

The way we work

HEALTH, SAFETY & ENVIRONMENTAL MANAGEMENT

Health and safety continues to be a non-negotiable top priority and we also take environmental issues extremely seriously.

Progress in 2009

- Operationally, health and safety continues to be the top priority in all regions in which we operate.
- We have comprehensive health, safety and environmental management systems in place.
- In 2009, we began to set up data collection systems to measure carbon dioxide and other greenhouse gas emissions from our UK operations.
- We achieved a 23% reduction in our UK RIDDOR incident rate for health and safety when compared with our 2008 RIDDOR rate.

We continued our stringent approach to health and safety throughout the economic downturn with resources being allocated to ensure that our high standards of HSE were maintained throughout. In the UK, we have a comprehensive and fully integrated HSE (health, safety and environmental) management system. In North America, Taylor Morrison has a company-wide health and safety programme while environmental management is tackled at a Divisional level due to differences in regional legislation.

Our UK HSE management system is updated regularly to encompass developing best practice and changes in legislation. In 2009, we introduced a new internal audit programme. Our internal HSE advisors now undertake in-depth audits of each UK regional business analysing all aspects of HSE management and compliance. The new internal audit programme runs alongside and supports a regular programme of independent inspections undertaken at each site at least monthly. Regular external audits assist in ensuring that the standards of our HSE management system are consistently applied in all regional businesses. Our UK operations are also accredited by CHAS (the

Contractors Health and Safety Assessment Scheme).

The audit system for our North American business involves comprehensive twice yearly independent third-party inspections of all sites and covers all aspects of health and safety. Our key area of focus in 2009 has been on ensuring that site conditions meet our exacting health and safety standards and that sub-contractor performance throughout North America is reaching our expectations.

Taylor Morrison was a runner up in the prestigious National Association of Home Builders (NAHB) 2009 Safety Award for Excellence. We were the finalist in the large housebuilder category of Single Family Builder Safety Programme of the Year.

During 2009, we continued our direct involvement with the UK HBF (Home Builders Federation) Health and Safety Forum as well as regional forums run by the Health and Safety Executive or local construction forums. Taylor Morrison is represented on North America's High Volume Homebuilders Safety Council and also on health and safety councils of local homebuilders organisations in the regions in which we operate.

OVER 30% REDUCTION IN SUB-CONTRACTOR INJURIES

In 2009, Taylor Morrison reduced the number of sub-contractor injuries by over 30% year on year. These positive results can be directly attributed to a concentrated focus on site conditions and enhanced communications and training efforts in conjunction with the sub-contractor base. We reduced our sub-contractor injury frequency rate per 100,000 hours worked from 0.267 in 2008 to 0.167 in 2009.



Taylor Wimpey Spain has continued to maintain compliance with OHSAS 18001 health and safety management system.

We have had seven cases of non-compliance with HSE legislation during 2009.

For more information see page 33

HSE training

We continue to train all levels of UK employee in HSE issues. Every individual within our Company has responsibility for health and safety, and this message is reinforced in our training programmes. In 2009, we implemented a senior management team training programme to ensure that every Director and senior manager in the UK received tailored HSE training. Our plc Board and Non Executive Directors also attended a training course covering the Company's HSE aims, objectives, targets and performance. The training included a site visit to look at the practical implications of HSE management on site.

In addition, we run a regular targeted programme of training or awareness raising for our sub-contractors. In 2009, our monthly site inspections included a particular focus on areas such as safe working in excavations and the training

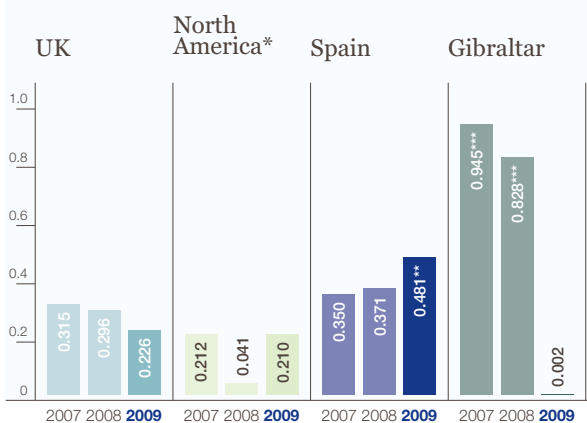


REMEDICATION TECHNOLOGY

During construction on a site in Newport, South Wales we discovered a large area of pre-existing and unexpected contamination, suspected to be creosote. The contamination presented an unacceptable risk to human health and controlled waters, particularly as the site bordered on a primary school, a site of special scientific interest and a special area of conservation. Our remediation contractors, RemedX, used an innovative steam-enhanced, dual-phase extraction process to recover 1,700kg of contaminants quickly, safely and effectively.

