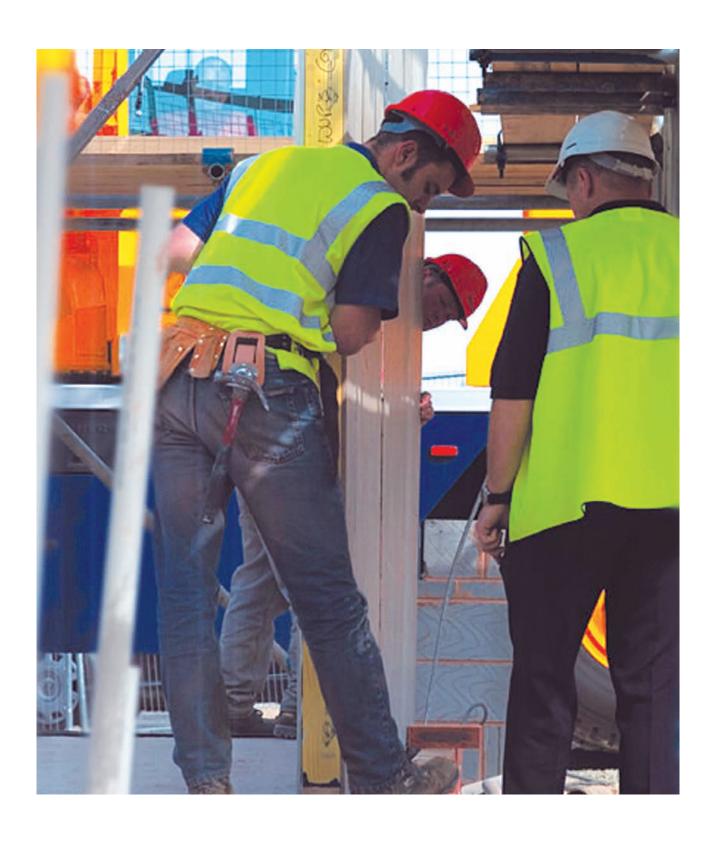


# 2008 Persimmon Sustainability Report Practical sustainability



### About our report

This report provides a summary of our sustainability performance against each of our six responsibilities for the calendar year 2008.

Our report covers all our operations and provides a clear account of how we address the social, ethical and environmental impacts of our business.

Further information concerning our management structure can also be found on the Corporate Responsibility pages of our website at: http://corporate.persimmonhomes.com/psn/csr/

### Contents

We have a clear and practical approach to sustainability. Our strategy is based on six responsibilities, which set out what we believe it means to be a responsible housebuilder.

As a responsible house builder, we aim to:

Build sustainable homes and communities	Promote skills within the house building industry
see page 6	see page 18
Operate efficiently to minimise our impact on the	Ensure a healthy and safe working environment
environment see page 11	see page 20
Develop close relationships with local communities	Care for our customers
see page 15	see page 23
* 5	* 5

### About Persimmon

Persimmon is a house building company, which has been trading since 1972. Our business operates under three main brands Persimmon Homes, Charles Church and Westbury Partnerships. In 2008, we sold 10,202 homes and our turnover was  $c. \neq 1.76$  billion.

The Persimmon Homes business is our core housing operation, whilst our Charles Church business provides a range of more exclusive homes. Westbury Partnerships focuses on social housing, in conjunction with Space4, our timber frame manufacturing operation.

We are committed to a sustainable future, with environmental issues at the heart of what we do. This includes protecting and improving local surroundings, adopting new technologies and improving the sustainability of our homes.

Further information about the Group can be found on our website at: http://corporate.persimmonhomes.com/psn/aboutus/

### Chief Executive's welcome

Welcome to our 2008 Sustainability Report. This year has been particularly challenging for Persimmon for reasons that most readers of this report will be able to identify with. Sales of new homes have declined significantly as mortgages have become more difficult to obtain as a result of the 'credit crunch'.



Persimmon has been quick to respond to these challenges and as a consequence our business has had to change significantly in terms of its structure and operations. We are now well equipped to face further challenges ahead and respond strongly when the market becomes more buoyant again.

Inevitably, the change in market conditions has meant that we have needed to make some difficult decisions, particularly in respect of the redundancies that we have made over the past twelve months. We have needed to focus on our core business and manage our costs well.

In the past our investment in building sustainable homes and communities would have suffered under these circumstances, but it is not the case now. We have looked at ways we can operate with better efficiency, building homes that are affordable and cheaper to run, in communities where people want to live. This is all part of our sustainability agenda to which we remain committed.

We have a reputation for being pragmatic and practical in our business approach and the same applies to our approach to sustainability. We have focused on the areas in which we can make a difference to both our business performance and wider society.

We have built more affordable homes than ever before, helping the Government to meet the demand for low cost homes.

Although last year we built fewer homes than in previous years, those we are building have been built with greater efficiency and the waste generated per home completed has reduced by over six percent against the prior year.

The homes we built last year were also more energy efficient as we built a higher proportion of homes to the 'Eco-Homes' standard than ever before. In the future the Eco-Homes standard will be phased out and replaced by the Code for Sustainable Homes which will lead to further increases in the energy efficiency of our homes.

Our sites are safer places to work for our employees and subcontractors, a testament to our health and safety policies and procedures. The number of reportable accidents on our sites reduced to 78 (2007: 172) but more importantly our reportable accident rate for every house we built reduced by over 25%.

The outlook remains challenging for the home building industry, Persimmon included. However the Group is well placed to weather the current severe economic conditions. Nevertheless, our ability to address the sustainability agenda in a confident and practical way remains an important factor for us.

Mike Farley Group Chief Executive

## Practical sustainability

We are a responsible national housebuilder with a local community commitment. Despite the deteriorating economic and market challenges we have faced during 2008, our commitment to build sustainable homes remains.

However, we must also be practical. First and foremost, we must build homes that people want to live in and can afford. As household budgets shrink, this becomes even more important. This is nothing new for Persimmon. We have always taken an approach driven by common sense and pragmatism. That's why we call it 'Practical Sustainability'.

We must continue to meet our stakeholders expectations. Our ability to demonstrate how we live up to our responsibilities forms part of our licence to operate. For example they are an important part of the planning and approval process for new developments. If we do not meet these standards we risk our ability to build homes.

We will always comply with the laws and regulations placed upon us, and where it makes commercial sense for us we will go much further.

Over the past few years, we have seen many Government led initiatives to promote the sustainability agenda - from 'zero carbon homes by 2016' to 'halving waste from house building activity by 2010' - which we support in principle. We recognise the role Persimmon has to play as one of the countries leading house builders. However, in tough times like those we operate in today, the cost of meeting these standards will become increasingly challenging.

It is our responsibility, together with the rest of the house building industry, to make sure that we do not lose sight of these commitments. We must apply practical and cost effective solutions to tackle the sustainability agenda and continue to build homes that are efficient, affordable and long lasting, and which are in communities where our customers want to live.

### Persimmon sustainability strategy

Since the inception of our approach to Corporate Responsibility (CR) in 2002 and subsequently the broader sustainability agenda last year, we have developed what we believe are the key challenges for a 'responsible housebuilder'.

Through internal consultation and discussions with external stakeholders during our day to day operations, particularly in relation to the delivery of new homes, we have identified six material issues for our business.

