

George Wimpey Plc 2003 Corporate Social Responsibility Report Making Progress...



Strengthening our commitment

We are pleased to introduce the second George Wimpey Corporate Social Responsibility Report. During 2003 we have continued to take our duty to behave responsibly towards all our stakeholders very seriously.

Central to the way we do business are our core values of integrity and respect. All our businesses operate within policies which are designed to ensure fair and ethical treatment of our customers, employees, subcontractors and other business partners. We believe we should act responsibly towards all our stakeholders, including the communities in which we build homes, not because we have to, but because we believe it is right.

Key Highlights

Laing Homes was acquired on 1 November 2002 and last year we reported on



LEFT TO RIGHT:
PETER JOHNSON, JOHN ROBINSON

their corporate social responsibility (CSR) activities separately. During 2003 Laing Homes has been fully integrated as a division of our UK business and George Wimpey practices and procedures, particularly in health and safety and environmental management and training, have been adopted.

Strengthening our commitment to CSR, during 2003 we set up a new Board Committee, chaired by Christine Cross, which is responsible for reinforcing and informing the Group's approach to CSR.

Last year we highlighted specific targets to be measured and reported on as key performance indicators. We have restated last year's promises and clearly measured the progress that has been made. Where appropriate new targets for action in 2004 have been added.

Going Forward

During 2004 we will continue to strengthen our approach towards CSR across the Group. Led by the CSR Committee we will develop a framework within the Group for deepening our understanding of what it means to be 'a responsible housebuilder'. At the same time the Committee will ensure that all CSR activities make good business sense for our shareholders.

We remain committed to transparent CSR reporting and to monitoring, reviewing and improving our performance. We believe we have built on last year's achievements but understand that sustainability will not be achieved quickly and we still have many steps to take.



JOHN ROBINSON CHAIRMAN

PETER JOHNSON CHIEF EXECUTIVE



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Our Progress

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Annual performance data for comparison over time.



Our Progress



KEY 2003 ACHIEVEMENTS		MAJOR 2004 TARGETS
CORPORATE GOVERNANCE	<ul style="list-style-type: none"> Set up CSR Committee of the Board. 	<ul style="list-style-type: none"> Deepen our understanding of what it means to be a responsible housebuilder. Explore how to strengthen assurance around CSR-related processes. Investigate supply chain issues.



HEALTH AND SAFETY (H&S)	<ul style="list-style-type: none"> 100% relevant Laing Homes staff trained in H&S. 100% of contractors inducted in H&S procedures. Held national safety workshops for designers. Trained 2,800 workers on new fall arrest system, 900 workers on use of safety nets and organised groundworker training programme. 11% reduction in reportable accidents with comparison to 2002. Engaged with stakeholders on H&S risks. 	<ul style="list-style-type: none"> Continued stakeholder engagement to identify and assess H&S risk. Seek British Safety Council H&S accreditation. Reducing on-site slips, trips and falls, as well as continuing to reduce the risk of falls from height.
UK		
US	<ul style="list-style-type: none"> Improved weekly safety reports. New Scored Safety Audit programme on 100% of sites. Introduced monthly safety reporting. 	<ul style="list-style-type: none"> Continued focus on reducing the risk of falls from height. 100% of new builders must receive OSHA certification within 90 days of employment.



ENVIRONMENT	<ul style="list-style-type: none"> 100% of site management and support staff trained in environmental management. 100% of sites have a Site Specific Environmental Action Plan. Trained 389 sub-contractors on environmental issues. Started sustainability survey of suppliers. 	<ul style="list-style-type: none"> Continuing to undertake a survey of suppliers' environmental and sustainability policies. Gap and cost benefit analysis of seeking ISO14001 accreditation. Increase waste segregation and recycling. Increase use of technology-based remediation techniques.
UK		
US	<ul style="list-style-type: none"> Engagement with suppliers to introduce Freon-free HVAC systems to new homes. 	<ul style="list-style-type: none"> New KPI to be introduced in 2004 on percentage of homes completed with a Freon-free HVAC system.

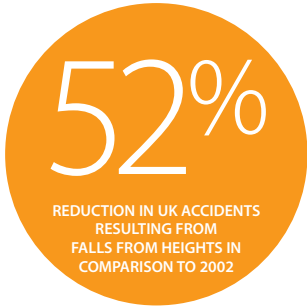


EMPLOYEES	<ul style="list-style-type: none"> Published results of first employee survey and drew up action plans to address areas of concern. Introduced new human resources strategy. Analysed effectiveness of current performance appraisal and training practices. 	<ul style="list-style-type: none"> Focus on areas highlighted by the first employee survey and analysis of performance appraisal and training practices.
UK		
US	<ul style="list-style-type: none"> Published results of seventh annual employee survey. 16.6% increase in training hours per employee. 	<ul style="list-style-type: none"> Track recruitment success to increase new hire longevity. HR to co-ordinate, facilitate, communicate and provide feedback on new training initiatives.



CUSTOMER CARE	<ul style="list-style-type: none"> Won more than twice as many NHBC Pride in the Job Quality awards as any other housebuilder. 48 developments achieved the highest possible standards in our internal customer service award scheme. Launched a new website and customer magazine. 	<ul style="list-style-type: none"> Introduce new Customer Charter and best practice procedural document. Review customer service training.
UK		
US	<ul style="list-style-type: none"> Placed in the top quartile of all US builders in the 2003 JD Power & Associates customer satisfaction ratings. Introduced new lead management system to enhance customer service. 	<ul style="list-style-type: none"> Evolve customer experience and communications. Implement a customer communication management system.

SELECTED HIGHLIGHTS



George Wimpey Plc

George Wimpey Plc is a leading UK housebuilder. In 2003 we built over 16,500 homes in the UK and the US, and we employ more than 6,000 people. We also work with a significant number of sub-contractors and other parties.

This report is produced in conjunction with George Wimpey's Annual Report and Accounts 2003. The Group operates in the UK and US, and this report covers our operations in both countries: George Wimpey UK (which now includes Laing Homes) and Morrison Homes in the US.

We remain committed to transparent CSR reporting and to monitoring, reviewing and improving our performance.



Awards won in 2003 include:

- UK Construction Health and Safety Group award for 'Contribution to Health and Safety Training and Improved Standards'.
- National House Building Council (NHBC) Pride in the Job Awards: 79 Quality, 22 Top 100 Seals of Excellence and one Regional Winner awards.
- Chartered Institute of Building Construction Manager of the Year Awards: a Gold and a Silver award, plus a commendation.
- Health and Safety Executive Working Well Together Awards: Number One Worker 2003.
- Daily Express British Housebuilder Awards: two Gold and one Silver awards.
- 21st Century Living Awards: Best Family Home and Best Executive Home.
- North East Business Awards: Tyneside and Northumberland Environment Award.
- Professional Builder Magazine named Morrison Homes one of the 101 Best Companies to Work For.
- Housing Forum – National Customer Satisfaction Survey 2003, a maximum three stars for all six categories relating to quality and service.

We also run our own annual award schemes in the UK and US, focusing on health, safety and environment, build and customer service quality.



