

+ Governance, management and performance

# Transparent operations

We have clear governance procedures to help us manage sustainability issues and integrate social and environmental factors into the way we work. We aim to be open and transparent in reporting progress through our Sustainability Report and a range of external benchmarks.

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## Engaging our people on sustainability

We integrate sustainability issues into our training where relevant. For example, our Sales, Design and Production Academies all cover aspects of sustainability. All employees are trained on our approach to health and safety. Our induction e-learning programme includes topics such as diversity and inclusion and staff have received training on modern slavery.



## Industry benchmarks

We are a constituent of the Dow Jones Sustainability Europe Index and the FTSE4Good Index series, the leading responsible investment indices. We participate in CDP Climate and CDP Water and we are a member of Next Generation, a rigorous and detailed sustainability performance benchmark of the UK's largest homebuilders.

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# Governance, management and performance

**We have clear governance procedures to help us manage sustainability issues and integrate social and environmental factors into the way we work. We aim to be open and transparent in reporting progress through our Sustainability Report and a range of external benchmarks.**

## Roles and responsibilities

Our Chief Executive is the most senior company executive with ultimate accountability for sustainability issues. Sustainability issues are regularly discussed by our plc Board, our Group Management Team (GMT), which is our most senior executive committee, and also the Group Operations Team (GOT), which comprises the GMT and our divisional managing directors.

At an operational level, sustainability activities are co-ordinated by our Legacy, Engagement and Action for the Future (LEAF) committee, previously called the Sustainability Steering Group. The group was renamed and its membership was updated in 2017 to reflect its broader and more strategic role in governing our sustainability programme and engaging our people in our sustainability agenda over the coming years.

Members of the LEAF committee include senior executives from our procurement, production, design and sustainability functions and our regional businesses. It also includes a number of younger colleagues to represent the views of our future workforce. It is chaired by Lee Bishop, our Major Developments Director, who is a representative of the GMT and our Director of Sustainability Ian Heasman also sits on the group. During 2017, the LEAF met four times to discuss a range of issues, including our sustainability strategy, development of our new carbon target, customer health and wellbeing, the UN Sustainable Development Goals, innovation and placemaking.

We also have a number of committees and working groups overseeing particular aspects of sustainability such as our Charity Committee, Waste and Resources Group, Flood Risk Working Group and our Diversity and Inclusion Strategy Committee.

At a project level, the sustainability aspects of a development are initially the responsibility of the land and planning departments with the involvement of the design teams. Project team members then have responsibility for ensuring that the appropriate sustainability measures are introduced as planned. Once work has begun on site, the production management team, including the site manager and contractors, takes on responsibility for ensuring that a wide range of site-specific sustainability issues are addressed and monitored.

We interact with a wide range of stakeholders in the course of running our business and we value stakeholder input (see page 10).

## Sustainability framework

Our sustainability framework sets out our sustainability priorities and focus areas. It has been developed taking into account the long term social, economic and environmental trends that affect our business and customers, the results of our materiality assessment and external frameworks such as the United Nations Sustainable Development Goals (see page 13).

It is supported by our sustainability principles (see page 60). We will be working to develop our approach further in 2018.

## Engaging our people on sustainability

We integrate sustainability issues into our training where relevant. For example, our Sales, Design and Production Academies all cover aspects of sustainability. All employees are trained on our approach to health and safety. Our induction e-learning programme, launched in 2017, includes topics such as diversity and inclusion and staff have also received training on modern slavery.

During 2018, we will be reviewing our training provision and identifying further opportunities to embed sustainability into our learning and development programmes. We will also be increasing our focus on communicating on sustainability with our people through our internal publications, intranet and social media channels.

Health and safety and customer service form part of all senior managers' business objectives and a proportion of our senior management bonus relates to customer service.

## Awards, sustainability indices and ratings



MEMBER OF  
**Dow Jones Sustainability Indices**  
In Collaboration with RobecoSAM

We are a constituent of the Dow Jones Sustainability Europe Index and the FTSE4Good Index series, the leading responsible investment indices.

We participate in the CDP Climate report and received a score of B in 2017 (2016: B), which is an above average score for our sector and industry. This reflects our progress on reducing the carbon intensity of our own operations.