Our clearly defined strategy enables us to communicate our approach in a straightforward, no nonsense way to our operational businesses employees, planners and other stakeholders.

#### Our six responsibilities are to:

- Build sustainable homes and communities
- Operate efficiently to minimise our impact on the environment
- Develop close relationships with local communities
- Promote skills within the house building industry
- Ensure a healthy and safe working environment
- Care for our customers

These responsibilities were approved by the Board in 2007. They form the basis of our sustainability strategy and are regularly reviewed by the Persimmon Corporate Responsibility Committee to ensure their relevance to our business and the housing market.

# Practical sustainability continued

### Governance arrangements

Our CR Committee was established in 2002. It is a subgroup of the Persimmon Risk Committee, which reports to the main Board. The CR Committee is chaired by Neil Davidson, a non-executive Director of Persimmon plc.

The CR Committee is responsible for the development of policy and strategy, setting objectives and targets, reviewing performance and communicating this to stakeholders.

The membership and terms of reference of the CR Committee were reviewed during 2008.

#### Members include:

- Non-executive Director (Chairman)
- Company Secretary
- Group Health and Safety Director
- Central Division Commercial Director
- Managing Director (West Midlands)
- Group Buyer

Day to day responsibility for co-ordinating our sustainability strategy rests with the Company Secretary. He acts as a focal point to co-ordinate and record activity across the Group.

Managing Directors of each regional operating business are responsible for implementing the principles of our sustainability strategy within their business.

Further details of our governance can be found on our website at http://corporate.persimmonhomes.com/psn/csr/ourapproach

Our strategy is supported by a range of policies that can be found on our website at

http://corporate.persimmonhomes.com/psn/csr/gpolicies

and include our Sustainability Policy, Environment Policy, Climate Change Position Statement, Waste and Resource Management Policy, Health and Safety Policy, Code of Ethics, Human Rights Policy, Supplier Principles and our Customer Charter the Persimmon Pledge.

### Dealing with stakeholders

We have many stakeholders who influence our approach to sustainability. Some have a direct impact on how we operate, particularly when dealing with planning approvals or anticipating regulatory change. It is important that we develop good working relationships with these groups so we can respond to their concerns and where possible incorporate them into our developments.

However, not all stakeholders share the same views. As an example, our shareholders want us to maintain good profit margins on the homes we build, whilst local planning authorities ask us to include additional features that may increase our costs. We have to balance these competing views in order to develop an approach that is right for our business and our stakeholders.

The way we communicate with our stakeholders very much depends on the issue under discussion. On national and regional issues such as new policy or regulation, we actively engage at a Group and regional level through our membership of the Home Builders Federation (HBF). In other instances, when the issue relates to a particular site or circumstance, we enter into dialogue directly through our relevant operating business.

In broad terms, we see our key stakeholder groups on sustainability issues as:

- Government and regulators who set standards for construction and monitor our activities.
- Local planning authorities and landowners who set sustainability criteria that we have to meet.
- Customers and communities who want homes that are affordable, in the right location and with the amenities they need.
- Investors who want to know that we take into account all the risks and opportunities that could affect our business, including those relating to social, ethical and environmental issues
- Employees who we rely on for their skills and commitment to making our business successful. In return we must treat them with respect and offer them equal opportunities to fulfil their career with us.
- Suppliers, subcontractors and business partners who provide us with the materials and labour we need to build homes. We seek to build long term mutually beneficial relationships with them and we expect them to adhere to our social, ethical and environmental standards.

Of course, there are many others, including non-governmental organisations and corporate social responsibility commentators who are able to offer us opinions to help us to shape our views and have a key role to play in us achieving our sustainability goals.

# Progress against 2008 objectives

### In 2008, we set eight sustainability objectives, six of which were completed in full.

Objective	Progress
Increase awareness of our Sustainability Policy across the Group and communicate our six key responsibilities to our employees and sub-contractors	In April 2008, the sustainability strategy and report was presented at the annual Persimmon Managing Directors Conference, which was attended by all senior directors within the business. A presentation on the Group waste management policy was also held at the same conference. All operating businesses routinely include corporate responsibility issues on their agendas for board meetings.
Review our Key Performance Indicators and reporting structures to ensure these better reflect our sustainability responsibilities.	We introduced a bi monthly key performance indicator reporting procedure for our operating businesses to provide regular KPI updates. Aggregated data from across the Group is now reviewed on a bi monthly basis by the CR Committee.
Develop a mechanism for effectively sharing best practice on sustainability issues across the Group, particularly in relation to features that can be incorporated into the homes we build.	Although an appropriate mechanism being our in-house buyer's intranet database has been identified for sharing examples of best practice, radical changes in our business during 2008 have meant that this objective has not yet been completed. This project will be ready by Summer 2009.
Determine the implications of the Government's Code for Sustainable Homes for the business and review the opportunities to develop a consistent approach for meeting these standards across the Group.	A Group-wide review of the implications of achieving levels three and four of the Code was completed and circulated to our operating businesses. In June Persimmon presented some of its findings at the Chartered Institute of Housing Annual Conference and Exhibition under the heading of 'Cracking the Code'. The cost effectiveness of relevant technologies and changing Government policy is under continual review across the business.
Reduce the amount of waste we generate and send to landfill.	Total landfill waste generated on our sites in 2008 has reduced by 40% compared to the prior year. In terms of waste per home completed, this reduced by 6% to 8.9 tonnes (2007: 9.4 tonnes). The amount of waste we recycled increased to 70% (2007: 68%)
Continue to improve our customer satisfaction and the build quality of our homes.	We measure our customer satisfaction in terms of the proportion of customers that would recommend a Persimmon home to a friend. This measure is recognised across the industry and is consistent with regular independent surveys undertaken by the NHBC. In 2008, 89% of customers would recommend Persimmon homes to a friend, an increase from 86% in the previous year.
All our operating businesses senior management will receive Health and Safety training that is externally accredited by IOSH, APS or ConstructionSkills, in addition to in house training.	Owing to major changes in the structure of the Group and its management teams, this training programme was not implemented in 2008. A series of senior management sessions in the first half of 2009 are now being implemented.
Join the NextGeneration initiative, a multi- stakeholder initiative designed to drive best practice in sustainability into the heart of the residential development industry in the UK.	Persimmon joined NextGeneration and participated in their climate change benchmark.

### Building sustainable homes

The way we design and build our homes affects how people choose to live and consequently their impact on the environment and society.

### Our approach

We know that the homes we build have a long life and that over time their occupants will use resources and generate waste. Family circumstances may change and their home will need to accommodate them. People want to live in communities with the infrastructure and services that make life convenient. As a major housebuilder we must take all these issues into account as we create sustainable homes, whilst making sure these homes are affordable and efficient to run.

Our approach is to build homes that often go beyond current legislative standards and building regulations. We work closely with local authority planning departments to make sure we meet their requirements. Most importantly we build sustainable homes that are appropriate to the community and locality in which they are built.

We will often incorporate features into our homes when it is commercially viable, that add to the quality of the lives of our customer's and future occupants. We take a practical approach, often adapting or incorporating one or two features into the homes we build rather than trying to tackle everything. As well as improving their environmental performance, this makes our homes affordable for our customers, as we use tried and tested technologies and techniques.

