment to stakeholder awareness and engagement Recognition of the overall importance of forests and other natural ecosystems Description of forest risk commodities, parts of the business, and stages of value-chain covered by the policy Description of forests-related standards for procurement	Taylor Wimpey's Supply Chain Policy, which is available online, has a section relating to the procurement of timber. This states that all timber must be from legally logged sources and from species not on the IUCN Red List of Threatened Species. It also states that Taylor Wimpey is committed to procuring from sustainable sources using approved schemes such as the Forest Stewardship Council (FSC), Programme for the Endorsement of Forest Certification (PEFC) or Sustainable Forestry Initiative (SFI). The policy is reviewed at least every two years.

F4.5b

(F4.5b) Do you have commodity specific sustainability policy(ies)? If yes, select the options that best describe their scope and content.

	Do you have a commodity specific sustainability policy?	Scope	Content	Please explain
Timber products	Yes	Company-wide	Commitment to eliminate deforestation Commitment to protect rights and livelihoods of local communities Commitments beyond regulatory compliance Commitment to stakeholder awareness and engagement Recognition of the overall importance of forests and other natural ecosystems Description of forest risk commodities, parts of the business, and stages of value-chain covered by the policy Description of forests-related standards for procurement	Taylor Wimpey's Supply Chain Policy, which is available online, has a section relating to the procurement of timber. This states that all timber must be from legally logged sources and from species not on the IUCN Red List of Threatened Species. It also states that Taylor Wimpey is committed to procuring from sustainable sources using approved schemes such as the Forest Stewardship Council (FSC), Programme for the Endorsement of Forest Certification (PEFC) or Sustainable Forestry Initiative (SFI). The policy is reviewed annually by the LEAF Group
Palm oil	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Cattle products	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

F4.6

(F4.6) Has your organization made a public commitment to reduce or remove deforestation and/or forest degradation from its direct operations and/or supply chain?

No

F5. Business strategy

F5.1

(F5.1) Are forests-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are forests-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, forests-related issues are integrated	5-10	Taylor Wimpey is looking to improve the extent to which long-term business objectives are integrated into sustainability concerns and outcomes. Housing design choices – in particular, our target to increase the proportion of timber-frame houses we build – have an impact on timber demand which we are looking to work into our long-term business planning.
Strategy for long-term objectives	Yes, forests-related issues are integrated	5-10	We have developed an Environment Strategy which we launched to the business in early 2021. This includes targets for climate and nature related issues to 2025 and 2030.
Financial planning	Yes, forests-related issues are integrated	5-10	Taylor Wimpey has a target to increase the amount of timber used. The planned increase means the substantive risks identified and their mitigation needs to be integrated into long term financial planning.

F6. Implementation

F6.1

(F6.1) Did you have any timebound and quantifiable targets for increasing sustainable production and/or consumption of your disclosed commodity(ies) that were active during the reporting year?

Yes

F6.1a

(F6.1a) Provide details of your timebound and quantifiable target(s) for increasing sustainable production and/or consumption of the disclosed commodity(ies), and progress made.

Target reference number

Target 1

Forest risk commodity

Timber products

Type of target

Other, please specify (Increased Consumption of Sustainable Timber)

Description of target

Demand driver to increase purchase volumes of certified timber products to help meet policy commitments by establishing greater use of timber frame in house building. 20% of all starts by 2020 to be with timber frame.

Linked commitment

Other environmental commitments

Traceability point

<Not Applicable>

Third-party certification scheme

<Not Applicable>

Start year

2018

Target year

2020

Quantitative metric

Absolute number

Target (number)

20

Target (%)

<Not Applicable>

% of target achieved

97.7

Please explain

In 2020 Taylor Wimpey built 1,759 timber frame homes out of a total of 9,602 completions, or 18.7% of total completions. This was 1.3% short of our 20% target.

F6.2

(F6.2) Do you have traceability system(s) in place to track and monitor the origin of your disclosed commodity(ies)?

	Do you have system(s) in place?	Description of traceability system	Exclusions	Description of exclusion
Timber products	Yes	Taylor Wimpey uses an annual supplier survey to trace the country of origin and certification status of the timber products it purchases.	Specific supplier(s)	Small and micro-enterprises providing timber to our regional businesses. These are small businesses such as fencing companies. We have not yet been able to engage with this part of our supply chain. Our Spanish business is also excluded.
Palm oil	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Cattle products	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

F6.2a

(F6.2a) Provide details on the level of traceability your organization has for its disclosed commodity(ies).

Forest risk commodity	Point to which commodity is traceable	% of total production/consumption volume traceable
Timber products	Country	100

F6.3

(F6.3) Have you adopted any third-party certification scheme(s) for your disclosed commodity(ies)?