We participate in CDP Water, which assesses companies' corporate water stewardship practices and performance. We won the 2017 CDP award for most improved water response, achieving a score of A- in 2017, compared with B- in 2016. The improved score reflects the actions we have taken to manage water and mitigate water risk, both in our own operations and beyond, and we are now placed in the leadership category for this benchmark.

We are a member of Next Generation, a rigorous and detailed sustainability performance benchmark of the UK's largest homebuilders. In 2017 we were ranked fifth out of 25 in the benchmark with a score of 70% and achieved a Silver Award (2016: 66%, Silver Award, sixth position).

## Materiality

We want to make sure that we prioritise the sustainability issues that are most important and relevant to our business and our stakeholders. We carried out a detailed materiality assessment during 2016 to review our current priorities, get stakeholder feedback on our approach and identify emerging issues or trends. The results are explained on pages 11 to 12. Our materiality assessment methodology is explained on our website, [www.taylorwimpey.co.uk/sustainability](http://www.taylorwimpey.co.uk/sustainability).

## Corporate governance

Good corporate governance is essential and enables us to successfully deliver our business plans and objectives. We fully support the UK Corporate Governance Code and, for 2017, the Board has reviewed and is compliant with the Code. See our Annual Report and Accounts for more details on our approach to corporate governance.

## Anti-bribery and corruption

We do not tolerate bribery or corruption and we are committed to conducting our business activities in an ethical and transparent way. 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 the same standards from our suppliers and anti-corruption provisions are included in our supplier contracts.

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 Legal Director and Company Secretary. Employees raising concerns are protected by our Whistleblowing Policy.

## Risk management

Our risk management systems incorporate both financial and non-financial risks to the business. Our Sustainability and Climate Change Risk and Opportunity Register highlights the material risks and opportunities facing the Company in relation to sustainability and climate change and forms part of our Corporate Risk Management Framework. Our LEAF committee is responsible for reviewing the register on a six-monthly basis.

For each climate-related risk and opportunity the register identifies the: risk driver, description of risk, potential impact, timeframe, whether the risk or opportunity is direct or indirect, likelihood and magnitude of impact. This is based on the approach taken by the CDP benchmarks. A separate methodology is used for other sustainability risks and opportunities in the register. See our Annual Report and Accounts for more information about our Sustainability and Climate Change Risk and Opportunity Register.

Our risk management framework consists of risk registers that are maintained at all organisational levels, which detail the risks faced by the Group, its operating companies and the central teams that support the business and a wider stakeholder group. These registers identify key operational, financial and strategic risks to the business, with strategic risks identified as part of the business planning process. Our risk registers take into account the significance of health, safety and environmental issues, together with social and governance matters of the Group, and use a standardised methodology for the assessment of risk.

The standard methodology used in risk management requires each identified risk to be assessed and measured according to a risk matrix. This matrix considers the potential impact of each risk (for example, financial, reputational, HSE), the likelihood of the event occurring, together with mitigating actions and hence the remaining or residual risk.

Our Audit Committee participates in reviewing financial and non-financial risks included in the Group's Consolidated Risk Register. These risks are detailed in the Board's annual assessment of the risks affecting the Group as well as in the ensuing plans for effective management of these risks, including the supporting internal control framework. More information is included in our Annual Report and Accounts.

Our established systems and procedures – such as our comprehensive health, safety and environmental management system – contribute to effective risk management.

## Public policy

Regulation has an impact on our business and we think it is important to share our views with policy makers at the local, regional and national level. This includes direct engagement such as responding to Government consultations and engagement through our membership of trade associations such as the Home Builders Federation and the National House-Building Council (see page 24).

We also work closely with local authorities, parish councils, Homes England, the Greater London Authority (GLA) and other public sector organisations to plan our developments (see page 24). We encourage members of our senior management team to represent the Company on a wide range of Government, industry and other committees and steering groups.

We engage and participate with the Government and other organisations on corporate governance initiatives and consultations including on diversity and inclusivity related matters.

Public policy work is carried out in a way that reflects our values and cultural principles and key policies such as our Business Conduct Policy. We strive for clear, open and accurate communication.

