

Our employees are our greatest asset

437

At the end of 2006, George Wimpey UK employed 437 apprentices.



Please see page 28 for our employee related KPI measurements.



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

Our business success depends on the quality of our employees. We aim to attract and retain the best employees in the UK and US housebuilding industries. We are committed to treating them fairly, developing their potential and providing a positive working environment. Our core values as well as our UK Code of Business Conduct and US Company Policy Manual set out the principles by which we operate.

We have strict equal opportunities policies and endorse the United Nations' Declaration of Human Rights. Our procedures are updated regularly to comply with legislation, such as the UK Employment Equality (Age) Regulations introduced in 2006.

We are committed to local employment and our companies in the UK and US recruit predominantly from the areas around our offices and sites. In addition, we seek to play a part in tackling the skills shortage in our industry. The following text and the Future Builders of America case study on page 18 demonstrate some of our initiatives in this area.

New developments

In 2006, we undertook our biannual UK employee survey and redesigned our US survey to be more effective. The 2006 UK survey was undertaken by the Work Foundation and saw improved scores in most areas. The results will be used to prepare a corporate action plan and each regional company will also develop its own action plan.

Morrison Homes' new employee engagement survey focuses on the commitment of our employees and how their commitment affects how hard they work and how long they stay with us. We believe that the commitment of our employees has a significant effect on performance and employee retention. This survey benchmarks Morrison Homes against nearly 60 companies in 27 countries. Morrison Homes employees have higher levels of each of the main survey criteria – emotional commitment, rational commitment, discretionary effort and intent to stay – than the benchmark average. Morrison Homes is using the results of this first survey to develop action plans for improvement.

We run a series of schemes to encourage people into the housebuilding industry. In 2006, our UK companies took on an additional 141 apprentices, 42 management trainees and six graduates for fast-track development. At the end of 2006, George Wimpey UK had 437 apprentices. Ingrid Gelley and Mark Pajak who joined the company as graduate trainees in 2001, were promoted to regional board director level in 2006.

Morrison Homes introduced a Leadership Summit and a management development programme in 2006. George Wimpey UK developed an assessment process to identify outstanding junior and middle managers and to help them develop the skills necessary for promotion.

We also remain committed to our entire UK workforce qualifying under the Construction Skills Certification Scheme (CSCS) by 2010.

Targets

George Wimpey UK has committed to doubling the number of individuals entering the graduate training scheme in 2007. Morrison Homes will introduce a similar graduate scheme and will recruit the first four graduates in 2007. We will also focus on continually reducing annual employee turnover in the UK and US in 2007.

George Wimpey UK 2006 employee survey highlights*	Employees	National average
I am proud to work for my company	0.96	0.78
I understand what is expected of me in my role	1.25	0.85
I understand the objectives of the UK business	0.98	0.91
I am encouraged to use my initiative in my work	1.12	0.80

*the range of possible scores is '2 to '2

Morrison Homes 2006 employee engagement survey highlights	Employees	Global average
Emotional commitment	72.7%	46.5%
Rational commitment	13.6%	8.0%
Discretionary effort	77.9%	56.3%
Intent to stay	69.0%	58.0%

Local employment →

George Wimpey and Cruden Investments are building 900 homes to help regenerate the deprived community of Raploch in Stirling. The area suffers from high levels of unemployment and many people are on incapacity benefit. As part of the community benefits package for the project, we will be trying to encourage people back to work. Over the lifetime of the development, we will take on 25 apprentices on four year apprenticeships and 100 construction operatives. We will also provide 100 in-depth construction training places to provide individuals with the necessary skills to find jobs in construction.

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LOCAL APPRENTICES AND 100 LOCAL CONSTRUCTION OPERATIVES WILL BE EMPLOYED ON SITE AT RAPLOCH



Ethics training

During 2006, all managers within Morrison Homes attended a new civil treatment training course. The training covers ethics, values and compliance with employment law. It will help managers to treat employees, customers and trade partners fairly, consistently and with respect. The training programme will be extended to all employees in 2007. Morrison Homes continues to reward one employee per year with a Core Values Award. Human resources and office administrator Janet Woods of the Sacramento Division received the 2006 award.

Management trainees

Our management training scheme involves school or college leavers, who are given college release to undertake formal qualifications. After completing her A-levels, Lisa Sammons joined George Wimpey Midland in 2002 as an office junior. She went on to join the management training programme in 2003. In 2006, Lisa achieved a Higher National Certificate (HNC) in building studies and was promoted to Assistant Buyer. According to Lisa, the scheme "is a fantastic opportunity to gain experience in a chosen department at the same time as studying for the necessary qualification and getting paid, so you do not end up in debt". She describes it as "hard work", but an "excellent" scheme.

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MANAGEMENT TRAINEES WERE EMPLOYED BY GEORGE WIMPEY AT THE END OF 2006



Investing in local communities ↓

During 2006, George Wimpey East Scotland hosted a five week training programme on our Chapel Level site in Fife for eight long term unemployed individuals. Scottish Enterprise funded the intensive general construction operative training programme, which will give participants much needed career skills. George Wimpey is also a national partner of Business in the Community's Business Action on Homelessness initiative. We recruited one person through the scheme in 2005 and we have agreed to provide work placements for six other potential employees.

Employee assistance programme

Morrison Homes introduced a new whistleblower policy in 2006 to help employees voice concerns in a safe environment. The policy explains the procedure for raising concerns and the safeguards in place to protect employees from harassment, victimisation or malicious allegations. It covers serious concerns, including potential violations of the Company's code of business conduct. George Wimpey UK has similar procedures in place and provides a confidential helpline run by UK charity Public Concern at Work.