Corporate social responsibility makes sound business sense

CHRISTINE CROSS CHAIR, GEORGE WIMPEY PLC CSR COMMITTEE

THE CSR COMMITTEE

Corporate Social Responsibility Committee left to right. Christine Cross, Non Executive Director (Chair), Keith Cushen, Chief Executive, George Wimpey UK*, Stu Cline, President, Morrison Homes, Baroness Dean, Non Executive Director.

* Keith Cushen resigned as a Director of the Company on 31 December 2003 but will continue to provide advice to the Company and the CSR Committee as an independent consultant.

Vision

We aim to achieve leadership in our sector. We want to be the housebuilder of choice for:

- Our shareholders, offering superior security and growth of earnings.
- Our customers, offering unrivalled and consistent quality of product and service.
- Our employees and sub-contractors, providing fulfilling and rewarding careers or contracts in a safe and healthy environment.
- The communities in which we operate, creating a better environment in which to live and work.

Values

Five core, non-negotiable values underpin everything that we do. These are:

- Integrity
- Customer focus
- Continuous improvement
- Respect for people
- Teamwork

Ethics

We aim to treat our stakeholders with respect and conduct our business to the





2003 CASE STUDY



MORRISON CORE VALUE AWARD

In 2002, Morrison Homes introduced a new employee award in memory of former Vice President of Human Resources Claudia Patterson, who sadly died in 2002. Claudia played a pivotal role in developing the company's core values.

The first winner of the Core Values Award was Jim Steinmiller, Area Sales Manager for the Tampa division. Jim won the award for representing the company's core values, displaying leadership qualities and actively participating in community programmes. The President of the Tampa Division described Jim as a caring individual and a model employee.

Jim works in the best interest of customers and the company, spends time educating fellow staff members and volunteers as a mentor and tutor for local schoolchildren.

OUR FIVE CORE VALUES:

- Integrity
- Customer focus
- Continuous improvement
- Respect for people
- Teamwork

highest standards of honesty and fair dealing.

George Wimpey UK's Code of Business Conduct and Morrison Homes' Company Policy Manual set out our approach to doing business ethically. These documents provide guidance for staff and management on how we aim to treat employees, sub-contractors, customers, suppliers and other key stakeholders.

Governance

The George Wimpey Plc Board is committed to high standards of corporate governance. The Board considers that, during the year under review, it has complied with the provisions of the Combined Code on Corporate Governance.

The Board is reviewing the revised code (which applies in respect of reporting years beginning on or after 1 November 2003) in detail and believes that it is already operating in substantial compliance. For further details on governance, please see George Wimpey Plc's Annual Report and Accounts 2003.

CSR Committee

Set up in June 2003, the CSR Committee is chaired by Non

Executive Director Christine Cross with the other members during the year consisting of a Non Executive Director, the Chief Executive of George Wimpey UK and the President of Morrison Homes. The Committee will strengthen and inform the Group's approach to corporate responsibility issues.

It will meet at least twice per year and is responsible for the Group's CSR strategy, policies, reporting and performance monitoring. The Committee will seek to ensure that CSR strategy and activity is adequately resourced, has appropriate standing within the Group and is aligned to the needs of the business. In addition, the Committee will develop appropriate stakeholder dialogue and analysis. It will also highlight significant social, environmental and ethical risks and opportunities to the Board.

"Corporate social responsibility makes sound business sense. The key to the George Wimpey approach is an integrated business plan where environmental, social and technical performance is aligned with financial security and returns. Having an external,

as well as an internal, perspective is particularly important. As Chair of the new Committee I am particularly pleased with progress to date, whilst recognising that we have a year on year programme of focused action to deliver, in order to drive continuous improvement."

*Christine Cross
Chair, CSR Committee*

Future Targets

A key focus for 2004 is to deepen our understanding of what it means to be 'a responsible housebuilder'. We will clarify what we are trying to achieve in terms of CSR and analyse how best to balance our financial, social and environmental responsibilities.

In 2004, we will investigate how to strengthen assurance around our CSR-related processes and review our procedures in the light of third party criteria. We will also explore CSR-related supply chain issues as they affect the Group.

In addition, we will seek further ways to ensure that our policies are practiced throughout our businesses, and will continue to measure and report on our performance.



More information about our Corporate Governance practices and procedures is available on-line at www.georgewimpeyplc.co.uk



Health & Safety

2003 ACHIEVEMENTS

- UK**
- 100% of relevant Laing Homes staff trained in health & safety.
 - 100% of contractors inducted in health & safety procedures.
 - Held national safety workshops for designers.
 - Trained 2,800 workers on new fall arrest system, 900 workers on safety nets and organised a groundworker training programme.
 - 11% reduction in reportable accidents compared to 2002.
 - Engaged with stakeholders on health and safety risks.

- US**
- Improved weekly safety reports.
 - Introduced Scored Safety Audit programme on 100% of sites.
 - Introduced monthly safety reporting.

KPI MEASUREMENTS

- UK**
- Incident rate per 1,000 employees and contractors: 7.0 for all reportable injuries
1.3 for major injuries.
 - Proactive monitoring identified the following potential hazards on sites:
97 Category A (potential serious)
1,512 Category B (potential moderate).
 - 20 hours is the minimum annual health and safety training time required for site management personnel.
- US**
- 3.98 – the incident rate including employees and contractors.
 - 0.27 – the major accident rate per 1,000 completions.



"We are proud of our commitment to health and safety and believe we lead the UK and US housebuilding industries in standards, procedures and training."

Peter Redfern, Managing Director, George Wimpey UK, Stu Cline, President, Morrison Homes.

Health and safety management is an integral part of our Group approach to housebuilding. While construction is a hazardous industry, it is unacceptable to allow our activities to cause harm to any employee, sub-contractor, customer or member of the public. We take our responsibilities in this area extremely seriously.

George Wimpey UK

Health and safety is the highest priority of our company. Our regularly updated Health, Safety and Environmental Procedures provide guidance on all aspects of site safety and training requirements. The procedures are fully integrated into our

Construction, Design and Management (CDM) process to provide a comprehensive management system. We use our bespoke Hazard Categorisation System on every site to identify and report on potential risks and to implement the required control measures.

Staff and contractors are involved in the development of our procedures. Working groups meet regularly to discuss key issues while briefings and newsflashes keep managers informed about new developments and incidents. Health and safety is a key item on the agenda of every George Wimpey UK Board meeting.

Our web-based Health, Safety and Environmental Reporting System ensures that complete and accurate data is available to help measure, monitor and improve performance. External consultants including R G Willbrey audit our site performance.

Health and safety is our highest priority at George Wimpey UK

DAVID CARTER DIRECTOR OF HEALTH, SAFETY & ENVIRONMENT, GEORGE WIMPEY UK

Find out more

Details of our health and safety policies are available on-line at www.georgewimpeyplc.co.uk/csr as well as verification statements from R G Willbrey and PROSAFE.



2003 CASE STUDIES

52%

REDUCTION IN GEORGE WIMPEY UK ACCIDENTS RESULTING FROM FALLS FROM HEIGHTS IN COMPARISON TO 2002



Our Focus

In 2002, a thorough investigation of accident trends identified that our workers were at greatest risk from:

- Falls from height – the most common cause of fatal and major injury to construction workers, according to the UK’s Health and Safety Executive (HSE).
- On-site traffic incidents.
- Being struck by falling objects.