	Third-party certification scheme adopted?	% of total production and/or consumption volume certified
Timber products	Yes	97.9
Palm oil	<Not Applicable>	<Not Applicable>
Cattle products	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

F6.3a

(F6.3a) Provide a detailed breakdown of the volume and percentage of your production and/or consumption by certification scheme.

Forest risk commodity

Timber products

Third-party certification scheme

FSC Chain of Custody

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

34.51

Form of commodity

Sawn timber, veneer, chips
Boards, plywood, engineered wood

Volume of production/ consumption certified

30901.4

Metric for volume

Cubic meters

Is this certified by more than one scheme?

Don't know

Please explain

Forest risk commodity

Timber products

Third-party certification scheme

PEFC Chain of Custody

Chain-of-custody model used

<Not Applicable>

% of total production/consumption volume certified

63.39

Form of commodity

Sawn timber, veneer, chips
Boards, plywood, engineered wood

Volume of production/ consumption certified

56761.2

Metric for volume

Cubic meters

Is this certified by more than one scheme?

Don't know

Please explain

F6.4

(F6.4) For your disclosed commodity(ies), do you have a system to control, monitor, or verify compliance with no conversion and/or no deforestation commitments?

	A system to control, monitor or verify compliance	Comment
Timber products	Yes, we have a system in place for our no conversion and/or deforestation commitments	<Not Applicable>
Palm oil	<Not Applicable>	<Not Applicable>
Cattle products	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

F6.4a

(F6.4a) Provide details on the system, the approaches used to monitor compliance, the quantitative progress, and the non-compliance protocols, to implement your no conversion and/or deforestation commitment(s).

Forest risk commodity

Timber products

Operational coverage

Supply chain

Description of control systems

Specify FSC or PEFC certified product with Chain of Custody

Monitoring and verification approach

Third-party verification

% of total volume in compliance

91-99%

% of total suppliers in compliance

91-99%

Response to supplier non-compliance

Retain & engage

Procedures to address and resolve non-compliance with suppliers

Providing information on appropriate actions that can be taken to address non-compliance

Please explain

Taylor Wimpey asks its suppliers to declare information on timber supply including whether products were credibly certified on an annual basis. If non-compliance is identified at this stage the supplier is provided with actions that they should take. The actions will vary depending on the severity of the non-compliance and the strategic nature of the supplier. The response is informed by an assessment of the likelihood of poor forest practice occurring in the supply chain. Where the risk is high, the supplier will be tasked with a rapid resolution of the non-compliance.

F6.6

(F6.6) For your disclosed commodity(ies), indicate if you assess your own compliance and/or the compliance of your suppliers with forest regulations and/or mandatory standards.

	Assess legal compliance with forest regulations	Comment
Timber products	Yes, from suppliers	<Not Applicable>
Palm oil	<Not Applicable>	<Not Applicable>
Cattle products	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

F6.6a

(F6.6a) For you disclosed commodity(ies), indicate how you ensure legal compliance with forest regulations and/or mandatory standards.

Timber products

Procedure to ensure legal compliance

The EU Timber Regulation (EUTR) came into force on 3 March 2013, making it illegal to place illegally harvested timber and timber products on the EU market. On 1 January 2021, EUTR became UK domestic legislation as the UK Timber Regulations (UKTR), which have the same requirements as current EU systems. Taylor Wimpey is a trader in the context of the UKTR so meets its own obligations by keeping records of what timber and timber products it purchases from who and when. To provide added assurance, Taylor Wimpey asks its suppliers to self certify that they comply with either their trader or operator requirements as appropriate.

Country/Area of origin

Brazil
Congo
Malaysia
Thailand

Law and/or mandatory standard(s)

EU Timber Regulation

Comment

This process applies to purchases from all countries

F6.7

(F6.7) Are you working with smallholders to support good agricultural practices and reduce deforestation and/or conversion of natural ecosystems?

	Are you working with smallholders?	Type of smallholder engagement approach	Smallholder engagement approach	Number of smallholders engaged	Please explain
Timber products	No, not working with smallholders	<Not Applicable>	<Not Applicable>	<Not Applicable>	Taylor Wimpey has no direct access to smallholders in the production chain
Palm oil	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Cattle products	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

F6.8

(F6.8) Are you working with your direct suppliers to support and improve their capacity to comply with your forests-related policies, commitments, and other requirements?

	Are you working with direct suppliers?	Type of direct supplier engagement approach	Direct supplier engagement approach	% of suppliers engaged	Please explain
Timber products	Yes, working with direct suppliers	Supply chain mapping Capacity building	Supplier questionnaires on environmental and social indicators Offering on-site training and technical assistance	91-99%	We have regular meetings with all Group suppliers, we discuss improvements, run trials, training and masterclasses for TW teams.
Palm oil	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Cattle products	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

F6.9

(F6.9) Are you working beyond your first-tier supplier(s) to manage and mitigate deforestation risks?