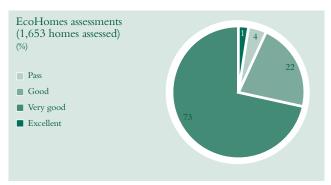
### Our focus

### Addressing the Code for Sustainable Homes

How we incorporate sustainability features into the homes we build varies. We make decisions on a case by case basis, depending on the particular development or even individual home, working closely with local planners to agree the best options. Consequently, we do not apply a single definition of what constitutes a sustainable home. However, we encourage our operating businesses through their management structures to share examples of good practice. During 2008, we began to collate this information into a shared database that can be accessed by all management teams across the Group. The database will be available during Summer 2009.

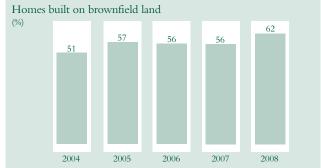
In many cases we meet the criteria of the Code for Sustainable Homes (the Code). This is increasingly required as a condition of planning consent being granted. This standard gives us the flexibility to incorporate a variety of features which can be taken into account when assessed against this standard. The Code requires mandatory minimum levels of performance across six key issues including energy efficiency, water efficiency, waste management and use of materials. It has a scoring system of six levels, assessed on achieving a combination of mandatory minimum standards and a proportion of the 'flexible' standards. Code 'Level three' is broadly equivalent to the Eco–Homes 'very good' standard.

We have continued to monitor the number of homes built against the Eco-Homes standard, as many of the homes we have completed this year were required to meet Eco-Homes standards as a condition of their planning consent rather than the new Code. The Eco-homes standard is being phased out and as more homes are built to the requirements of the Code then we will report against this new standard.



In 2008, we built 1,653 homes that were assessed against the Eco-Home standard. This compares to 1,539 in the previous year. Eco-Homes now represent 16% of all the homes we completed, a significant increase on the previous year (2007:10%). The proportion of these homes that met the 'very good' or 'excellent' standard has also increased to 74%, from 43% in 2007.

Maintaining the balance between the affordability of homes and achieving stretching sustainability standards will be one of the key challenges for our industry and local planning authorities over the coming year. The reality of achieving these standards usually means development costs increase. In some cases, we are able to offset this additional cost and in others we receive funding from the local authority or Homes and Communities Agency. However, we have seen little evidence to suggest that customers are willing to pay more, particularly in the current economic climate.



#### Land use

We always aim to build in a way that is sympathetic to the locality, creating communities that are in keeping with both the natural and built environment. To achieve this we frequently use local materials and building styles.

In 2008, 62% of the homes we built were on previously developed or so-called 'brownfield land', compared to 56% in 2007. We do not aim for a fixed percentage of brownfield development, favouring a flexible approach based on regional demand. This ensures we maintain a balanced portfolio of land, avoiding the risks of limiting development style, whilst meeting the needs of local communities. Since we first began reporting in 2002, the number of homes we build each year on brownfield development sites has been more than half our total homes built.

Brownfield sites often require extensive decontamination and remediation, which can often have a very positive impact on the local environment. However, we recognise that changing the landscape, even if the site in question is virtually derelict, can be very emotive for local residents. We are sensitive to their opinions and take them into account in our development plans.

As we have said in previous reports, trying to measure the positive impact of all our developments in a quantitative way is difficult. We know anecdotally the local community benefits in a number of ways, through at the very least the conversion of redundant often derelict land into attractive shared space.

We assess the number of trees planted as a guide to the contribution we have made to greening our developments. In 2008 we planted 118,616 trees, including a large number of small trees used for structural planting on our sites, an increase of 39% on 2007 (85,472 trees planted). This equates to 11.6 trees per household, more than twice the number of trees planted per home sold the previous year (2007: 5.4 trees).

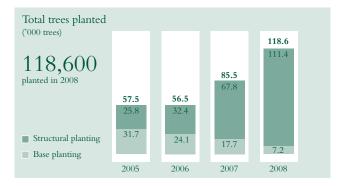
Whilst we are pleased to see this increasing trend, we believe the level of planting this year is exceptional, reflecting changes in our production schedules over the past year. On many sites production of new homes has slowed down, but the development of communal spaces has continued for the benefit of our existing and future customers. In addition, on some sites we brought forward our planting schedules to complete landscaping schemes and tidy completed sites. We do not expect this level of planting to continue next year.

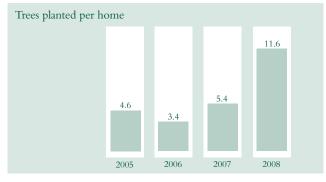
### Building efficient homes

In 2007, we published our Climate Change position paper, which sets out how we assess and deal with the risks and opportunities faced by our business through climate change. It also sets out three areas where we will take action; building homes that are inherently efficient, building homes that adapt to the impacts of climate change and reducing our own emissions.

Whilst we need to address all of these areas, our view is that our greatest contribution to reducing the impact of climate change is to build homes that are efficient now and over their lifetime. We do this by using energy efficient building techniques, such as our Space4 timber frame system (www.space4.co.uk) and, when appropriate, by installing innovative renewable energy efficient technology, such as air source heat pumps or photovoltaic tiles.

To determine the energy efficiency of the homes we build we look at the current Standard Assessment Procedure (SAP) rating, which forms the basis of the energy rating provided to customers in their Home Information Pack. In 2008, we achieved an average SAP rating of 86 for the homes we sold.







In last year's report, we explained the difficulty of providing a like for like comparison with previous years owing to changes in the Government methodology for calculating SAP ratings. In 2007 the rating scale was changed from 1–120 to 1–100. In last year's figures we included a combined rating including homes assessed against both scales, which provided us with a fair reflection of performance. As many more of the homes we have built in 2008 have been rated against the new rating scale of 1–100, we have decided to just report on these homes and exclude those rated against the old scale. This will provide us with a more accurate baseline against which we can compare our performance in future years.

However, whilst it is difficult to compare performance directly against previous years, we are encouraged that our average SAP rating on a percentage basis has increased from 78% in 2006 to 84% in 2008.

We also monitor the energy efficiency of appliances and white goods that we provide through our Finishing Touches ranges. All appliances installed are 'A' rated. We also install other energy efficient technologies, such as high efficiency boilers. We often add more insulation to a home than is required under Building Regulations. Adding a small amount of additional insulation (for example, moving from 270mm to 303mm thickness) can make a great deal of difference in terms of building warmth and customer satisfaction. Where practical and economic we use other more innovative technologies. Increasingly we are exploring opportunities to use renewable types of energy supply such as photovoltaic cells to supplement more traditional sources of heat and power.

We continually evaluate the options open to us in terms of new technologies which we only use as their reliability and cost effectiveness improves. In some cases, we take the decision to wait until the technology improves and is proven before exposing our customers to experimental products. For example, our experience has shown that the use of wind vanes to supplement electricity supplies in urban areas is negligible, particularly when taking into account the cost of installation.

When taking this approach we think about other areas in addition to energy. As an example, to improve water efficiency within our homes, we are fitting taps and shower valves with 'click cartridges' that reduce water use by providing additional resistance when they are turned on. Dual flush lavatories are fitted in the majority of our homes as standard.