We developed an extensive action programme to target these priority areas. This resulted in a significant reduction of the number of accidents in these areas during 2003. We focused on improved training, awareness campaigns and significant investment in suitable safety equipment.

New Developments

In 2003, we fully integrated Laing Homes with the existing George Wimpey health and safety approaches, we updated procedures and provided

1. NEW UK FALL PROTECTION SYSTEMS INTRODUCED

Previous UK accident figures highlighted the fact that falls from height pose the greatest danger to workers. Over the past few years, we have introduced a range of new safety features. These include a new scaffolding specification that exceeds current British safety standards, mobile working platforms and soft landing systems.

We introduced improved stairwell protection in 2003 to prevent workers from falling down open staircases, having identified this as one of the remaining areas of potential risk. As of January 2004, all UK sites will use a proprietary system to provide increased safety and complete protection against falls into stairwell voids.

2. TRAFFIC MANAGEMENT PLANS REMAIN KEY FOCUS

Vehicle-related injuries are some of the housebuilding industry’s most serious accidents. We have detailed clear policies and procedures on traffic management. Our key focus is developing site traffic management plans, segregating vehicles from pedestrians and installing safe crossing points. We design each of our compounds and sites to achieve effective on-site traffic management.

We also work closely with UK and European manufacturers to enhance the safety of current machines and next generation telescopic handlers. We undertook a series of telehandler operator competency audits in 2003 and will ensure that, by the end of January 2004, all operators will have been audited.

intensive training to 100 percent of our site management teams.

Many of the safety issues encountered during construction can be reduced or eliminated during the design process. We continually review our house designs to identify where we can improve safety. In 2003, we ran a series of bespoke national health and safety training courses for our internal design teams and external design companies.

We also trained 2,800 employees and contractors in the use of a new fall arrest system and 900 in the use of safety nets.

Award Winning Safety

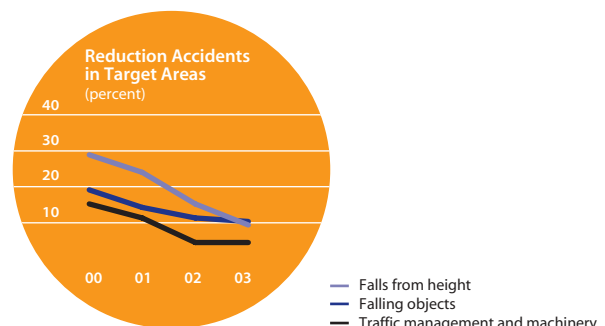
In 2003, we received a prestigious UK Construction Health and Safety Group award for ‘Contribution to Health and Safety Training and Improved Standards’. In addition, one of our employees won the HSE’s highly coveted Working Well Together Campaign’s Number One Worker award in 2003.

We run annual regional and national safety competitions to promote and reward best practice and to recognise sub-contractors for notable safety practices.

Stakeholder Engagement

In 2003, we engaged with site managers, contractors, suppliers and other organisations to identify and assess potential health and safety risks. We will use this information to further improve our systems and also the efforts of our contractors.

George Wimpey UK works closely with the HSE and housebuilding industry organisations. We have representation on the Construction Industry Training Board (CITB) and House Building Federation (HBF) health, safety and environment committees. We are working with the HBF and other housebuilders to introduce an industry-wide Housebuilder’s Health and Safety Charter and





2003 CASE STUDY

3.98

2003 INCIDENT RATE AT MORRISON HOMES

(INCIDENT RATE REFLECTS THE STANDARD OSHA CALCULATION FOR THE RESIDENTIAL CONSTRUCTION INDUSTRY)



a separate Consortium Agreement. We are also a member of the British Safety Council (BSC) and involved in the HSE's Working Well Together campaign.

Morrison Homes

"In comparison to 90 percent of other homebuilders, Morrison Homes is way ahead of its competition in making advancements to its health and safety programme."

Mike McCarroll, CSP, President and CEO, PROSAFE Solutions Inc.

The comprehensive Morrison Homes Safety Program Manual forms the basis of our proactive safety programme. Written and regularly updated for us by external consultants PROSAFE, the manual covers Morrison Homes procedures and US safety regulation as laid down by the Occupational Safety and Health Administration (OSHA).

Our HAZCOM programme provides detailed guidance on the ingredients of potentially hazardous materials. HAZCOM helps us to use materials safely and take immediate action if an accident occurs.

Our Focus

In 2003, our primary areas of focus were:

- Training for employees and sub-contractors.

- Compliance and monitoring (including weekly and quarterly safety inspections).
- Adopt policies and procedures for a positive fall protection system to reduce the danger of falls in homes under construction.

In 2003 we re-designed our weekly safety reports to include more specific items for inspection. We also designed a Scored Safety Audit programme for every site which was implemented at the beginning of 2004. Local senior managers inspect and score every site on a quarterly basis for safety compliance.

Accident Reporting

We use accident statistics to measure and improve safety. All accidents must be reported and dealt with according to company procedures. We analyse incident reports and, where relevant, identify preventative measures and procedural improvements.

In 2003, we changed from a quarterly to a monthly safety reporting system in order to increase our awareness of on-site safety and respond more quickly to issues.

Staff and Contractor Training

PROSAFE uses the results of site inspections and audits to

3. ONE OF THE BEST INDUSTRY FALL PROTECTION SYSTEMS

At Morrison Homes, we have identified falls from height as the area of greatest risk for employees, sub-contractors, customers, estate agents and the general public. To minimise the danger to workers and visitors, we use a system of steel guardrails in all houses of two or more storeys.

We believe that our interior fall protection system is one of the best safety systems used by the US housebuilding industry. Other fall protection measures for workers include roof and truss anchors, body harnesses, bracket and stacked scaffolds, and safety straps.

develop and enhance our mandatory site safety training programmes. Morrison Homes Building Excellence, our orientation course for new builders, includes health and safety considerations. All field construction personnel and senior management also undertake a 10-hour OSHA certification programme.

Every month, we produce monthly 'toolbox' safety topics for our builders to present to all site workers. The toolbox talks, an OSHA requirement, cover aspects of site safety.

We continue to run our Contractor Awareness Program, which was started in 2002. This programme teaches sub-contractors about our safety procedures and objectives.

In addition, relevant employees in each division attend at least one day of health and safety training per year. Customers often visit their new home during construction, so it is vital that our managers and sales staff can identify and avoid potential dangers.

Future Targets

In 2004, we will seek British Safety Council health and safety accreditation in the UK. In 2004, as well as continuing the focus on the priority areas highlighted in 2003, we will turn our attention to slips, trips and falls. Incidents in this area accounted for 45 percent of all our reportable accidents during 2003.

Morrison Homes will continue to focus on reducing the risk of falls from height. As of 2004, we aim to provide 100 percent of our new builders with a 10-hour OSHA certification course within 90 days of employment and will report annually on our performance.



PROSAFE's verification statement is available on-line at www.georgewimpeyplc.co.uk/csr



2003 ACHIEVEMENTS

KPI MEASUREMENTS

- UK**
- 100% of site management and support staff trained in environmental management.
 - 100% of sites have a Site Specific Environmental Action Plan.
 - Trained 389 sub-contractors on environmental issues.
 - Started sustainability survey of suppliers.
- US**
- Engagement with suppliers to introduce Freon-free HVAC systems to new homes.

