Section	Country	KPI Objective / *Methodology*
Health and Safety	**UK**	**Measure and reduce our incident rate per thousand employees and contractors for all reportable injuries**
		Number of reportable injuries in financial year, divided by the average number of direct employees and contractor employees employed during year, multiplied by 1000
		Measure and reduce our incident rate per thousand employees and contarctors for major injuries
		Number of reportable major injuries in financial year, divided by the average number of direct employees and contractor employees employed during year, multiplied by 1000
		Measure the number of category A (serious) potential incidents identified per year
		Total number of Category 'A' reports issued to all UK operating companies by health and safety inspectors during financial year
		Measure the number of category B (moderate) potential incidents identified per year
		Total number of Category 'B' reports issued to all UK operating companies by health and safety inspectors during financial year
		Measure and highlight minimum annual hours of health, safety and environmental training required for site management personnel
		Based on the minimum number of hours of health, safety and environmental training required to maintain the competence of existing site management as well as part of continuing personal development programme. Figure quoted based on the average training hours recorded for all existing site and assistant site managers
	US	**Measure and reduce incident rate including employees and contractors**
		Total number of sub-contractor and employee accidents in one year / total number of employee hours worked X 200,000
		Measure the percentage of relevant personnel who completed a 10 hour OSHA training within 90 days of employment. Our annual target will be 100%
		Total number certifications of relevant Morrison employees / total number of Morrison employees required to have 10-hour certification
		Measure and reduce the number of major accidents per 1,000 completions
		Total number of sub-contractor and employee accidents in one year per 1,000 completions

Section	Country	KPI Objective / *Methodology*
Environment	**UK**	**Measure and maximise the number of homes built on brownfield sites (The UK Government has set a target of 60% by 2008)**

Percentage of homes (private and partnership development) that were built on land that is designated brownfield.   *Note : Land designated as 'Brownfield' is land which has been previously developed, excluding mineral working or other temporary uses.

Measure and highlight the average SAP rating of new houses built each year

Total average SAP Rating for all homes within each operating company divided by the number of operating companies.

Measure and reduce the tonnage (t) of waste produced per unit of housing completed

Total tonnage of all waste movements from operating sites, divided by the number of housing units completed in financial year. *

Note : waste movements are completed and recorded on our behalf by Wastefile UK. The waste movements and recording are completed in accordance with the requirements of the Environmental Protection Act 1990, Section 34, Duty of Care and subsequent Regulations.

Measure and increase the percentage of waste segregated on site

Total tonnage of segregated waste movements * from operating sites as a percentage of the overall waste movements in financial year

Measure and reduce the percentage of waste sent to landfill

Percentage of total waste movements * from operating sites that was subsequently send to landfill via waste transfer stations and material recycling facilities.

Measure and increase the percentage of waste recycled

Percentage of total waste movements * from operating sites that was segregated via waste transfer stations and material recycling facilities for recycling purposes

| | **US** | **Measure the percentage of homes completed with Freon-free HVAC system.** |

Total number of Freon-free HVAC systems installed / total number of completions.

Section	Country	KPI Objective / *Methodology*
Employees	**UK**	**Measure and improve staff satisfaction as highlighted by our bi-annual employee survey and measure the percentage of staff who rate us above average or one of the best companies they know or have worked for**

A Bi-annual employee satisfaction survey is conducted by an external company. Percentage response is measured as "Above average" or "One of the best" in answer to the question "How do you rate George Wimpey UK as an organisation to work for compared with other organisations you may know of, or have worked for?"

Measure and reduce annual employee turnover

Measured as (number of "resignations" in 12 month period / average number of staff in 12 month period) x 100%

US   **Measure and improve staff satisfaction as highlighted by our annual employee survey and measure the percentage of staff who say that Morrison Homes is a great place to work**

Due to changes in the Morrison Homes employee survey, the employee satisfaction KPI is no longer recorded.

Measure and reduce annual employee turnover

The number of employees who left the company during the year divided by the average number of employees (within the same year) expressed as a percentage.

Measure and increase the average number of training hours per employee

Total course hours utilized are divided by total employee.

Section	Country	KPI Objective / *Methodology*
Customer Care	**UK**	**Measure and increase the % of customers who would recommend us to family and friends**

Calculated from our George Wimpey/Laing Homes customer satisfaction survey which is mailed and data captured by a third party and the analysis is done in house. Question reads: "If any of your closest friends, family or colleagues were considering buying a home, would you recommend they buy from us?" Score is the overall % answering "yes" to this question. Results are calculated using December 2005 to November 2006 figures.

Measure and increase our overall customer care score as higlighted by customer questionnaire results

Calculated from our George Wimpey/Laing Homes customer satisfaction survey which is mailed and data captured by a third party and the analysis is done in house. The overall customer care score is the average from the 7 KPI questions which cover the following areas: overall product quality, overall service quality, ease of contact when deciding to buy a home, ability to answer questions when buying a home, interest in you between reservation and move in day, ease of contact for problems after moving in, ability to solve problems, clean and ready on move in day and was the home as expected on move in day. The 2 KPIs relating to move in day are measured by the percentage answering "yes" to those questions, whilst the other 5 questions are measured by the responses which can range from 100% (excellent) to -100% (unacceptable). Results are calculated using December 2005 to November 2006 figures.

US   **Measure and increase the % of customers who would recommend us to family and friends**

Calculated from our Woodland O'Brien customer satisfaction survey. Question reads: "Would you recommend Morrison Homes to a friend wishing to build a new home?" Score is the overall company percentage answering "yes" to this question

Measure and reduce the number of excalated customer complaints (known as Code Purples) per 1,000 completions

Calculated based on the ratio of total number of "Code Purples" tracked from January to December to number of homes closed in the same period Ratio is expressed per 1,000 homes closed

Measure and improve the customer rating of the overall experience

Calculated from our Woodland O'Brien customer satisfaction survey. Question reads: "Rating of Overall Experience of Buying Your Home" Score is the overall company percentage rating the experience as outstanding (selecting 8, 9 or 10)