## Reporting, data and external assurance

This is our 11th Sustainability Report as Taylor Wimpey. It covers our performance and data for the period between 1 January to 31 December 2017. Information on our sustainability performance and key non-financial performance metrics are also integrated into our Annual Report and Accounts.

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

We have achieved certification to the Carbon Trust Standard which includes independent verification of our greenhouse gas data (scope 1 and 2). Their statement is published on our website at [www.taylorwimpey.co.uk/corporate/sustainability](http://www.taylorwimpey.co.uk/corporate/sustainability).

## Taylor Wimpey's sustainability principles

Our six sustainability principles apply to all of our business operations:

- We try to understand the communities, the environments and the economies in which we operate.
- We understand the consequences of our business activities and work to improve the positive social, economic and environmental outcomes while reducing any negative impacts.
- We work and develop sustainably to achieve our business objectives. These include greater efficiency, less waste, more certain planning outcomes, an enhanced reputation and better relationships with stakeholders and communities based on trust.
- We treat the communities in which we build as we would like to be treated if development was taking place near our own homes.
- We are not afraid to challenge others where we consider the political, regulatory or other influences that our business faces are not sustainable, reasonable or viable.
- We want to leave a positive environmental, social and economic legacy that future generations can enjoy, which is the right thing to do, and will contribute to trusting and enduring relationships with communities and other stakeholders.

## Governance, management and performance continued

### Progress against targets

Targets 2017	Performance	Summary	Targets 2018
<b>Building sustainable homes and communities</b>			
Launch our Design Academy training to further embed our placemaking approach	Achieved	We launched our Design Academy training which covers the core principles of urban design and how to create sustainable communities where people want to live. We are rolling it out to our design teams and senior managers and around one third have completed the training so far.	Design Academy training to be completed by all senior managers and design professionals
Carry out post-occupancy research on completed developments to help us understand customer views on placemaking	Achieved	We carried out post-occupancy research with residents at 16 of our completed developments. This showed that good placemaking has an impact on customer satisfaction.	Continue our programme of interactive design workshops and masterclasses and hold our first design conference
Launch our range of standard apartment types	In progress	A growing number of our developments include apartments which can be more affordable and enable us to offer a mix of product on site. We continue to develop our range of standard apartment types.	Launch our internal design competition and award scheme to identify and promote best practice among our regional businesses
Work with our Design Competition winner to enhance and improve our existing typology	In progress	We are using the winning entry from our Design Competition to create a series of prototype homes on three of our developments. Planning consent has been negotiated for all three sites and construction will begin in 2018.	Conduct further post-occupancy research to assess customer views on our standard house types
Continue our Project 2020 pilot projects and integrate successful new approaches into our developments	In progress	We will be testing a number of more sustainable build technologies in the prototype homes as part of our ongoing Project 2020 research initiative. This includes the use of timber frame to replace block work and cross-laminated panels with wood fibre insulation.	Increase the proportion of homes built using off-site construction techniques including timber frame
Complete the build of our 2020 pilot projects and evaluate build costs, efficiency and customer views			Complete the build of our 2020 pilot projects and evaluate build costs, efficiency and customer views
<b>Managing land, engagement and planning</b>			
Continue to focus on selecting the right land and developing it in a sustainable manner	Achieved	Our land teams integrate sustainability into the land acquisition process from the start. Every potential site undergoes a detailed review against the Government's National Planning Policy Framework which aims to ensure developments are economically, socially and environmentally sustainable. Our internal processes and guidance documents help our teams to identify and address relevant sustainability issues for each site.	Continue to focus on selecting the right land and developing it in a sustainable manner
Continue to source more than 40% of completions from the strategic pipeline in the medium term	Achieved	In 2017, 53% of our completions were from strategically sourced land (2016: 51%). We have one of the largest strategic pipelines in the sector.	Continue to source more than 40% of completions from the strategic pipeline in the medium term
Convert on average c.6,000 plots per annum in the medium term	Achieved	We converted 7,863 plots from the strategic pipeline to short-term landbank.	Convert on average c.6,000 plots per annum in the medium term
Continue to maintain best practice community engagement	Achieved	We create a tailored planning and community engagement strategy for each site that reflects local circumstances 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.	Continue to maintain best practice community engagement
Update our LAMP process to make better use of environmental data			Update our LAMP process to make better use of environmental data
Continue to investigate ways to engage with a wider and more diverse range of people within local communities	Achieved	We continued to trial the use of social media, particularly Facebook and Twitter, to help us engage local stakeholders at three of our sites. The trials showed that social media can be a useful tool to capture and respond to feedback and to reach a wider audience. We will be using social media at further sites during 2018.	