- UK**
- 67% of homes built on brownfield sites.
 - 92 – average SAP rating of new houses.
 - 9.7 tonnes of waste produced per unit of housing completed.
 - From 2004, we will measure the percentage of waste recycled and sent to landfill.
- US**
- New KPI to be introduced in 2004 on percentage of homes completed with a Freon-free HVAC system.

We conduct our business in a way that minimises adverse environmental impacts

EDWARD WOODS HEALTH, SAFETY AND ENVIRONMENT DIRECTOR, GEORGE WIMPEY UK



We require all our UK and US companies to conduct their business in a manner that, as far as practicable, will minimise any adverse effects upon the environment. We recognise that good environmental performance is an important part of business success and must be given full regard by company management.

George Wimpey UK

“We believe that our proactive and responsive approach to environmental management sets an industry-leading standard among UK housebuilders.”
Edward Woods, Health, Safety and Environment Director, George Wimpey UK.

“The Environment Agency is keen to work in partnership with companies like George Wimpey UK who are committed to reducing the

risk of causing environmental pollution. The George Wimpey Environment Management System and contractors training programme will help make sure that protection of the environment is considered at every site. George Wimpey is making a real effort to make sure that environmental protection is built into the foundations of all their work.”

Theresa Brown, Department of Pollution Prevention and Minimisation, Environment Agency.

The construction industry causes more pollution incidents each year than any other industry. Our main responses to this challenge are to:

- Continually develop and improve our Environmental Management System (EMS).

Find out more

Our UK and US environmental policies are available on-line at www.georgewimpeyplc.co.uk/csr, along with statements on UK performance by RSK ENSR and WasteFile.



2003 CASE STUDY

100%

OF OUR SITES
OPERATE WITH A SITE
SPECIFIC ACTION PLAN



- Provide employees and sub-contractors with awareness and environmental management training.
- Use the results of inspection, audit and incident reports to improve UK performance.
- Engage with the Environment Agency, industry and other stakeholders to find environmentally preferable solutions that are practical and affordable.
- Strive to minimise waste and maximise energy efficiency.
- Keep our regional management teams informed about environmental innovations and encourage them to try out and learn from new initiatives.
- Maximise our companies' positive environmental impacts, particularly in the area of land regeneration.

Environmental Management

Our EMS focuses on practical control and management of environmental risks. It is externally verified by environmental auditors RSK ENSR Environment Ltd. The EMS includes our pioneering Guide to the Assessment, Remediation and Validation of Land, which

1. TRANSFORMING THE METRO

George Wimpey West London's Metro development in Slough is on the site of a former Local Authority depot.

We demolished old buildings, remediated the contaminated site and benchmarked the development against the Government's Movement for Innovation environmental performance indicators.

Our house and apartment designs exceed building regulations, use a range of energy and water efficiency measures, and include photovoltaic roof tiles to capture solar energy. The site includes a wetland feature, Home Zone areas, live-work units, bicycle storage, bottle bank facilities and communal outdoor spaces.

has been adopted as a National House Building Council (NHBC) industry standard.

Land Remediation

Re-using previously derelict or contaminated land for modern, energy efficient housing has positive environmental and social impacts. In 2003, 67 percent of our developments were built on brownfield land, exceeding the UK Government target of 60 percent by 2008. Furthermore, 48 percent of our developments transformed land that was previously contaminated with industrial or hazardous waste.

Enhancing Biodiversity

By the end of 2003, we achieved a target of 100 percent of our sites operating with a Site Specific Environmental Action Plan. Drawn up before construction begins, these plans identify site-specific ecological issues and ensure the protection and enhancement of protected species.

A significant number of our developments have involved biodiversity measures. Recent projects include working with stakeholders to:

- Protect bats, badgers, birds, newts, grass snakes and water voles.

- Retain trees and protected plants.
- Create ponds, reed beds, parks, woodlands and wildlife areas.
- Protect watercourses and enhance river corridors and flood plains.

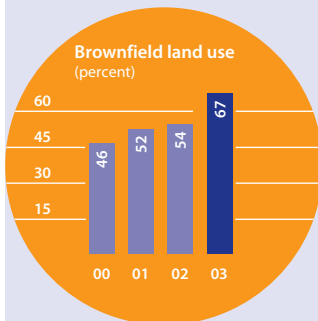
Staff and Contractor Training

George Wimpey UK trains all relevant personnel in environmental issues, from production teams and site staff to architects, buyers and regional managing directors.

In 2002, we identified the importance of training sub-contractors and, in particular, our groundworks, roads, sewers and demolition contractors. During 2003, 389 contractors attended national seminars developed by George Wimpey UK in conjunction with the Environment Agency.

Also in 2003, we integrated the George Wimpey UK and Laing Homes approaches to environmental management and provided training for 100 percent of relevant Laing Homes employees.

In 2003 a total of 1,074 people received environmental training from GWUK, building on the 1,027 people trained in 2002.





2003 CASE STUDIES

389

CONTRACTORS
ATTENDED NATIONAL
SEMINARS DEVELOPED
WITH GEORGE WIMPEY



Waste Management
Working in partnership with specialists Wastefile, we strive to find sustainable waste management solutions. Our key aims are to encourage waste reduction, re-use and recycling in preference to waste disposal. We make significant efforts to measure our construction waste in collaboration with Wastefile. We measure the tonnage of waste produced per unit completed per month and use the data to identify excessive or unnecessary waste streams and find ways of further reducing waste.

We tackle our waste streams on several fronts. First, we work with our major suppliers to reduce waste at source. For example, we ask our plasterboard suppliers to investigate whether

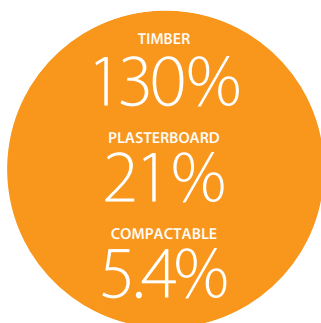
waste can be reduced further through design and better working practices. We also ask our timber manufacturers to pre-size materials, in order to decrease on-site waste.

Secondly, we operate a waste segregation system on our sites and separate out materials for re-use or recycling. Our timber segregation increased by 130 percent during 2003 and the resulting wood waste was delivered to processors for re-use in a variety of products.

We increased plasterboard waste segregation by 21 percent during 2003 and are working with suppliers to increase the amount of plasterboard recycled by their industry. We also increased compactable waste segregation by 5.4 percent and sent paper and cardboard waste to paper processors for re-use.

Eco-friendly Homes
George Wimpey UK seeks to maximise the Standard Assessment Procedure ratings of new houses as far as is practical and affordable. We use energy efficient appliances, dual flush toilets and comply with all building regulations. In addition, many of our sites have integrated features such as:

**WASTE SEGREGATION
PERCENTAGE INCREASE SINCE 2002**



2. BIODIVERSITY AT WORK IN GLOUCESTERSHIRE

Stonehouse in Gloucestershire is a key UK habitat for great crested newts. We discovered that a two-acre pond on Laing Homes' Stonehouse development had one of the largest populations of these newts in the country.