Increasingly we are also providing low energy lighting, integrated recycling bins and installing water butts to collect rainwater for use in gardens.







Space4 homes





#### **Achieving the Code for Sustainable Homes** Avon Mews, Boughton Road, Rugby

Persimmon built 48 family homes as part of a larger brownfield site development in Rugby. Eleven homes were affordable social homes and they have been constructed to meet the Code 3 standard of the Code for Sustainable Homes, broadly equivalent to the Eco Homes 'very good' rating, which is substantially beyond the current requirements of building regulations. To achieve Code 3, all plots were constructed with solar panel systems and insulation was increased within the ground floor, walls and roof.





### Enabling customers to make eco-choices

Wenlock Rise, Bridgnorth, Shropshire

At Wenlock Rise, Bridgnorth, buyers were offered the opportunity to buy an energy efficient heat pump boiler – a Mitsubishi Ecodan – from our Finishing Touches range. Customers on this development were informed that the boiler was three times more efficient than a conventional boiler, providing low cost heating and hot water and producing significantly less CO<sub>2</sub> emissions at reduced cost.

The boiler uses proven heat pump technology to convert naturally occurring heat energy from the air to provide hot water and domestic space heating, such as underfloor heating and low temperature radiators which give a greater level of comfort.

## Operating efficiently

We will minimise our impact on the environment and reduce our costs through efficient operations and a robust and sensible approach to environmental management.

### Our approach

There is no escaping the fact that as a house building company our operations have a potentially significant impact on the environment. We have a responsibility to ensure that these impacts are well managed and also to minimise the risk of any environmental incidents occurring. Importantly we also recognise that effective environmental management can benefit our business, as it can reduce our costs and help us to build relationships with the communities in which we operate.

### Our focus

### Environmental management

We first published our environmental policy in 2002. Our policy is reviewed annually (along with our other sustainability policies) by the CR Committee. This ensures that our approach is in line with changes in our business and our operations.

#### Our policy sets out six priority areas:

- Minimising the amount of waste we produce through effective design and on-site management.
- Making efficient use of materials during the house building process, including recycling existing materials on site when appropriate.
- Protecting and enhancing the natural habitat and local surroundings throughout the development process.
- Making the most efficient use of land, including the regeneration of derelict or contaminated land.
- Designing our houses and developments to incorporate features that minimise the impact on the environment during their habitation, where practicable and cost effective.
- Preventing pollution occurring at our sites.

# Operating efficiently continued

We have an Environmental Management System (EMS) that ensures our policy is embedded into our operational activity and is integrated into our Health and Safety management system to take advantage of the regular Health and Safety inspections on our sites. While overall responsibility for environmental management rests with the CR Committee, implementation of policy and adhering to the procedures set out in the Environmental Management System rest with each managing director. Space4, our prefabricated timber frame manufacturing business, has its own environmental management system certified to ISO14001.

In addition to our Group wide Environmental Management System we also seek to address environmental issues at a local level. There are usually specific issues that arise on individual sites depending on the nature of the development and surrounding area, often relating to conservation issues and the preservation of habitat. On the majority of our sites we undertake an Environmental Impact Assessment (EIA) to identify these issues and to help us put into place appropriate measures to address them. In many instances the recommendations from our EIA require us to review our original plans and make appropriate changes to them.

We maintain good relations with environmental regulators, such as the Environment Agency in England and Wales and Scottish Environmental Protection Agency. We incorporate emergency procedures in our EMS, which ensures that in the rare event of an environmental incident occurring at one of our sites we are able to deal with it quickly and effectively and thereby minimise any subsequent environmental damage.

We are pleased to report that we had no environmental prosecutions in 2008.

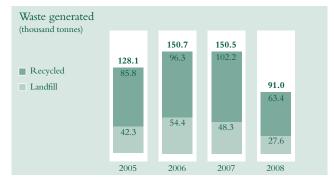
#### Waste

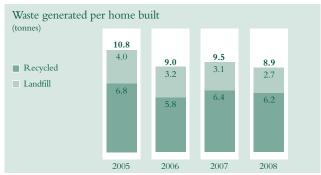
The generation and disposal of waste is our most significant operational environmental impact. As it is also a substantial cost to us, it is in our interest to make sure waste is well managed and the amount generated is minimised.

We have a dedicated waste management policy – developed in consultation with the Government's Waste and Resources Action Programme (WRAP) – that is implemented across the Group and can be found at <a href="http://corporate.persimmonhomes.com/psn/csr/gpolicies/">http://corporate.persimmonhomes.com/psn/csr/gpolicies/</a>.

Since April 2008, all our new sites produce a Site Waste Management Plan (SWMP). This ensures that our approach to waste management on each new site is documented and detailed information of waste arising on site is recorded. These plans are subject to inspection by the Environment Agency. Generally waste from ground working and remediation work is recycled on site, such as in landscaping areas. Only in exceptional circumstances do we take ground working waste offsite. If we do, we try and utilise it on other Group sites and only as a last resort do we send it to landfill.

We minimise the waste we produce through careful ordering of materials and, if possible, by pre-specifying the size and dimensions we need. For example, we have for many years used timber engineered joists, rather than traditional timber joists on virtually all the homes we build, as they are pre cut to length and produce no waste on site. In respect of other waste generated on our sites we operate a process of either onsite segregation or offsite recycling. Only in rare circumstances do we send waste off site without intermediate processing and recycling.





# Operating efficiently continued

In 2008, our sites generated 91,047 tonnes of waste. This is significantly less than last year (150,500 tonnes) due to our reduced construction programmes. Of the waste we produced, 70% was recycled compared to 68% in 2007.

Looking at absolute reduction only tells us so much about our performance, as we expected our waste to reduce in 2008 because we built fewer homes. A better indicator is the amount of waste generated per home completed which tells us how efficiently we are operating. In 2008, we generated 8.9 tonnes of waste per home completed, compared to 9.5 tonnes in 2007. If we exclude the waste we recycle, then only 2.7 tonnes of waste per home we built went to landfill.

These figures demonstrate that even though we have built fewer homes in 2008, we are building them more efficiently and producing less waste as a consequence. Much of this improvement comes down to better management of both waste on our sites and ordering building materials.

### Energy, transport and CO<sub>2</sub> emissions

Last year we reported for the first time on our operational carbon footprint. This related to the emissions produced through the use of electricity in our offices and fuel used by our company vehicle fleet.

In 2008, we used 3.6 million kWh of electricity in our offices. This compares to 4.3 million kWh last year, and reflects a number of office closures over the past twelve months.

Our vehicle fleet used 4.0 million litres of fuel (2007: 5.0 million). This is a significant reduction and whilst we have reviewed opportunities to improve the efficiency of the fleet, this is largely due to a reduction in the number of vehicles to c.900 vehicles in 2008 compared to c. 1,400 in 2007.

As a consequence, our CO<sub>2</sub> emissions have reduced by 19% to 11.9 thousand tonnes (2007: 14.7 thousand tonnes).