Targets 2017	Performance	Summary	Targets 2018
<b>Delivering customer service</b>			
Launch our Touchpoint customer portal to strengthen customer communication and interaction	Achieved	We began to roll out our Touchpoint system in 2017 and 2,000 customers have registered so far. Customers can log into Touchpoint when convenient for them, to check the progress of their new home and access a wide range of useful information. Once a customer moves in they can log any issues or problems that arise via Touchpoint and track our response.	Achieve a five star rating from the HBF Invest in a Customer Relationship Management system to further improve the quality of our customer interactions by 2019
Launch our Academy of Customer Excellence training programme	Achieved	Our Academy of Customer Excellence is designed to develop the skills of our customer service teams. We trialled the Academy in two of our businesses in 2017 and will now roll it out across our other regional businesses.	Review and strengthen our complaint handling procedures to be more customer-centric Share best practice on customer service between our business units Review and update our customer journey process Increase our use of social media and improve our communication with customers online
<b>Operating safely</b>			
Introduce a one-day HSE Update Training session for our contractors' groundworks supervisors	Achieved	We ran a series of workshops for groundworks contractors to reinforce our HSE requirements and encourage our contractors to work together effectively. Training was completed by over 990 groundworks contractors working on our sites.	Improve safety and wellbeing for operatives working at height through the use of access staircases on all scaffolds to replace ladders
Introduce an improved safety system for ground assessment and selection of plant and working near underground services for our groundworks contractors	Achieved	We developed a safety system, in consultation with our groundworks contractors, and communicated this via a series of contractor workshops. We are working together to implement and further develop the system.	Introduce best practice guidance for all timber frame suppliers and timber frame fire safety training for our design and site management teams
Carry out HSE Training sessions for all our Site Support Teams (Blue Hats)	Achieved	Our Site Support Teams support management in maintaining safe sites. During 2017 we ran training sessions and team building events for Site Support Team members.	Update our HSE Manual and refresh our HSE training for new site managers
Improve or, as a minimum, maintain the same Annual Injury Incidence Rate (AIIR) achieved in 2016	Achieved	Our Annual Injury Incidence Rate (AIIR) for reportable injuries (per 100,000 employees and contractors) decreased to 152 in 2017 (2016: 211).	Improve or, as a minimum, maintain the same Annual Injury Incidence Rate (AIIR) achieved in 2017

## Governance, management and performance continued

Targets 2017	Performance	Summary	Targets 2018
<b>Protecting the environment</b>			
Reduce our scope 1 and 2 greenhouse gas emissions by 25% per 100 sq metres of completed homes by 2018 compared with 2013	Achieved	We met our target a year early, achieving a 38.7% reduction.	Achieve a 50% reduction in our direct emissions (scope 1 and 2) intensity by 2023 against our 2013 baseline
Launch a network of sustainability champions to improve our data and encourage colleagues to use resources efficiently	In progress	We will appoint a network of Resource Champions in our regional businesses during 2018, who will engage our employees on waste reduction and energy and water efficiency, identify areas for improvement and help us to implement best practices.	Work with the Carbon Trust to assess the feasibility of setting a Science Based Target
Continue to identify and implement opportunities to reduce energy use and carbon emissions from our show homes, offices and site compound buildings	In progress	We have increased our purchase of green tariff electricity including for our sites during construction (Temporary Building Supplies). We are engaging with our sales teams to make sure that thermostats in our show homes are programmed to switch off heating during the evenings. We encourage site workers to use natural ventilation methods rather than heating to dry out homes after construction. We are reviewing specifications for our site portacabins and hope to introduce a more energy efficient design.	Launch our Resource Champions network to improve resource management in our regional businesses Reduce our mains water consumption from our metered UK offices by 3% per full time employee on a 2017 baseline
Continue to participate in the CDP Water benchmark	Achieved	We were pleased to receive an A- rating from CDP Water, an increase from B- the previous year. This puts us in the leadership category for water management and we received their award for the most improved water management performance in the UK.	As a minimum, maintain construction waste to 2017 levels Publish our Guide to Green Infrastructure to help promote biodiversity on our developments
Reduce our mains water consumption from our metered UK offices by 3% per full time employee on a 2016 baseline	Not achieved	Water use increased slightly year-on-year (0.2%). However, the water intensity of our direct operations (the amount of water used per square metre of build) decreased by 1.8%. We have reduced the water intensity of our metered offices (the amount of water used per full time equivalent employee) by 42% since 2014 but our water intensity increased by 0.4% year-on-year so we did not meet our target of a 3% reduction on a 2016 baseline.	
As a minimum, maintain construction waste at 2016 levels	Not achieved	Unfortunately the amount of waste produced on our sites per 100 sqm of build increased in 2017 by 6.3%. We recycled 95% of UK construction waste.	
Continue to review our biodiversity practices and focus on green infrastructure	In progress	Our draft Guide to Green Infrastructure was reviewed by the Wildlife Trust during 2017 and updated to reflect their recommendations. It will be launched in early 2018 to help our teams successfully plan and implement effective green infrastructure.	