Working with Gloucestershire Wildlife Trust, our engineers designed a newt-friendly road drainage system with silt traps to stop newts from being trapped and drowned in gullies.

We also undertook remedial work on the pond and its surrounding area, and put up protective barriers to contain and protect the newt population.

3. BRISTOL ECOHOMES BREAKS NEW GROUND

George Wimpey Bristol is working in partnership with North Somerset Council to build cost-effective EcoHomes.

The council's groundbreaking agreement will lead to the development of the biggest EcoHomes scheme in the UK. The scheme will ensure that developers deliver 1,470 new energy saving homes to the Building Research Establishment (BRE) EcoHomes 'good' rating.

A further 30 homes will be built to the BRE 'excellent' rating standard, saving residents up to 70 percent on fuel bills.

- Home Zone areas giving pedestrians priority over cars.
- Reduced car parking spaces and increased access to public transport and cycle paths.
- Secure bicycle storage.
- Recycling, composting and communal waste facilities.
- Home office space.
- Renewable energy technologies.

Incident Reduction

All environmental incidents must be reported. We have detailed incident response procedures and provide access to a 24-hour hotline for emergency support and response. Our incident reporting system helps us to identify problem areas and develop solutions.

Recent Environmental Awareness Campaigns run by George Wimpey UK have resulted in a significant annual reduction in incidents within targeted areas, as follows:

- Fuel spillage 29%
- Waste disposal 36%
- Silt run off 46%

We have also seen a marked increase in the use of our

12 Environment



2003 CASE STUDIES

6.3%

INCREASE IN WASTE SEGREGATION



environmental helpline, which provides advice that helps us to prevent potential incidents. The same series of campaigns is currently running within Laing Homes.

Morrison Homes

Land acquisitions almost always involve greenfield sites and 'selling to build' rather than 'building to sell'. Consequently, we have different environmental constraints in the US.

Nevertheless, Morrison Homes takes its environmental responsibilities seriously. Employees are expected to comply with all federal, state and local laws and are required to report any actual or potential legal violations to management.

A key part of our approach to the environment is the requirement that environmental risks be properly assessed during the due diligence stage of land acquisition. Contamination, presence of hazardous substances, noise issues and the proximity of restricted habitat or endangered species are among the issues considered during risk assessment. Biological assessments of local plants, wildlife and habitats are

also required under certain circumstances. This helps us to identify and avoid potential environmental problems.

In addition to complying with legislation, we will take steps to exceed our legal responsibilities when it makes business sense to do so. Environmental protection can, for example, enhance the aesthetic appeal or desirability of properties.

One illustration of this is the strict US federal government regulations concerning erosion control to prevent undue amounts of silt from entering local creeks and streams. Morrison employees are expected to follow these regulations not only as a matter of legal compliance, but also because clean communities help to sell homes.

Another example relates to the site plan for a new community in Round Rock, Texas, which called for a road to be built through a sizeable stand of mature oaks. Rather than cut down the oak trees, our Austin Division suggested an alternative proposal to the City of Round Rock. The City agreed that we could transplant the original oaks and thereby preserve more than forty trees.

4. STAITHS SOUTH BANK WINS ENVIRONMENT AWARDS

George Wimpey City is building 800 homes in conjunction with Gateshead Metropolitan Borough Council and with help from designers Wayne and Gerardine Hemingway. The Home Zone development will give pedestrians and cyclists precedence over cars and encourage safer, friendlier neighbourhoods with play and leisure areas for local residents. We are paying for a wildlife warden for three years and will include communal recycling points, cycle routes, a nature reserve, a salt marsh and more. The development won the Tyneside and Northumberland Environment Award in the North East Business Awards 2002.

5. FURTHERING OUR WASTE MANAGEMENT AIMS

We are working in partnership with Wastefile UK and other industry stakeholders to further our waste management aims. We support Ecobond International by providing segregated waste for use in composite construction products which the company is developing. We are piloting Wastefile's Fold-a-Skip® system to help us measure our waste more effectively and increase segregation for recycling. In addition, we are the first housebuilder to use Glacier ARM, which aims to use selected waste to produce alternative raw materials for cement production. This will re-use waste materials and subsequently reduce the amount of waste sent to landfill.

The community benefited from houses built among mature, full-canopied oak trees and our solution was cost effective because the City of Round Rock would have required us to plant new trees to replace any mature trees that were cut down.

Morrison Homes has responded to growing concerns about ozone depletion and US Environmental Protection Agency (EPA) regulations over the production and use of certain refrigerants such as R-22 (Freon). We have entered into national partnerships with Lennox International and Carrier Corporation who have developed environmentally preferable Freon-free, heating, ventilation and air-conditioning (HVAC) systems. We are working to introduce these systems into all new homes over the next two to three years. We will report on our progress in our 2004 CSR report.

Supply Chain Management

During 2004 we will explore CSR-related supply chain issues as they affect the Group.

Supply chain issues are often complex and subject to wide



More examples of George Wimpey CSR initiatives are available on-line at www.georgewimpeyplc.co.uk/csr



2003 CASE STUDY

3 miles

OF HIGHWAY AND PARKWAY ADOPTED BY MORRISON HOMES SACRAMENTO



industry debate. There has been an indication that the use of sustainably grown natural timber would be preferable to the use of manufactured materials. We find it more practical and cost effective to use MDF or chipboard in certain circumstances. However, to ensure that our materials are environmentally sensitive, all our MDF and chipboard is made from timber residues or off-cuts. Our MDF suppliers have Forest Stewardship Council (FSC) accreditation and our chipboard supplier has ISO14001 environmental accreditation.

Future Targets

George Wimpey UK is currently undertaking a survey of suppliers' environmental and sustainability policies with a view to seeing how environmental concerns might be better integrated into our supply chain policies.

While we have traditionally taken a self-assessment approach to environmental management, in 2004 we will undertake a full gap and cost benefit analysis of seeking accreditation to ISO14001.

Morrison Homes will focus on fully converting to Freon-free HVAC systems within the next three years.

6. COMMUNITY-BASED INITIATIVES FROM MORRISON

California is well known for environmentalism and Morrison Homes' Sacramento Division has responded to several community-based initiatives to protect the environment and reduce energy usage.

In 2002, Morrison was one of the initial contributors to the 'Adopt-a-Storm Drain' programme, which educates the general public about the adverse effects of introducing pollutants into storm drains.

In 2003, we added to this programme by taking responsibility for maintaining two sections of roadside as part of a similar, 'Adopt-a-Highway' initiative in California.

Along with the two miles of highway, our Sacramento Division adopted a one mile segment of the American River Parkway, which is a paved trail for use by walkers, cyclists and horse riders. Our Central Valley Division also participates in the Adopt-a-Highway programme.

We assess environmental risks at the earliest stage of land acquisition

FORREST GRIMES VICE PRESIDENT OPERATIONS, SACRAMENTO MORRISON HOMES





Employees

2003 ACHIEVEMENTS

- UK**
- Published results of first employee survey and drew up action plans to address any areas of concern.
 - Introduced new human resources strategy.
 - Analysed effectiveness of current performance appraisal and training practices.
- US**
- Published results of seventh annual employee survey.
 - 16.6% increase in annual hours of training per employee.