All reportable injuries

(injury frequency rate per 100,000 hours worked)



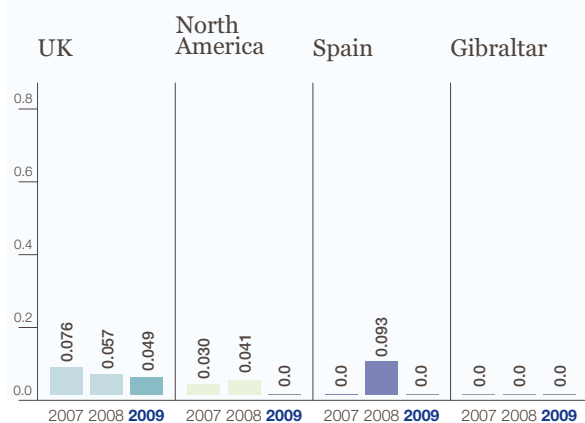
* Please note that the injury frequency rate for North America does not include sub-contractors.

** Please note that the injury rate for Spain equates to just three incidents in 2009.

*** Please note that the injury frequency rate for Gibraltar equates to just four incidents in 2008 and five incidents in 2007.

Major injuries

(injury frequency rate per 100,000 hours worked)



The way we work

HEALTH, SAFETY & ENVIRONMENTAL MANAGEMENT CONTINUED

and competence of plant operators on site to ensure high safety standards among sub-contractors. We also worked with the HBF (Home Builders Federation) in 2009 to deliver an industry campaign to tackle 'slips and trips' on all UK sites. In 2010 the focus will be on the adequacy of HSE documentation such as risk assessments that are drafted and presented by our sub-contractors.

All of our North American employees must complete an assigned curriculum of on-line health and safety courses each year. These courses vary according to job responsibility. Groups such as construction and field personnel are required to attend additional training programmes such as the OSHA (Occupational Safety and Health Administration) 10-hour course. In addition, each Division conducts periodic First Aid and other similar training as needed. During 2009, 99.8% of Taylor Morrison employees completed their on-line training requirements in full. In addition, 100% of relevant employees completed the OSHA 10-hour training.

Each Division produces an annual continuous improvement plan with focus areas for employees and specific job sites. Taylor Morrison also runs internal awards for site of the year and most improved site.

Climate change

We have a responsibility to minimise carbon dioxide and other greenhouse gas emissions. We have a Climate Change Policy that sets out our aims and objectives. In addition, our newly developed Sustainability and Climate Change Risk and Opportunity Register will shape our adaptation and mitigation strategies.

[For more information see page 5](#)

Our Group Chief Executive Pete Redfern sits on the CBI (Confederation of British Industry) Climate Change Board and has ultimate responsibility for our corporate climate change strategies. We are also engaging with the NAHB (National Association of Home Builders) with regard to the UK Government's upcoming climate change bill.

In 2008, we measured carbon dioxide emissions from our offices and car fleet as part of our involvement with the CBI on climate change. Following our sustainability workshop in September 2009, the CR Committee and UK Management Team approved the decision to further extend our emissions monitoring.

We are now in the process of setting up data collection systems and are beginning

to measure UK carbon dioxide and other greenhouse gas emissions from:

- Sites and offices in the UK
- Owned and leased vehicles as well as staff travel
- Electricity generation and supply to sites and offices

We aim to publish part year figures in our 2010 CR Report.