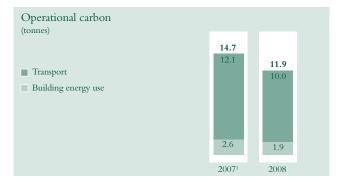
We are presently unable to collate reliable or accurate data relating to energy use on our sites. In reality, we use very little gas within our business other than for space heating at some of our offices. On-site electricity is difficult to measure owing to the development phases of construction and obtaining accurate data from energy suppliers. Whilst this is a gap we acknowledge, given the relatively low levels of production this year we have not pursued obtaining this data as a priority.

#### Water use

For the first time this year we have collated data on water use in our offices. This is the first step in the process of building a complete picture of how we use water across our business.

However, most of the water is used by our offices, rather than on our sites. This is because most of the water intensive production processes on our sites have been eliminated in recent years. As an example, the concrete and mortar we use during the building process now comes onto site premixed by our suppliers. Of course, there is water used on site, for example for mixing plaster or for 'damping down' to eliminate dust and we are studying how we can collate data about on site water consumption.

However, we believe our water consumption to be similar to other office based businesses. Our annual water use is estimated to be 16 million litres. We will continue to review this data over the coming year to improve the robustness of our data collection in this area.



<sup>1</sup>Note this figure has been restated to take account of more complete data being provided.

# Operating efficiently continued

### Maintaining our supply chain

Our levels of production are significantly lower than previously as a result of lower consumer demand. Whilst this has had a significant impact on our business, lower demand has also impacted on our suppliers. However, we are still building homes and as one of the country's largest house building companies we have been able to some extent to protect our suppliers by maintaining orders, albeit at a lower level.

We are conscious of the importance of maintaining our supply chain. When demand for new homes increases again, we want to be able to respond quickly and effectively. Our suppliers have an important role to play in enabling us to do this.

Our Supplier Principles have been in place across the Group since 2005. These specify the minimum standards that we expect from our suppliers in terms of their social, ethical and environmental behaviour. We ask all new suppliers, whether Group suppliers or those supplying materials directly to our local operating businesses, to adhere to these principles and confirm their acceptance of them. We seek to develop strong relationships with our suppliers and whilst adherence to these principles is not formally audited, we monitor suppliers and investigate obvious cases of non-compliance.

We work closely with suppliers to ensure that we use the most appropriate and effective materials and products. Our Group buyers evaluate new materials and products as they become available, particularly those with strong environmental credentials. If they are cost effective and perform as well or better than the existing product we are using, we upgrade to the new material or product.

As an example, we are using Aquacell units on some of our sites as a means of managing high rainfall and reducing the risk of flooding or damage to the local environment without creating underground concrete storage tanks. These units are essentially lightweight, crate-like boxes that ensure a controlled, reduced volume release of stormwater into existing sewer systems or watercourses. Moreover, they are safer and more cost effective than traditional drainage systems. This technology has recently been installed at our Woodland Rise development at Driffield, Yorkshire.

The timber we use comes from legal and where possible sustainably managed sources. We do not set targets for the amount of independently certified timber (as labelled by FSC or PEFC) we buy, but purchase it whenever possible.



Practicing what we preach – promoting eco-efficiency within our offices
Verona House, Malmesbury

In May 2008, Persimmon Homes Wessex opened their new 13,000 sq ft offices in Malmesbury, Wiltshire. These offices were designed and built to be energy efficient and incorporate a number of 'eco-features' including:

- Energy saving lights and automatic motion sensor switches
- High levels of insulation to minimise heat loss
- AA energy rated appliances such as fridges and dishwashers
- Increased number of paper waste recycling bins throughout the office
- Water saving devices to taps and toilets.
- Covered cycle store
- Reuse of excavated materials for landscaping

### Building new communities

We understand local issues. Our regional offices are staffed by local people who want to create developments in which their customers want to live and communities can grow.

### Our approach

Our business is firmly rooted in the communities which it serves. We have a regional structure with businesses that are able to act in a semi-autonomous way. Whilst our head office gives strategic direction and provides a number of corporate functions, such as IT and legal services, it is comparatively small. As a result, our business units are able to develop strong bonds with their local communities and with the authorities that govern the planning process. This means we are able to respond in a collaborative way that takes into account the needs of and contributes to the local economy.

We also acknowledge the increasing role we have to play in delivering the Government's social housing objectives. As one of the UK's largest home builders we are able to offer a wealth of experience and commercial weight to deliver this agenda, which is an increasingly important part of our business.

### Our focus

### Building communities

It is important that we make the right decisions about the local infrastructure needed and providing the facilities and amenities our customers and future residents require. There is no point in us building homes which remain unoccupied, and we have to create developments that are inclusive and facilitate people living together to create communities.

Many aspects of the way we build new homes are set out by Government national Planning Policy Guidance and the way this is interpreted by local planning authorities. However, that is not to say we do not have any influence over this process. We work closely with local planners to propose schemes that fulfil their requirements, whilst bringing the wealth of our experience in building developments across the UK. Our directors and staff involved in this process know the area and understand the local environment and community. Armed with this knowledge and combined with experience from across the Group, we are able to fulfil the needs of planners, regulators and most importantly our customers.



1 Source NHBC - New House Building statistics (2008 calendar year).

# Building new communities continued

In 2008, we invested over £13.8 million in providing new community facilities for residents of our developments, through planning agreements with local planning authorities, principally relating to public open space and affordable social housing but also including educational and community facilities. When we start any new project, we recognise that the local community will have views about our proposals. We listen to their opinions, often entering into substantial periods of consultation to make sure we get our plans right before we start. Consultation can take many forms, sometimes through public meetings or through direct dialogue with the parties involved, particularly with individuals or groups that are concerned about a specific issue. Usually we are able to take these concerns into account and adapt our plans accordingly.

### Building affordable homes

Most of our new developments include a proportion of social affordable housing. Our Westbury Partnerships business – established in 2006 – has strengthened our capability in this area considerably. It has provided a centre of expertise, developing effective and collaborative approaches with local authorities and housing associations.

In 2008, Persimmon built 2,416 affordable homes representing 23% of its total production. This compares to 1,967 affordable homes in 2007 (12% of our total output). The increase in the total number of affordable homes we are building is a testament to investment we have made over recent years to develop our capability in this area.

We continually review the affordability of the private homes we sell. This is a key issue for many buyers, especially as many household budgets contract. We look closely at our home specifications and building costs to identify savings that we can make, which in turn can be passed onto our customers.

Our expertise has also been recognised externally. Persimmon was successful in its bid to obtain grant funding to build c. 2,800 homes across c. 200 developments in England, when in 2008 the Homes and Communities Agency awarded Persimmon the largest single grant allocation under the Government's HomeBuy Direct scheme. HomeBuy Direct is a £400 million new shared equity scheme designed to help up to 18,000 first-time buyers into affordable home ownership. The scheme will support the housing market and also help participating house builders such as Persimmon, by enabling more first-time buyers to purchase their newly built properties.

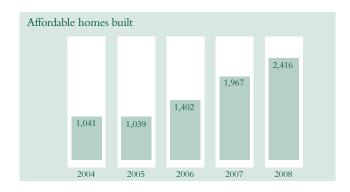
We operate a number of schemes to attract and incentivise new customers to purchase a Persimmon home by making these homes more affordable for them, such as mortgage subsidies and shared equity. We also offer part-exchange deals on selected properties, which can help our customers to avoid the difficulties and frustration associated with trying to sell their existing home in a challenging market.