## Governance, management and performance continued

Targets 2017	Performance	Summary	Targets 2018
<b>Sourcing responsibly</b>			
Integrate anti-slavery clauses into our supplier framework agreements and contracts	Achieved	We have updated our supplier framework agreements to include contractual provisions requiring all suppliers to adhere to anti-slavery laws and our Anti-Slavery, Human Trafficking and Human Rights Policy and Supplier Code of Conduct.	Engage with suppliers identified as potentially higher risk in relation to modern slavery Conduct a modern slavery risk assessment of suppliers to our Spanish business
Train Commercial, Production and Technical Directors and Procurement staff on our approach to preventing modern slavery in our supply chain	In progress	We have online training available for all employees. This gives them the practical knowledge to engage with suppliers and identify risk factors in our business and our supply chain and ensures they know the appropriate channels to report any suspected incidents of modern slavery.	Integrate our modern slavery e-learning modules in the induction process for all new employees and require all existing employees to complete them
Work with the Supply Chain Sustainability School on sustainability and resource efficiency in our supply chain	In progress	We've joined with the Supply Chain Sustainability School (SCSS) to raise awareness of sustainability issues and improve practices in our business, supply chain and sector. Over 94% of our national suppliers have now joined the SCSS and completed a sustainability self-assessment.	Increase engagement with the Supply Chain Sustainability School through workshops in our regions and with our contractors
Review supplier compliance with our timber policy	In progress	We reviewed compliance with our policy in 2017 and confirmed that chain of custody evidence is in place for all our key suppliers, accounting for around 95% of timber used on our sites. Our next step is to review compliance among suppliers using smaller quantities of timber.	Participate in the CDP Forests initiative Continue to review compliance with our timber policy Conduct a review of packaging used at our logistics centre and identify opportunities for reduction
Map our main materials by country of origin and publish the results	In progress	We have started to map our supply chain so we have clearer information on where the goods we buy are sourced and manufactured. This will help us identify and manage business and sustainability risks. In 2017 we looked at many of the key products used in building our homes. This showed that the vast majority are manufactured within the UK or Western Europe.	