	Are you working beyond first tier?	Type of engagement approach with indirect suppliers	Indirect supplier engagement approach	Please explain
Timber products	No, not working beyond the first tier	<Not Applicable>	<Not Applicable>	Taylor Wimpey has regular meetings with all Group suppliers and expects that they have the resources and knowledge required to mitigate deforestation risk.
Palm oil	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Cattle products	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Soy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

F6.10

(F6.10) Do you participate in external activities and/or initiatives to promote the implementation of your forests-related policies and commitments?

Forest risk commodity

Timber products

Do you participate in activities/initiatives?

Yes

Activities

Engaging with communities

Initiatives

<Not Applicable>

Jurisdictional approaches

<Not Applicable>

Please explain

We continued to work with Community Wood Recycling (formerly the National Community Wood Recycling Project) in 2020. This is a national network of wood recycling social enterprises that saves resources by rescuing and re-using waste timber that would otherwise be landfilled or at best down-cycled. We visited a Community Wood Recycling facility in High Wycombe in 2019 and were given a tour by CWR's MD. The network also creates sustainable jobs, training and volunteering opportunities for local people, especially those who might find it difficult to get into or back to employment. In the year 1 April, 2020 to 31 March 2021, 2044 tonnes of wood were rescued from the waste stream, saving 1018 tonnes of carbon dioxide. This created ~27 paid jobs and helped train 37 people. 18% of the wood was used in manufactured products, DIY or community projects; 28% for firewood and 53% for wood chip. We plan to continue engaging with Community Wood Recycling in 2021.

Forest risk commodity

Timber products

Do you participate in activities/initiatives?

Yes

Activities

Engaging with non-governmental organizations

Initiatives

<Not Applicable>

Jurisdictional approaches

<Not Applicable>

Please explain

Our Guide to Green Infrastructure, which was released in May 2018, was reviewed by The Wildlife Trusts during 2017 and updated to reflect their recommendations. The purpose of the guide is to help our teams successfully plan and implement effective green infrastructure. It includes advice on how to use green spaces to support biodiversity, how to maintain mature trees, plant native species, provide wildlife corridors and enhance waterways with natural edges.

Forest risk commodity

Timber products

Do you participate in activities/initiatives?

Yes

Activities

Involved in multi-partnership or stakeholder initiatives

Initiatives

Other, please specify (Sustainability Supply Chain School)

Jurisdictional approaches

<Not Applicable>

Please explain

Over 94% of our national suppliers have now completed a sustainability self-assessment through the Sustainability Supply Chain School. These self-assessments identify their strengths and weaknesses in relation to issues including sustainable sourcing and provide an action plan with resources and training materials to help address any gaps.

Forest risk commodity

Timber products

Do you participate in activities/initiatives?

Yes

Activities

Involved in industry platforms

Initiatives

<Not Applicable>

Jurisdictional approaches

<Not Applicable>

Please explain

Taylor Wimpey is involved with the Next Generation Benchmark which benchmarks sustainability standards for housebuilding.

F6.11

(F6.11) Is your organization supporting or implementing project(s) focused on ecosystem restoration and protection?

No, but we plan to implement a project(s) in two years

F7. Verification

F7.1

(F7.1) Do you verify any forests information reported in your CDP disclosure?

No, we do not verify any forests-related information reported in our CDP disclosure, and there are no plans to do so

F8. Barriers and challenges

F8.1

(F8.1) Describe the key barriers or challenges to eliminating deforestation and/or conversion of other natural ecosystems from your direct operations or from other parts of your value chain.

Forest risk commodity

Timber products

Coverage

Supply chain

Primary barrier/challenge type

Supply chain complexity

Comment

Where we sub-contract to local providers, for example for fencing, we have limited visibility over their timber supply chain. We reviewed direct timber suppliers' compliance with our policy in 2020 and confirmed that Chain of Custody evidence is in place for all our key suppliers, accounting for around 97.9% of timber used on our sites. Our next step is to review compliance among suppliers using smaller quantities of timber, such as fencing suppliers. We also will provide training, for both in-house procurement functions and elements of our wider supply chains.

F8.2

(F8.2) Describe the main measures that would improve your organization's ability to manage its exposure to deforestation and/or conversion of other natural ecosystems.

Forest risk commodity

Timber products

Coverage

Supply chain

Main measure

Greater supplier awareness/engagement

Comment

Forest risk commodity

Timber products

Coverage

Other parts of the value chain

Main measure

Greater customer awareness

Comment

F17 Signoff

F-FI

(F-F) 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.

F17.1

(F17.1) Provide the following information for the person that has signed off (approved) your CDP forests response.

	Job Title	Corresponding job category
Row 1		Chief Executive Officer (CEO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

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

Please confirm below

I have read and accept the applicable Terms