### Community investment

We are committed to developing good relationships with communities through the support of local initiatives and charitable projects. However, owing to the challenging market conditions over the past year, our support has reduced compared to previous years.

In 2008, charitable donations made by the Group were £89,000, much lower than in previous years (2008: £210,000) reflecting the much tougher trading environment the business is facing.

We have continued to support the York Minster Fund for the restoration of the Minster (http://www.yorkminster.org/visiting/york-minster-revealed/) to which we have pledged a 10 year commitment to train apprentices in the ancient crafts used to repair and conserve the Minster.



# Building new communities continued

#### Creating inclusive communities

Ironstone Visitor Centre

We have recently opened a new Visitor Centre at Ironstone, a sustainable village community of 3,300 homes currently being built in Lawley, near Telford with our joint venture partners. The Visitor Centre aims to play a pivotal role in helping to create and strengthen a community spirit and bring the people of Ironstone together.

It provides a focal point for everyone visiting Ironstone and will be a significant landmark at the gateway to the community, offering both existing residents, potential buyers and the general public the opportunity to find out more about the development. Conference facilities will enable meetings to be held for both large and small groups in respect of business and community related matters concerning the development of Ironstone.

Ironstone will consist of four neighbourhoods - Lawley Bank, Lawley Village, Newdale and Newdale Valley - all surrounding Lawley Square, with each neighbourhood bringing its own distinct character to the development. The Square will feature a commercial and social hub, which will include parkland, shops, offices, an 80 bed hotel, community care centre, restaurants and bars. Land has also been provided for a primary school.

The development also introduces the concept of Long Term Stewardship, where residents become actively involved in the management of their neighbourhood. This feature encourages residents to not only take pride in their village, but also make decisions on its future and is set to become a blueprint for future schemes around the UK.



#### 'Cracking the Code' for affordable homes

In June 2008, we presented our approach to building affordable and sustainable homes at the annual Chartered Institute of Housing conference held in Harrogate. The Chartered Institute of Housing (CIH) is the professional body for people who work in housing. It is a registered charity and a non-profit making organisation with over 20,000 members who work predominantly in local authorities and housing associations.

Persimmon, under the Westbury Partnerships brand, provided detailed information to professionals attending the event about how to meet the demands of the Code for Sustainable Homes under the banner of 'Cracking the Code'. This included detailed examples of how these standards could be met with current available technologies. Particular interest was shown in our innovative modern methods of construction trial at Irlam, near Manchester – Living-I' (www.living-i.co.uk) – and the timber frame technology pioneered by Space4 (www.space4.co.uk).





### Managing our people

Our business relies on the skills and technical ability of our employees to deliver quality homes for our customers.

### **Approach**

2008 has been a very difficult year for our business and staff. As a consequence of the weak housing market the Group has undergone substantial restructuring over the past twelve months and unfortunately a significant proportion of our employees have been made redundant. We have liaised closely with ConstructionSkills, who have been working to give support to unemployed construction workers, through access to additional training and help lines.

Our HR Department and management teams have worked extensively to ensure that the process has been undertaken in a practical and sympathetic manner and in accordance with the obligations placed upon us. During 2008, Persimmon employed an average of 3,980 people, compared to 5,501 in 2007.

Our Group HR Department offers guidance and practical support across the Group. We have a range of policies in place, including those relating to equal opportunities, diversity, whistle blowing, harassment and flexible working. We have a formal employee appraisal process which is undertaken annually which is used to discuss improvement and training.

### Our focus

### Training and development

We appreciate the trust and loyalty of our retained employees. We will continue to invest in the training and development of their skills and knowledge to preserve the ability of our business to respond to an upturn in the housing market in future years.

We have continued our programmes of health and safety training, as well as in other areas such as information technology. In 2008, we provided 4,510 days of training for our employees, less than in previous years (2007: 6,765). The reduction in training reflects changes to the numbers of employees within the business and management attention focussed on ensuring these processes were well managed.

As a member of the Major House Builders Group (MHBG), we have signed up to the Home Builders Federation (HBF) initiative to adopt the Construction Skills Certification Scheme (CSCS). The scheme provides construction workers who successfully pass the relevant health and safety test, with their own individual CSCS Card that provides proof of their trade skills and competency. Whilst we achieved the target of a fully carded workforce by 2008 this total included a large number of cardholders who could establish general construction skills rather than skills specific to their trade. Through this scheme we therefore aim to ensure all workers on our sites have formal qualifications relating to their trade in order to meet the MHBG's commitment to have a correctly carded workforce by 2010.

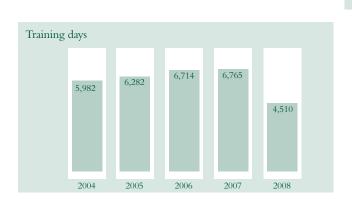
# Managing our people continued

In 2007 we assisted the Home Builders Federation to fully review the National Vocational Qualification (NVQ) Level 3 for Construction Site Supervision and NVQ Level 4 for Construction Site Managers. We also worked with both ConstructionSkills and many other sectors of the construction industry to improve the qualification structure to enable more housebuilding site supervisors and site managers to have access to a focused vocational learning process applicable to their particular skills. These newly revised standards were adopted by the industry in 2008.

The number of apprentices we employ has reduced largely as we have been unable to provide new apprentice places as existing apprentices have completed their courses. This is an area we will address as the business environment improves. However, we are pleased to report that the number of apprentices that completed a recognised qualification as part of their apprenticeship has increased slightly.

Apprenticeships	2004	2005	2006	2007	2008
No. of apprentices	409	393	324	267	56
% of workforce	6	9	6	5	2.4
No. completing apprenticeships	49	53	116	94	96

Over one third (39%) of our workforce are women and we have 21 female directors. This represents an increase in the proportion of female employees (from 31% in 2007) largely as a result of the redundancy exercise we have undertaken during the year, which has seen a large proportion of our mainly male direct site labour leave, whereas our mainly female sales teams have stayed largely intact.





NHBC Pride in Job
Dave Bullock – Supreme Winner

NHBC set up its 'Pride in the Job' competition in 1980 to seek out the UK's best site managers and reward them for creating quality, beautifully finished homes. This scheme is an integral part of NHBC's role of helping to raise standards for new home buyers.

This campaign is highly respected within the new housebuilding industry and the accolade of winning an award sends out a clear message to homebuyers that the homes on that particular site are built to an exceptional standard. The Supreme Winner Award is the highest accolade that can be achieved by an individual.

Dave Bullock from Persimmon Homes Wales won this award in 2008 for his management of new homes site Wyncliffe Gardens in Cardiff. Dave has worked in the building industry for 14 years, 10 of which he has spent working as a housing site manager. Judges commended Dave on "his management skills and getting the best out of contractors in a difficult market place".

## Managing Health and Safety

Safety is integral to our business and factored into almost every decision we take.

### Approach

Health and Safety continues to be a top priority for us. It is integral to the way we work and vital that we ensure the safety of those that come into contact with our sites.

Our approach is based on the concept of 'managing the risk'. In other words, by taking a proactive approach based on the risk assessment principle of implementing reasonably practical health and safety control measures, we can minimise the likelihood of accidents happening. We work hard to embed this thinking across the Group and ensure that everyone within the business understands their responsibilities to manage health and safety risks and adhere to the policies and procedures we set. We employ robust inspection and incident investigation procedures and undertake audit and review processes to make sure that our policy and procedures are being implemented in practice.