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<b>Investing in people and skills</b>			
Launch our diversity and inclusion e-learning module for all employees	In progress	From 2018 all employees will complete an e-learning module on diversity and inclusion as part of their induction. More detailed training has been developed for line managers.	Develop an apprenticeship best practice framework to ensure consistency across our regional businesses
Update our appraisal framework to assess employees on how they live our values	Achieved	The culture we want to create at Taylor Wimpey is summarised in our values and cultural principles. All employees are now appraised against our values as part of our performance review process.	Relaunch and expand our Management Trainee Programme All new employees to complete our e-learning module on diversity and inclusion as part of their induction
Launch 'Manager as Coach' to help managers integrate coaching into their role as team leaders	Achieved	We piloted our Manager as Coach programme with two of our regional businesses and are now integrating elements of the programme into a one day course for Line Managers encompassing coaching, giving feedback, developing team members and performance management.	Carry out unconscious bias testing and compare progress against previous results
Expand our succession planning to focus on successors to Regional Directors and 'Heads of' roles, high potential emerging talent and high potential graduates	Achieved	During 2017 we focused on increasing the number of potential successors to our Managing Directors and Regional Directors through external recruitment both within and outside our sector and through our development programmes for potential internal candidates.	Launch a wellbeing campaign focusing on mental health
Launch our Code of Conduct	In progress	We will launch our new Code of Conduct in 2018 setting out how we do business and our expectations of employees. It summarises our key policies and our commitment to meet high standards of integrity and conduct in our work.	
Launch our induction e-learning programme for new employees	Achieved	We developed a series of induction modules for new joiners in 2017 covering key topics such as our customer journey, our commitment to diversity and inclusion and our ways of working and cultural principles. This is being piloted in two of our regional businesses.	
Update and enhance our Management Trainee Programme	In progress	We will relaunch our Management Trainee Programme in summer 2018, offering three-year development programmes and an opportunity to gain professional qualifications for Trainee Site Manager, Civil Engineer, Quantity Surveyor, Buyer and Design and Planning Manager roles. We will also significantly increase the overall number of trainee positions.	
<b>Partnering with charities</b>			
Roll out our volunteering framework	Achieved	Our volunteering policy enables employees to take two full days or four half-days paid time off to volunteer with our charity partners each year. During 2017, we worked to promote volunteering opportunities via our intranet, email and our Yammer social media network. We are starting to track the number of hours and value of our employee volunteering, though our data is not yet complete.	Create volunteering opportunities for employees at all levels and parts of the business Organise another Company-wide fundraising challenge for our employees
Organise another Company-wide fundraising challenge for our employees	Achieved	Our 2017 Taylor Wimpey Challenge was a two-day event that saw more than 400 staff in 63 teams come together in the Lake District to collectively raise more than £170,000 for the Youth Adventure Trust and a range of charities selected by our regional businesses.	

## Key Performance Indicators (KPIs) and other relevant sustainability data

	Coverage	Unit	2017	2016	2015	2014	2013
Revenue	Group	£m	3,965.2	3,676.2	3,139.8	2,686.1	2,295.5
Operating profit <sup>1</sup>	Group	£m	841.2	764.3	637.0	480.7	312.9
Number of completions (including joint ventures)	UK	Number	14,541	13,881	13,341	12,454	11,696
Number of completions (excluding joint ventures)	UK	Number	14,387	13,808	13,219	12,294	11,547
Number of completions	Spain	Number	301	301	251	164	118
<b>Sustainable homes and communities</b>							
<b>Placemaking and design<sup>2</sup></b>							
Participation in Design Academy training	UK	Number of employees	151	-	-	-	-
<b>Affordability</b>							
Completions designated as affordable <sup>3</sup>	UK	%	19.3	19.4	18.9	17.6	18.3
Number of affordable homes <sup>3</sup>	UK	Units	2,809	2,690	2,527	2,198	2,138
First time buyers – % of sales	UK	%	41	38	36	36	na
Help to Buy – % of sales	UK	%	43	39	37	35	na
Percentage of sales through Help to Buy from first time buyers	UK	%	77	77	77	73	na
<b>Efficient homes</b>							
Code level 3 homes <sup>4</sup>	UK	Number	2,451	3,676	3,968	3,268	3,067
Code level 4 homes <sup>4</sup>	UK	Number	906	1,282	944	756	350
<b>Planning obligations</b>							
Value of Section 106 (England and Wales) and Section 75 (Scotland) and CIL agreements delivered	UK	£m	413	363	336	300	227
<b>Land, planning and engagement</b>							
Plots owned or with planning consent (short term landbank)	UK	Number	74,849	76,234	75,710	75,136	70,628
Short term landbank – number of plots converted from strategic land pipeline	UK	Number	7,863	9,519	8,660	10,779	9,210
Strategic pipeline – number of potential plots	UK	Number	c.117,000	c.108,000	c.107,000	c.110,000	c.110,000
Completions sourced from strategic pipeline	UK	%	53	51	47	39	29
Homes built on brownfield land	UK	%	45	45	52	55	55
<b>Sustainable transport – customers</b>							
Completions within 500 meters of a public transport node	UK	%	50	49	na	na	na

