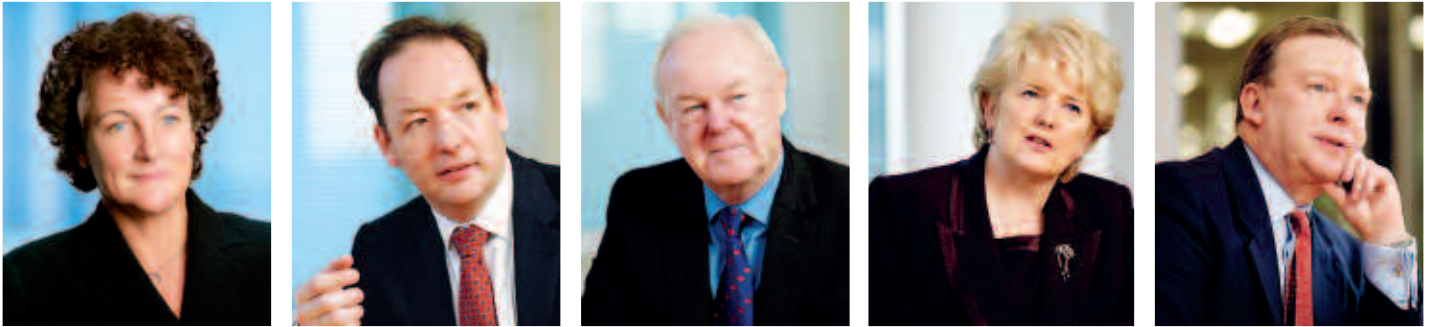


Our approach



Corporate responsibility is a fundamental part of good governance.

Corporate Responsibility Committee

Katherine Innes Ker Non Executive Director (Committee Chairman)	Baroness Dean of Thornton-le-Fylde Non Executive Director
Pete Redfern Group Chief Executive	Andrew Dougal Non Executive Director
Norman Askew Chairman	

The current economic climate has made 2008 an exceptionally difficult year for housebuilders. Our highest corporate priority is the long term financial sustainability of the Company and we continue to believe that both the UK and North American housing markets remain attractive in the medium and long term. For the moment, our most pressing corporate responsibility is our duty to those individuals and groups who may be affected by the impact of the economic downturn on our business. These groups include our investors, employees, customers and business partners including suppliers and sub-contractors.

This Corporate Responsibility Report, which covers the period from 1 January to 31 December 2008, demonstrates that we continue to take our environmental and social responsibilities extremely seriously. High standards of corporate governance remain essential and the Board considers that we have continued to comply with all the provisions of the Combined Code on Corporate Governance during 2008. Operationally, health and safety continues to be a non-negotiable top priority for us in all regions in which we operate. We also continue to build our homes and communities reliably and conscientiously.

Corporate responsibility management

We have a duty to take social, environmental, ethical and economic factors into account when conducting our business and to play our part in tackling global imperatives such as sustainable development and climate change.

Our Board-level Corporate Responsibility Committee continues to meet at least three times a year and is responsible for recommending the Company's corporate responsibility strategy, policies, reporting and performance monitoring to the plc Board. The Committee is made up of Independent Non Executive and Executive Directors.

The Committee's remit includes highlighting significant environmental, social and ethical risks and opportunities for the attention of the plc Board.

Our UK business also has a Sustainability Working Group chaired by our Land and Planning Director and including Directors from a range of disciplines. In 2009, the Group will develop recommendations based on a risk and opportunity-focused approach to corporate responsibility.

Reporting approach

This report is divided into two main sections. The first section is about 'Our homes and communities' and includes five sub-sections looking at different aspects of how we go about creating sustainable communities.

We continue to take our environmental and social responsibilities extremely seriously.

Supporting local communities. We aim to support the local communities in which we build by being a good neighbour, engaging with local residents and stakeholders as well as building in a considerate fashion. We include examples of community consultation as well as our support for local communities through schools programmes and charitable initiatives.

Better by design. How we plan and design our communities has a major impact on everything from aesthetics to sustainability. We look at a significant range of issues when designing our homes and developments. In 2008, we continued to develop our new house type range and won a series of high profile awards.

Environmental sustainability. We include examples of our work in areas such as energy efficiency, renewable energy use and water conservation as well as our engagement with stakeholders and customers on sustainability issues. This sub-section also refers to a comprehensive analysis that we carried out in 2008 on the implications of the UK Government's Code for Sustainable Homes for our business.

Enhancing economic growth. Building new communities and enhancing existing ones can have a major impact on local economies. We build much needed affordable housing, employ people from our local communities, provide training and education opportunities and regenerate urban areas. We also contribute to infrastructure, education, health, transport and other areas through planning obligations.

Customer care. The text describes our approach to customer care, how we measure and benchmark ourselves, as well as new initiatives in 2008, such as developing a new Customer Journey. We also address how we communicate with customers about sustainability issues and look at feedback from residents at our award-winning Oxley Woods development.

The report also includes four case studies of developments. Two UK case studies are EcoHomes Excellent rated Campbell Park in Milton Keynes and our regeneration of the Raploch estate in Stirling. From North America, we include award-winning, energy-efficient Mar Bella in Texas and Evergreen, a large scale environmentally-friendly low-rise residential community in Toronto, Canada.

The second section of the report addresses 'The way we work'. This focuses on our management systems and our approach to the key areas of employees, HSE and supply chain management.

Employees. 2008 has been an exceptionally difficult year for housebuilders and we regret to report that we have made 3,045 staff redundant across all regions in which we operate. This sub-section covers our approach to business ethics, the results of an employee engagement survey, as well as training programmes, an initiative to encourage women into housebuilding and a series of challenges to motivate and develop our employees.

Health, safety and environmental management. This sub-section demonstrates how seriously we take health, safety and environmental issues. It describes our comprehensive management systems and audits, as well as 2008 initiatives including employee and sub-contractor training programmes. The text also addresses our approach to climate change, waste, land remediation and biodiversity.

Supply chain management. The final section of our report addresses our approach to working in partnership with suppliers and sub-contractors, as well as how we aim to treat them. It covers green procurement issues and refers to our logistics company WCL and timber framing company Prestoplan. This sub-section also describes key supplier vetting and engagement techniques.

Stakeholder engagement

We aim to be a responsive Company that listens to and learns from a wide range of internal and external stakeholders. Our primary stakeholders are:

- Investors
- Customers
- Employees
- Residents and other groups in the communities in which we operate
- Suppliers, sub-contractors and other business partners
- Local, national and regional government
- Landowners and land agents
- Planners and regulators
- Housing associations
- Trade associations and industry bodies
- Charities, NGOs and other groups interested in sustainable homes and communities

The different sections of this report provide numerous examples of stakeholder engagement during 2008, including our work with the National Trust at Stamford Brook (see page 13). We also continue to participate in the NextGeneration initiative, set up by conservation organisation WWF-UK to encourage best practice in sustainability in the residential development sector (see page 29).

 Further details of our corporate responsibility and corporate governance policies are available on-line at www.taylorwimpey.com/policies including Terms of Reference for our CR Committee.