#### Our focus

### Management arrangements

Our Group Health and Safety Policy and Manuals provide the foundations of our approach to health and safety. These are reviewed on a regular basis by our Group Health and Safety Director, to make sure they adequately reflect changes in legislation, regulations and codes of practice that affect our business activities.

Overall responsibility for health and safety remains with David Bryant, Group Development Director. He is supported by the Group Health and Safety Director and a team of 14 internal Regional Health & Safety Advisers, all employed by the Group. Restructuring throughout our business has meant that although this is three fewer than in 2007, health and safety coverage remains the same as some regional operations have merged as our production levels have fallen.

This year we have introduced Divisional Health and Safety Working Groups. These Working Groups offer a collective support network for the Regional Safety Advisers and compliment our existing management reporting structure, where health and safety issues are discussed at divisional and operating business management meetings. These working groups allow health and safety issues affecting each division to be discussed by relevant members of the safety team in order to identify best practice and resolve non-conformity issues, as well as influencing policy at a Group level.

Health and safety risks are reviewed and a Group action plan is developed each year, which sets out the objectives and targets for the coming year. In turn the Divisions and operating businesses are responsible for putting together their own yearly action plans.

# Managing Health and Safety continued

This process is supported by regular 'tool box' talks and briefings held on site for all site workers, which cover all aspects of the health and safety policy, such as working at heights, manual handling and emergency response procedures. Environmental issues are also covered under this process.

### Health and safety performance

In 2008 we had 78 incidents reportable under the UK Reporting of Incidents, Diseases and Dangerous Occurrences Regulations (RIDDORS). This is a significant reduction since last year (2007:172 RIDDORS). It also reflects our improved performance in that there are fewer accidents for each home we build, although this is in part because there are fewer workers working on site compared to 2007.

If we compare the number of reportable incidents per home completed there is a significant improvement. In 2007, the Group experienced an average of one RIDDOR per 92 homes built compared to one RIDDOR per 131 completions in 2008. In other words our sites are safer.

In terms of incidents per 1,000 employees this has also dropped from 12.2 in 2007 to 9.1 in 2008, again confirming an improvement in our performance.

Slips and trips, falls from height, manual handling and use of power and hand tools are the main causes of injury across the Group. Consequently, we have set out a programme of tool box talks, to be delivered by the Regional Safety Advisors, to raise the awareness in our workforce of the controls that should be employed to reduce the risk of these types of incidents occurring.

We undertake regular site inspections that cover construction, sales and customer care activities. These inspections enable the heath and safety team to identify best practice, as well as non compliance with our operational procedures.

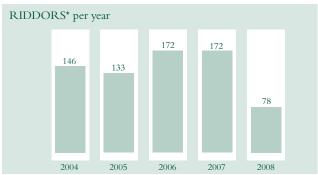
More importantly because they are looking at our operations first hand where issues are raised, our health and safety advisors can immediately liaise and work with our management teams to ensure that action is taken to rectify situations and improve, where necessary, our operational and management controls.

Our operating businesses can achieve a Gold, Silver or Bronze Award depending on their level of compliance against our Group operational policies and procedures. To attain the Gold award a company must achieve 90% conformance, Silver 80% conformance and Bronze 70% conformance. We are pleased to report that in 2008 all operating businesses achieved a Silver Award or above, despite a more rigorous inspection regime being introduced.

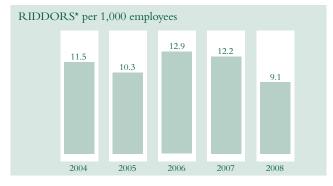
	2004	2005	2006	2007	2008
Gold Award (90%+)	2	4	10	12	13
Silver Award (80%+)	31	30	25	24	18
Bronze Award (70%+)	3	0	0	0	0

In 2008, we had no health and safety prosecutions. However, we received two enforcement notices compared to none in the previous year. Both related to work at height and were quickly rectified in line with recommendations made by the Health and Safety Executive. These were unrelated incidents and our investigations have not suggested these relate to systematic failings in our approach.

	2005	2006	2007	2008
Prosecutions	1	0	1	0
Enforcement notices	4	10	1	2







# Managing Health and Safety continued

### Promoting good practice

We continue to undertake significant amounts of health and safety training. In 2008, The Group Health and Safety Department delivered 274 days of health and safety training to our employees and subcontractors to ensure they are up to date on current working practices and Group procedures (2007: 964 days). The high volume of training undertaken in 2007 related to the introduction of the new CDM Regulations and the associated awareness training we provided as a result. However, there is no doubt that the reduction in employee numbers within the Group has also contributed to the reduction in training days.

We have also revised our health and safety training programme relating to the erection of timber frame buildings produced by Space4, our timber frame manufacturing operation. The review compared our training material with the UK Timber Frame Industry Standards in order to confirm that it fulfils their training criteria.

Our Group Health and Safety Director is also chair of the Home Builders Federation (HBF) Health and Safety Forum, which meets regularly to discuss pertinent industry health and safety matters. The aim of the forum, whose members also include the HSE and the NHBC, is to provide industry wide strategic guidance on health and safety issues on behalf of the house building industry and to promote industry best practice throughout the design, construction and maintenance stages of home building projects.

Persimmon, together with other housebuilders, supported the development of a web based interactive training game that targets building site dangers. Recognising that more and more developments are on brownfield sites near to existing housing, the HBF wants to educate children to help them understand that playing in and around sites can be highly dangerous. The game was developed in association with Crucial Crew (http://www.crucial-crew.org/index.cfm) and distributed to homes and schools in the vicinity of new housebuilding projects



#### Persimmon wins Health and Safety training award

The Construction Health and Safety Group (CHSG) is a charity set up to improve occupational health in the construction industry and foster co-operation between Government, employers and those who work in the construction industry.

The Board of Trustees recognised our South Coast business' contribution and commitment to safety training in the industry and awarded them the CHSG outstanding training achievement award. This is the third time Persimmon Homes have won this award.

### Caring for our customers

Choosing a home is one of the most important decisions that our customers will make, both emotionally and financially. We have a responsibility to help them make this process as stress free and straightforward as possible.

### Our approach

Our Pledge – or customer charter – sets out our commitment to our customers. From the very start of the sales process, our trained sales teams are able to offer customers expert guidance and practical assurance throughout the buying process. Our advisers provide regular updates to customers on the progress of their new homes and are trained to respond quickly and efficiently to any queries they may have.

Each customer gets a Masterfile which provides a step by step guide to the buying process – from reserving a property to moving in checklists. It also offers our customers guidance on health and safety issues in the home and on site.

When our customers move into their new home, our responsibility to our customers does not end there. A few days after moving in, members of our on-site construction team will visit to ensure that each customer is happy with their home and to resolve any immediate issues that may have arisen. Customers can also access a dedicated customer care helpline and a 24 hour emergency hotline in the event of a failure of any service supply.

#### Our focus

### Ensuring quality

We undertake regular site inspections during the building process to monitor the quality of the homes we build. This is supported by building regulation monitoring undertaken by the local authority or the National House Building Council (NHBC). We also provide free of charge a 10 year building warranty on each home from a new home warranty provider, such as the NHBC.