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	Coverage	Unit	2017	2016	2015	2014	2013
<b>Customer satisfaction</b>							
Customers satisfied or very satisfied with quality of their home <sup>5</sup>	UK	%	87.9	84.7	86.3	87.4	90.0
Customers satisfied or very satisfied with the service provided before purchase <sup>5</sup>	UK	%	84.1	81.7	84.0	85.2	87.7
Customers satisfied or very satisfied with the condition of their home <sup>5</sup>	UK	%	84.4	81.6	82.3	85.4	88.6
Customers who would recommend us to a friend <sup>5</sup>	UK	%	89.0	86.2	87.6	88.8	92.0
Homebuilder average – Customers who would recommend us to a friend <sup>6</sup>	UK	%	86.2	84.3	85.0	84.9	na
Customers who would recommend TW to a friend	Spain	%	100	93	100	100	100
<b>Health and safety</b>							
Number of reportable RIDDOR injuries per year	UK	Number	28	36	29	32	31
Annual Injury Incidence Rate (AIIR) for all reportable injuries (incidence rate per 100,000 employees and contractors)	UK	Incidence rate	152	211	175	209	207
Annual Injury Incidence Rate (AIIR) for all major injuries (incidence rate per 100,000 employees and contractors)	UK	Incidence rate	54	53	18	26	60
HBF Homebuilder average AIIR	UK		334	335	361	351	330
Fatalities – employees and contractors	Group	Number	0	0	0	0	0
HSE training days – site management and operational staff	UK	per employee	4.5	4.8	5.2	5.3	4.3
HSE training days – support staff (office based)	UK	per employee	0.1	0.2	0.2	0.2	0.2
Number of reported workplace injuries per year	Spain	Number	4	5	6	6	0
Annual injury incidence rate for reported workplace injuries (incidence rate per 100,000 employees and contractors) <sup>7</sup>	Spain	Incidence rate	361	577	722	894	0
Annual Injury Incidence Rate (AIIR) for all major injuries (incidence rate per 100,000 employees and contractors)	Spain	Incidence rate	0	0	0	0	0
Construction site operatives (including sub-contractors) with a CSCS card or trade equivalent	UK	%	94	94	92	na	na

	Coverage	Unit	2017	2016	2015	2014	2013
<b>Environment</b>							
<b>Energy and climate change</b>							
Scope 1 GHG emissions – combustion of fuel	Group	tonnes CO <sub>2</sub> e	18,889	17,983	17,768	16,436	16,107
Scope 2 GHG emissions – market based	Group	tonnes CO <sub>2</sub> e	4,794	10,827	12,947	13,326	14,229
Scope 2 GHG emissions – location based	Group	tonnes CO <sub>2</sub> e	8,236	10,417	11,159	11,885	10,526
Total scope 1 and 2 – market based	Group	tonnes CO <sub>2</sub> e	23,683	28,809	30,716	29,672	30,336
Emmissions per 100sqm completed homes (scope 1 and 2)	Group	tonnes CO <sub>2</sub> e/100sqm	1.73	2.13	2.40	2.56	2.82
Scope 3 emissions from supply chain	Group	tonnes CO <sub>2</sub> e	1,112,086	1,026,420	767,501	696,005	551,749
Total scope 1, 2 and 3	Group	tonnes CO <sub>2</sub> e	1,135,769	1,055,229	798,217	725,677	582,085
Emissions per 100sqm completed homes (scope 1, 2 and 3)	Group	tonnes CO <sub>2</sub> e/100sqm	82.8	78.2	62.2	62.7	54.2
CDP Carbon rating		Score	B	B	97:D	88:C	72:D
<b>Energy use</b>							
Operational energy use (fuel and electricity consumption from sites and offices) <sup>b</sup>	UK	MWh	89,550	92,236	90,524	81,679	81,800
Operational energy intensity (site and office fuel and electricity intensity)	UK	MWh/100sqm	6.50	6.80	7.10	7.00	7.60
<b>Waste and resources</b>							
Construction waste per 100sqm build – general	UK	Tonnes/100sqm	4.74	4.40	4.11	3.94	3.02
Construction waste per 100sqm build – plasterboard	UK	Tonnes/100sqm	0.64	0.66	0.67	0.64	0.57
Construction waste per 100sqm build – total	UK	Tonnes/100sqm	5.38	5.06	4.78	4.58	3.59
Construction waste recycled	UK	%	95	93	93	94	92
Construction waste landfilled	UK	%	5%	7%	7%	6%	8%
<b>Water</b>							
Consumption of metered mains water	UK	m <sup>3</sup>	394,558	393,846	384,137	350,482	na
Consumption of metered mains water per 100sqm build	UK	m <sup>3</sup> /100sqm	29.41	29.95	30.66	31.05	na
Consumption of metered mains water in metered offices	UK	m <sup>3</sup>	11,563	11,305	18,359	15,059	na
Consumption of metered mains water in metered offices per full time employee	UK	m <sup>3</sup> /FTE	3.64	3.62	6.85	6.28	na
CDP Water rating		Score	A-	B-	B-	na	na