A scoping study undertaken on our behalf by Small World Consulting in 2009 highlighted that around 87% of UK construction industry emissions are generated by the supply chain rather than direct operational emissions. Supply chain emissions include, for example, those embedded in construction materials and their transport as well as those resulting from waste and from contractors' operations. We have appointed Small World Consulting to investigate our supply chain carbon emissions with a view to understanding how and whether we might cost effectively measure and report on these indirect emissions caused by our business operations. We will report further on this initiative in our 2010 report.



100%

of UK sites have a detailed Site Specific Environmental Action Plan in place.

65%

of UK homes were built on Brownfield land during 2009.

Waste management

During 2009, we began a process of analysing all of our UK waste streams and resource use to better understand the cost, efficiency and environmental implications of our waste. WRAP (the Waste Resources Action Programme) provided funding and advice on tackling construction waste and we are also looking at all other types of waste such as remediation, demolition and earthworks. The review is examining the generation of the waste as well as its recovery or subsequent removal.

Land remediation

Regeneration continues to be a significant part of our UK business and, in 2009, we built 65% of our UK homes on Brownfield land. We focus on transforming areas of land that may be derelict and are often contaminated into desirable places to live. This helps to preserve and regenerate scarce land resources and can have an extremely positive impact on local environments and communities.

Our Land Assessment and Management Process (LAMP) provides detailed guidance on technical issues associated with UK land, including remediation, geotechnics, flooding, ecology and archaeology. In terms of remediation, we strive to manage soils sustainably.

This includes maximising recycling and minimising disposal to landfill wherever possible. Taylor Wimpey is involved with a range of industry, non-governmental and other organisations that focus on managing Brownfield land.

Biodiversity

We have a responsibility to protect species and wildlife habitats in the areas in which we build. We also strive to enhance the ecological value of sites where possible. In the UK, all sites must complete a series of comprehensive site checklists and develop a detailed Site Specific Environmental Action Plan. The checklists and action plan cover a wide range of environmental issues including biodiversity. Our Academy Central, Leybourne Grange and Steiner Ranch case studies provide examples of our work in protecting and enhancing biodiversity on sites.

[For more information see pages 18 to 21](#)

Targets

In 2010 our UK business will focus on further developing the competence of our groundworks sub-contractors and supervisory staff. We will also address the general industry issue of how to effectively establish the competence of contractors who are tendering for work. We are currently working with

the HBF and other housebuilders on an industry-wide system for vetting contractors for competence.

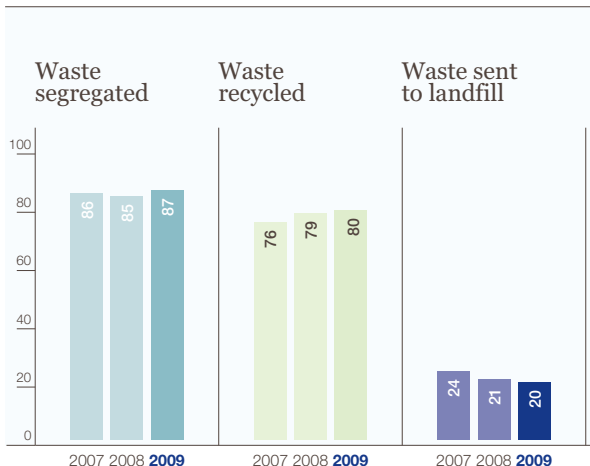
We will also develop a UK Waste and Resources Strategy in 2010. The strategy will be cost reduction led and will also emphasise the substantive environmental and sustainability benefits of greater resource efficiency.

In the UK, we achieved a RIDDOR (The Reporting of Injuries, Diseases, Dangerous Occurrences Regulations) incident rate of 520 in 2009. We have set ourselves a tough 2010 target for a further reduction of our RIDDOR incident rate by 10% after achieving a reduction in our overall incident rate of 23% when compared with our 2008 RIDDOR rate of 680. We also plan to reduce construction waste to landfill by 10% and increase recycling on site by 5%. We have also signed up to WRAP's target for the construction sector to halve waste to landfill by 2012.

In North America we seek to reduce the number of major and reportable incidents that occur each year. We also have targets of 100% of relevant employees completing their OSHA 10-hour training and 100% of employees completing their on-line health and safety training in full.

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

Construction waste segregation on UK housing sites (%)



Construction waste per UK housing unit (tonnes)