During the construction of each home comprehensive inspections are carried out, which includes checks on foundations, plumbing, wiring, blockwork and cavity walls. In addition, we have a subcontractor control list which sets the criteria for certain quality standards, which each subcontractor agrees to meet. These quality standards provide another level of control within the quality control process.

Prior to each home being released to the customer it is inspected by our sales and construction staff and often a local office director. A member of our on-site team then provides a new home demonstration of the fixtures, systems and appliances fitted. We provide a Quality Assured Certificate for insertion into the customer's Masterfile on the day of completion.

We provide our customers with a one month inspection form which allows them to notify us of any issues that need addressing. On receiving this information we will endeavour to complete all agreed items within 28 days. Our customer service performance is monitored on a regular basis by our Divisional and operating business management teams to make sure it is in accordance with the high standards we set.

# Caring for our customers continued

#### Customer satisfaction

During 2008, Persimmon participated in the Office of Fair Trading's (OFT) investigation into the competitiveness of the UK housing market. As one of the countries largest home builders it was crucial that we played our part in this study and cooperated fully. It is in our customers best interests, and ultimately in our business interests to ensure we operate in a fully functioning and fair housing market.

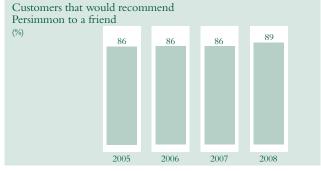
The OFT study found that there was healthy competition in the delivery of new homes in the UK, and the price of existing homes act as a constraint on the price of new homes. The OFT found that the new homes market was working well in the interest of consumers. To ensure that housebuilders all provide good customer service the OFT report recommended that a voluntary consumer code of conduct should be introduced across the industry which we support.

We monitor customer satisfaction through internal new home satisfaction surveys and through external customer satisfaction surveys undertaken by the NHBC. The surveys are reported to and reviewed by management teams within our operating businesses and by Group management on a frequent basis. This allows us to identify particular trends and issues upon which we can focus our efforts. Our customer questionnaire asks 10 questions to determine how satisfied our customers are with their new home. The questions include matters relating to the build process, the level of information provided to them, the ease with which problems could be reported, our speed of response and their overall satisfaction. We issue our questionnaires to customers one month and nine months after they have moved in to deal with any immediate issues and any matters which arise in the long term.

Our surveys have shown a good level of customer satisfaction with our homes and our service. In 2008, 89% of our customers said they would recommend Persimmon to a friend.

This continues the high levels of customer satisfaction that we have seen over recent years and demonstrates our ongoing commitment to ensuring that our customers have the best possible experience purchasing a Persimmon Home.





### Plans for 2009

It has been a challenging year for Persimmon and the housebuilding industry as a whole. We have taken decisive steps to restructure and refocus our business. Despite the difficult market conditions we remain committed to the six responsibilities set out in our sustainably strategy and living up to these in a practical and cost effective manner.

We have identified five objectives for 2009, which support other internal objectives set by the business, such as those relating to health and safety and customer care. The objectives set out below focus on delivering tangible benefits for the business.

Develop a mechanism for effectively sharing best practice on sustainability issues across the Group, particularly in relation to features that can be incorporated into the homes we build. Review and quantify water consumption across the Group by December 2009.

Review the implications of the Government's Code for Sustainable Homes and the opportunities to develop the most effective approach for meeting these standards across the Group. Reduce the amount of waste generated per home by 5% by December 2009.

Implement a campaign to increase the awareness amongst office based employees of environmental issues and to reduce energy used in offices during 2009.

### Feedback

We value your feedback on our approach to sustainability and would appreciate your comments on this report. You can email us at feedback@persimmonhomes.com or write to:

Neil Francis Company Secretary Persimmon Plc Persimmon House Fulford York YO19 4FE

# Sustainability Data Table

	Units	2004	2005	2006	2007	2008
Housing completions	No.	12,360	12,636	16,701	15,905	10,202
ENVIRONMENT	Units	2004	2005	2006	2007	2008
Carbon emissions	Thousand tonnes	_	_	_	14.7	11.9
EcoHomes built	No.	_	_	_	1,539	1,653
Average SAP rating		92.3	93.5	94.5	90.6*	86.0*
Appliances installed with an energy efficiency rating of A or B	%	_	92%	99%	99%	100%
Total waste generated	Thousand tonnes	_	128.1	150.7	150.5	91.0
Waste recycled	Thousand tonnes		85.8	96.3	102.2	63.4
Waste generated per dwelling constructed	Tonnes		10.8	9.0	9.5	8.9
Homes built on brownfield land	No.	6,340	7,141	9,352	8,906	6,282
Percentage of homes built on brownfield land	%	51%	57%	56%	56%	62%
Trees planted (including structural planting)	No.	28,000	57,496	56,518	85,472	118,616
Trees planted per home	No.	22.3	4.6	3.4	5.4	11.6
Environmental prosecutions	No.	1	0	0	2	0
Zivitoimienum prosecutions						
HEALTH & SAFETY	Units	2004	2005	2006	2007	2008
No. of RIDDOR reportable incidents	No.	146	133	172	172	78
RIDDOR's per 1,000 employees	No.	11.5	10.3	12.9	12.2	9.1
Operating businesses achieving between 80% - 89% compliance against site inspection (Silver Award)	%	86%	88%	61%	67%	58%
Operating businesses achieving over 90% compliance against site inspection (Gold Award)	%	5%	12%	39%	33%	42%
Health & Safety Executive prosecutions	No.	1	0	0	1	0
Health & Safety Executive enforcement notices	No.	_	4	7	0	2
WORKING AT PERSIMMON	Units	2004	2005	2006	2007	2008
Total employees	No.	4,602	4,613	5,349	5,501	3,980
Female employees	No.	1,299	1,302	1,511	1,705	1,552
Percentage of female employees	%	28%	28%	28%	31%	39%
Female directors	No.	17	21	26	24	21
Training days provided	No.	5,982	6,282	6,714	6,320	4,510
Apprentices	No.	409	393	324	267	56
Apprentices as a percentage of total workforce	%	9%	9%	6%	5%	2.4%
Apprentices completing NVQs	No.	49	53	116	94	96
CUSTOMERS	Units	2004	2005	2006	2007	2008
Customers who would recommend	<u> </u>	2001	2003	2000	2007	2000
Persimmon to a friend	%		86%	86%	86%	89%
PERSIMMON IN THE COMMUNITY	Units	2004	2005	2006	2007	2008
Social affordable homes completed	No.	1,014	1,039	1,402	1,967	2,416
Social and partnership homes as a percentage of total homes completed	%	8.0%	8.0%	8.4%	12.4%	23.7%
Charitable donations made by the Group	£	81,500	136,000	251,000	210,000	89,000
Employee charitable fundraising	£	_	_	326,000	340,000	23,500
-						

Data marked - was not recorded at that time

 $<sup>\</sup>bigstar$  In 2007 the SAP rating scale changed from 1–120 to 1–100

Persimmon Plc Persimmon House Fulford York YO19 4FE Telephone 01904 642199 Fax 01904 610014 www.persimmonhomes.com