## Governance, management and performance continued

	Coverage	Unit	2017	2016	2015	2014	2013
<b>Biodiversity and ecology</b>							
Biodiversity risks assessed at % of sites	UK	%	100	100	100	100	100
Biodiversity management plans implemented at % of sites identified as being exposed to biodiversity risks	UK	%	100	100	100	100	100
<b>People</b>							
Average number of employees (weekly and monthly)	UK	Number	4,999	4,697	4,299	3,916	3,900
Average number of employees	Spain	Number	85	98	89	75	72
Average number of employees (weekly and monthly)	Group	Number	5,084	4,795	4,388	3,991	3,972
Site operatives	UK	Number	13,422	12,390	12,273	11,450	11,380
Annual voluntary employee turnover	UK	%	14	14	13	na	na
<b>Skills, learning and development</b>							
Graduates programme – number recruited during the year	UK	Number	31	20	19	19	11
Management trainees – number recruited during the year	UK	Number	28	30	22	50	23
Trades apprentices – number recruited during the year	UK	Number	137	93	69	70	43
Site management apprentices – number recruited during the year	UK	Number	67	54	29	29	6
Total apprentices, graduates and trainees recruited during the year	UK	Number	263	197	139	168	83
Training days per monthly salaried employee (including H&S training) <sup>9</sup>	UK	Number	2.9	2.2	2.3	3	2.7
Training days completed	UK	Number	10,100	11,000	9,113	na	na
<b>Diversity</b>							
Women in workforce – all employees	UK	%	35	32	32	33	32
Women in junior management	UK	%	48	48	48	51	46
Women in management	UK	%	26	25	19	17	12
Women in GMT	Group	%	30	30	30	33	17
Women on the board <sup>10</sup>	Group	%	30	22	22	25	22

## Governance, management and performance continued

	Coverage	Unit	2017	2016	2015	2014	2013
<b>Charitable donations and volunteering</b>							
Donations to registered charities	Group	£	737,000	604,744	449,000	284,000	242,000
Donations to local community causes	Group	£	79,000	158,330	110,211	21,136	112,390
Amounts raised by employee fundraising	Group	£	295,000	270,753	298,654	257,889	88,485
Total donations (cash and fundraising)	Group	£	1,111,000	1,033,827	858,078	563,065	443,233

na – Data not available

1. Operating profit is defined as profit on ordinary activities before net finance costs, exceptional items and tax, after share of results of joint ventures.

2. Course introduced in 2017

3. Includes joint ventures

4. The Code for Sustainable Homes has now been consolidated into Building Regulations so the number of new homes we build to the Code will reduce.

5. Figures relate to the HBF year of 01.10.16 to 30.09.17

6. The homebuilder average data is supplied by the NHBC based on legal completions between 01/10/16 and 30/09/17

7. For Spain, our injuries data and annual injury incidence rate include all reported workplace injuries to employees and contractors. This is similar but not directly comparable to our data for the UK which is collected under the UK's Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR).

8. Data is for the UK. It includes all site and office energy (electricity, gas and other fuels), but excludes fleet.

9. Monthly employees account for around 70% of our total.

10. The 30% of women on the board is at February 2018. Gwyn Burr was appointed 1 February 2018.