KPI MEASUREMENTS

- UK**
- 65% of staff rate George Wimpey above average or one of the best companies they know or have worked for (as measured by the bi-annual staff survey).
 - 22% staff turnover.
- US**
- 83% of staff think that Morrison Homes is a great place to work.
 - 28.5% staff turnover.
 - 28 – the average number of hours of training received per person.

Our employees are our greatest asset. We strive to treat them well and develop their talents

ANNA EDGEWORTH GROUP HUMAN RESOURCES DIRECTOR, GEORGE WIMPEY PLC



We aim to be the employer of choice in housebuilding in the UK and US. We focus on providing an enjoyable, rewarding environment with high quality training and development opportunities.

Our UK Code of Business Conduct and US company policies explain how we aim to treat our employees and what we expect from them.

George Wimpey UK

In 2003, we developed a new human resources strategy, looking at how to attract, retain and develop the best people for our business. This included an analysis of current performance appraisal and training practices.

Staff Satisfaction

In 2003, we published the results of our first employee survey and communicated the results to our staff. The survey, conducted by The Work Foundation, will be repeated every two years.

Survey highlights:

- 65% rate us above average or one of the best companies they know or have worked for. This is one of the best results recorded by The Work Foundation.
- 83% are confident that the UK business has a good future.
- 83% believe that health and safety is our number one priority.

During 2003, we drew up local action plans to address staff concerns highlighted by the survey and we will tackle key issues on a national basis in 2004.

Staff Development

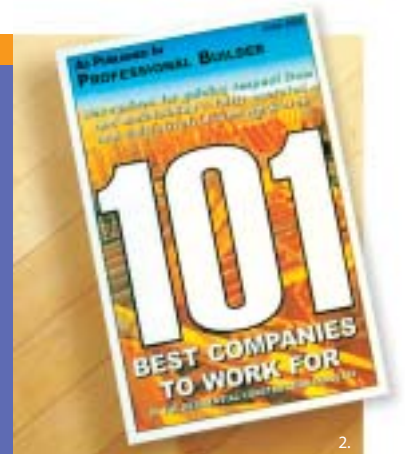
Along with training and development programmes, we have a number of schemes



2003 CASE STUDIES

83%

STAFF CONSIDER MORRISON 'A GREAT PLACE TO WORK'



to encourage new recruits to join us.

Apprentices

- Each regional company takes on a minimum of 12 apprentices each year in order to tackle industry-wide skills shortages and develop skilled workers for the future.

Management Trainees

- Each regional company employs school or college leavers each year for practical, rotational training in professions such as surveying and engineering.

Graduates

- We recruit up to ten high-calibre graduates per year for intensive, rotational training in different businesses including the US. The graduate should have the potential to reach regional board director level within six years. In 2004 we will extend this scheme to recruit graduates with a technical background.

Senior Management

- Launched in partnership with Henley Management College, our management development programme enhances the business and leadership skills of key senior employees.

Morrison Homes

Morrison Homes provides a team-oriented work environment with extensive

training and development opportunities. In 2003, we reached an average of 28 hours of training per employee, a 16.6 percent increase on 2002 figures.

We also encourage employee feedback. An 'open door policy' encourages two-way communication between managers and employees, while annual performance appraisals and surveys of new and leaving employees help us to understand our employees' needs.

Staff Satisfaction

For the past seven years, we have used external consultants to conduct an annual employee survey. During that time, we have responded to feedback by improving bonus plans, healthcare, communications and introducing numerous other initiatives.

The 2003 survey showed improvements in work environment, management practices and view of the future; whilst setting a clear agenda for 2004 to review compensation and benefits, company values and co-worker relations.

Survey highlights:

- 83% agree or strongly agree that Morrison Homes is a great place to work.
- 91% are proud to tell people that they work for Morrison Homes.

1. DEVELOPING TOMORROW'S MANAGERS – TODAY

Each year, we encourage our regional UK companies to recruit school or college leavers for our management training programme. The recruits receive practical, rotational training in different disciplines within a specific company.

We then support these employees in obtaining professional qualifications and help them to become architectural assistants, engineers, surveyors and more. The recruits develop what we hope is a rewarding career in housebuilding, and we benefit from competent, highly skilled young professional employees.

2. A TOP COMPANY TO WORK FOR – YET AGAIN!

Morrison Homes is once again one of the top 101 US residential construction industry companies to work for, according to 'Professional Builder' magazine's 2003 survey. The award organisers received over 6,000 nominations for more than 300 companies.

Organisers judged us on everything from corporate culture and job satisfaction to workplace trust and customer satisfaction. They based the final list on the results of anonymous employee surveys. Honesty and clarity are hallmarks of the top 101, the magazine concluded.

- 85% plan to be working for Morrison Homes one year from now.

Staff Development

Morrison Homes offers a series of career development opportunities for individuals. Our Management Development Program provides mentorship and rotational training for recent college graduates and exemplary non-management employees.

We use our Morrison Homes Assessment Program (MAP) to identify and develop employees with high potential and leadership talent. External organisations also help us with development plans for key personnel.

Future Targets

In 2004, George Wimpey UK will take action on key issues highlighted by the employee survey, such as the need to improve communication and the appraisal process.

Morrison Homes will start tracking recruitment success in the US and strive to increase the length of time that new employees stay with the company. The human resources team will also focus on co-ordinating, facilitating, communicating and providing feedback to management on a series of new training initiatives.

Find out more

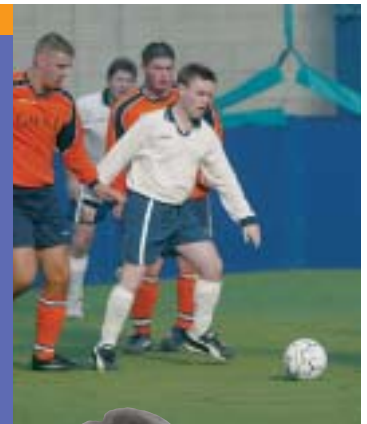
The UK Code of Business Conduct and relevant sections of the Morrison Homes manual are available on-line at www.georgewimpeyplc.co.uk/csr



2003 CASE STUDY

500

GEORGE WIMPEY
EMPLOYEES RAISED OVER
£120,000 FOR CHARITY
PLAYING 5-A-SIDE SOCCER



Part of our vision is to be the housebuilder of choice for the communities in which we operate, creating a better environment in which to live and work. We strive to be a good neighbour and for us this means:

- Carefully planning new sites.
- Effectively managing the redevelopment of contaminated sites.
- Regenerating run down areas.
- Playing a fuller role in other aspects of community life.

We provide a valuable contribution to local communities by building homes. Much of our work in the UK involves transforming disused or contaminated sites into habitable living spaces.

UK planners increasingly want housebuilders to help develop sustainable communities and we have a wide range of experience in doing so. We have introduced green spaces, wildlife havens,

safe play areas, traffic calming initiatives and more. See the Environment section of this report for examples.

We also integrate affordable housing into our developments in co-operation with planners. Across the UK, 35 percent of our 2003 developments included some affordable housing. This figure will increase to 48 percent in 2004. George Wimpey Central London incorporated an element of affordable housing into 80 percent of its developments in 2003. We focus on sensitively integrating affordable housing with private housing.

Charitable Donations

In addition to our community initiatives, our charitable donations policy is administered by the Charitable Contributions Committee and focuses on causes linked to our business, to the local communities in which our companies operate or to our business partners and employees. In particular, we focus on initiatives related to

1. CHARITY SUPPORT KICKS OFF

In October 2003, 35 teams from across George Wimpey UK and our suppliers took part in our first annual five-a-side football tournament. Both Group Chief Executive Peter Johnson and UK Chief Executive Keith Cushen took to the pitch for their respective teams. Over 500 people turned up for a great day of team building and we raised over £120,000 to support UK charities SCOPE and Capability Scotland in their work with handicapped children.

our businesses such as housing and homelessness. We also concentrate on charities in which our employees or business partners are actively involved or on causes within the communities in which we operate. In 2003, George Wimpey UK set a budget of



We strive to be a good neighbour, supporting local communities and charitable causes

KAREN ATTERBURY ASSISTANT COMPANY SECRETARY, GEORGE WIMPEY PLC



2003 CASE STUDIES

100%
OF AUSTIN AND DALLAS
DIVISION EMPLOYEES
WERE INVOLVED WITH THE
CASA SCHEME



£500,000 and Morrison Homes allocated \$178,000 for charitable purposes. The following text provides recent examples.

George Wimpey UK

In winter 2002, we helped CRASH, the UK construction and property industry charity for the homeless, to turn a former office in Reading into a temporary winter shelter with room for up to 15 people. We are a patron of CRASH.

In 2003, we supported the Fast Track Hardship Fund, a new pilot scheme from the Foundations Trust which will pay for urgent small home improvements for vulnerable, older and disabled people.

We also provided funding for CRISIS SmartMove, a new programme to help solitary homeless people with advice and access to rental accommodation.

Also in 2003, we supported homelessness charity Broadway's Meaningful Occupations Scheme.

The scheme helps individuals to develop skills and build confidence so they have a better chance of finding and staying in employment.

In the same year, George Wimpey UK paid for a substantial refurbishment of the main kitchen at Crewe YMCA. The new kitchen will allow the YMCA to run NVQ catering courses for residents. Their aim is to help young, vulnerable people to develop practical job skills.

Morrison Homes

In March 2003, employees from the Phoenix Division of Morrison Homes worked with trade partners to help refurbish a local women's shelter as part of the Rebuilding Together scheme for vulnerable, low-income homeowners and families.

Also in 2003, 100 percent of Austin and Dallas Division employees got involved with the CASA scheme which pairs caring adults with abused or neglected children. Each year, the employees use their skills

2. COMMUNITY EDUCATION IN ACTION

George Wimpey UK engages with schools and local communities as part of our health and safety management. We contact local schools, nurseries, playgroups and community centres before starting construction.

We make safety presentations to school children and other groups about the potential dangers of construction sites. In addition, we contact the local education authority, police, emergency services and others who could be affected by our work. We produce safety leaflets and distribute them to residents and community groups. Our sites are fenced off and designed for community, visitor and worker safety.

3. REBUILDING LIVES EACH AND EVERY YEAR

Each year, Morrison Homes supports US branches of international housing charity Habitat for Humanity.

Our employees fundraise and participate in events to help the charity to build decent and affordable homes for vulnerable families and individuals. In 2003, we won an award for the highest participation by a company in the North Fulton Habitat for Humanity five-kilometre Walk on Home event.

We even participate in building some of the houses. Volunteers from our Atlanta Division and trade partners built a three-bedroom house for a mother and her teenage sons just in time for Christmas 2002.

to build, paint and decorate a children's playhouse for a charity auction, raising several thousand dollars for CASA per playhouse.

Employee volunteers worked together in Spring 2003 to refurbish bathrooms in eight villas in the Give Kids the World foundation village in Florida. The foundation pays for children with life-threatening illnesses to visit the village and central Florida tourist attractions for much needed holidays.

During 2003, our Austin Division made two deliveries each week for its local Meals on Wheels organisation. Staff volunteered their time and their cars to pick up food, prepare containers and make a series of deliveries to local residents.

Future Targets

In 2004, we will analyse the mix of our charitable activities and investigate ways to improve the effectiveness of our charitable donations policy.





2003 ACHIEVEMENTS

- UK**
 - Won more than twice as many NHBC Pride in the Job Quality awards as any other housebuilder.
 - 48 developments achieved the highest possible standards in our internal customer service award scheme.
 - Launched a new website and customer magazine.
- US**
 - Placed in the top quartile of all US builders in the 2003 JD Power & Associates customer satisfaction ratings.
 - Introduced new lead management system to enhance customer service.

KPI MEASUREMENTS

- UK**
 - 83% of customers would recommend us to friends and family.
 - 54% customer care score as highlighted by customer questionnaires.
- US**
 - 85% of customers would recommend us to friends and family.
 - 32.5 escalated customer complaints (Code Purples) per 1,000 completions.
 - 22% of sales came from customer referrals.

Setting the standard and raising the bar for serving our customers

GRAHAM HUGHES DIRECTOR OF CUSTOMER SERVICES, GEORGE WIMPEY UK

Our long-term aspiration is to provide customer service on a par with the world's best retail companies. Our focus is on integrity, quality and excellence and our UK and US teams work together with the ambition of providing consistent standards of customer service.

We try to eliminate as much stress as possible from our customers' home buying experience. We aim to provide excellent service and a spotless, high quality new home, while dealing with any problems quickly and thoroughly. In addition, all homes in the UK and the US come with a two year guarantee, which is twice the industry average.

George Wimpey UK
The results of our Customer Care Monitor surveys from 2003 (December 2002 to

November 2003) show that 83 percent of customers would recommend us to their friends and family. Our overall customer care score for all UK companies remains 54 percent.

The Housing Forum commissioned MORI in 2003 to conduct their National Customer Satisfaction Survey. We achieved a maximum three stars for all six categories relating to quality and customer service.

Our Approach
Our customer service begins the moment a prospective customer visits any of our showhomes. Our sales executives and site managers guide customers through the home



Find out more

For more information visit our customer websites:
www.georgewimpey.co.uk, www.lainghomes.co.uk,
www.morrisonhomes.com



2003 CASE STUDY

Gold Award

PRESENTED TO
GEORGE WIMPEY
WEST SCOTLAND



purchasing process and provide advice on obtaining finance, arranging legal representation and customising a new home. Once the house is finished, we conduct a familiarisation visit to explain everything and ensure that all is as it should be. We then visit the customer in their new home after seven days and again after 28 days to check for any problems.

If something does go wrong within our two-year guarantee period, we will make contact within 24 hours of the query and arrange for work to be done within seven days or within 28 days if materials are required. Customers have access to our site teams and, thereafter, to a 24-hour emergency helpline.

Our Respond customer care management system allows us to compare data and highlight areas of concern so we can rectify problems and improve our service.

Conducted by independent consultants, customer satisfaction surveys provide the basis for monthly benchmarking of our regional companies. With around 55 percent of questionnaires returned, the data is an invaluable resource for identifying progress and problems.

In 2003, we launched a new website for improved

communication with prospective and existing customers. We also published 'Nest' and 'Wall To Wall' our magazines for George Wimpey and Laing Homes customers, to be issued three times a year.

Awards

Build quality is a fundamental part of the service we provide to customers. In the 2003 National House Building Council (NHBC) Pride in the Job awards, George Wimpey and Laing Homes received 79 Quality awards, more than twice as many as any other housebuilder.

During 2003 we saw an unprecedented 48 developments achieve the highest possible standards in our George Wimpey UK customer service award scheme. Four developments received 100 percent scores in all sections.

Morrison Homes

Customer service and satisfaction drive everything we do. We measure our success not only by the satisfaction of our homeowners, but by how often those homeowners recommend us to their friends and family.

In 2003, JD Power & Associates (JDPA) customer satisfaction ratings placed us in the top quartile of all US builders, with

1. LEARNING QUICKLY FROM OUR MISTAKES

Two years ago, customer feedback put George Wimpey West Scotland near the bottom of our national customer service rankings. Staff and management sat down together to understand what was going wrong and identify how to bring about a cultural change.

All 190 staff got involved and received training. In 2003, the company became our second highest UK achiever in terms of customer care. Plus, thanks to customer feedback, George Wimpey West Scotland received a prestigious Gold Award in the Daily Express British Homebuyer Awards.

JDPA, Morrison Homes outperformed the national average on eight of nine drivers of customer satisfaction.

In 2003, 84.7 percent of customers said they would recommend us and one third of our Divisions exceeded our customer services target of 90 percent recommendation.

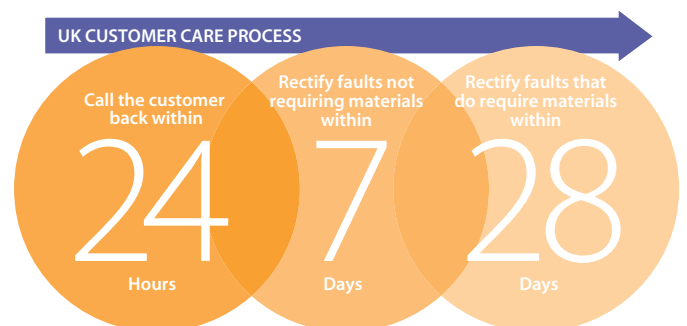
Our Approach

Our Signature Pledge sets out our approach to housebuilding. We focus on building a partnership with customers, being different by design, building a new spirit of community and providing the ultimate blanket warranty. Our primary focus is to deliver a great home at great value.

an improvement of six index points since 2002.

Our overall customer satisfaction rating was 84.7 percent – more than 10 percent higher than the JDPA national average of 74 percent among all builders. According to

At Morrison Homes, we try to ensure that our high standards of customer care and build quality turn homebuyers into 'raving fans' of our company who are 'passionately pleased' with their new home. Extensive employee





2003 CASE STUDY

2 year

WARRANTY IS TWICE THE LENGTH OF AVERAGE HOUSEBUILDING INDUSTRY



training programmes play an important role in achieving this.

Customer satisfaction is measured at pre-determined intervals during construction and over the next two years. Independent consultants collate and analyse our customer satisfaction survey data.

We use the data to identify ways to improve service and build quality. We also have a programme to identify and eliminate the gaps that add time and frustration to the home buying process.

We work closely with our customers to make their house buying experience as easy as possible. Our 'little purple book' guides customers through the housebuilding process and helps them make the most of a new home. It includes information

on personalising a home, working with a builder, completing the home purchase and maintaining a new house.

In 2003, we also introduced a new customer lead management system to further improve our communication standards.

Future Targets

George Wimpey UK is currently developing a new Customer Charter. At the same time, we are finalising a national procedural document to raise awareness of best practice and set minimum standards of customer care across the UK. We will also re-evaluate our customer service training in 2004.

In 2004, Morrison Homes will implement a customer communication management system to monitor and

2. MANAGING CUSTOMER EXPECTATIONS

Our Morrison Homes Seven Steps to Satisfaction customer care approach helps us engage with customers, manage their expectations and provide an excellent service. Customers are offered at least seven key meetings to make house buying as smooth as possible. We meet to personalise the house, visit the site during construction, tour the finished home and review the property two and 11 months after purchase. Unlike any of our competitors, we offer a 22-month home review to inspect a house for problems before our two-year warranty expires.

manage communication throughout the housebuying process. We will also focus on evolving our customers' experience by expanding channels of communication and enhancing points of contact.



The quality and service that distinguishes Morrison Homes is a direct reflection of the skills of our valued employees

KATHI JAMES VICE PRESIDENT MARKETING, MORRISON HOMES

Key Performance Indicators



The following table provides measurements for the Key Performance Indicators (KPIs) identified in our 2002 CSR Report. Our next report will provide comparative data for the first time.

		KPI OBJECTIVES	2003 RESULTS
GOVERNANCE	Group	Maintain compliance with the Combined Code or explain non-compliance.	Yes
HEALTH AND SAFETY	UK	Measure and reduce:	
		• our incident rate per thousand employees and contractors for all reportable injuries.	7.0
		• our incident rate per thousand employees and contractors for major injuries.	1.3
		Measure:	
		• the number of category A (serious) potential incidents identified per year.	97
		• the number of category B (moderate) potential incidents identified per year.	1,512
		Measure and highlight minimum annual hours of health and safety training required for site management personnel.	20
	US	Measure and reduce incident rate including employees and contractors.	3.98
		From 2004, we will report on the percentage of relevant personnel who complete a 10-hour OSHA training within 90 days of employment. Our annual target will be 100 percent.	–
		Measure and reduce the number of major accidents per 1,000 completions.	0.27
ENVIRONMENT	UK	Measure and maximise the number of homes built on brownfield sites (the UK Government has set a target of 60 percent by 2008).	67%
		Measure and highlight the average SAP rating of new houses built each year.	92
		Measure and reduce the tonnage of waste produced per unit of housing completed.	9.7
		From 2004, we will measure the percentage of waste segregated on site and the percentage of waste sent to landfill.	–
	US	From 2004, we will measure the percentage of homes completed with a Freon-free HVAC system. Our target is 100 percent within two to three years.	–
EMPLOYEES	UK	Measure and improve staff satisfaction as highlighted by our bi-annual employee survey and measuring the percentage of staff who rate us above average or one of the best companies they know or have worked for.	65%
		Measure and reduce annual employee turnover.	22%
	US	Measure and improve staff satisfaction, as highlighted by our annual employee survey and measuring the percentage of staff who say that Morrison Homes is a great place to work.	83%
		Measure and reduce annual employee turnover.	28.5%
		Measure and increase the average number of training hours per employee.	28 hours
CUSTOMER CARE	UK	Measure and increase the percentage of customers who would recommend us to friends and family.	83%
		From 2004 we will measure and reduce the number of escalated customer complaints.	–
		Measure and increase our overall customer care score as highlighted by customer questionnaire results.	54%
	US	Measure and increase the percentage of customers who would recommend us to friends and family.	85%
		Measure and reduce the number of escalated customer complaints (known as 'Code Purples') per 1,000 completions.	32.5
		Measure and increase the percentage of sales from referrals.	22%
		From 2004, we will measure our ranking in customer satisfaction ratings by JD Power & Associates.	–



Further details of our CSR policies
are available on-line at
www.georgewimpeyplc.co.uk/csr