Remuneration

Remuneration Committee report

Gwyn Burr
Chair of the Remuneration Committee

Dear Shareholder

Following my appointment as Chair of Taylor Wimpey's Remuneration Committee in April 2019, I am pleased to present the 2019 Directors' Remuneration Report for Taylor Wimpey.

The Remuneration Committee (the Committee) remains mindful of the continuing debate around Executive Director remuneration from both a workforce and wider societal perspective. As a Committee we look to ensure that our remuneration policies and practices are directly linked to the Company's purpose and values; and to the successful delivery of our long term strategy for the benefit of our shareholders and our wider stakeholders.

The 2018 UK Corporate Governance Code

The Committee welcomes the wider remit and responsibilities placed on it by the introduction of the 2018 UK Corporate Governance Code (the Code). During 2019 we focused on embedding the new responsibilities into our existing processes and updated the Committee's Terms of Reference to ensure that they meet both the Code and wider best practice and also to ensure that the Committee considers all relevant matters when discharging its responsibilities.

Remuneration Policy review

This Report looks at how the current remuneration policy (current policy) for Executive Directors has been applied during 2019 and will also explain the Committee's thinking around the proposed new policy (New Policy) which, if approved by shareholders, will apply from 2020 to 2022.

Our current policy has successfully accommodated the significant changes that have taken place to our business and its leadership during its three-year term. Over a period of strong financial performance, we believe that there has been a clear and appropriate link between performance and reward. We have administered the current policy robustly including, for example, using Committee discretion to scale back 2017 Executive Director bonuses; and accordingly, the vote each year on our Directors' Remuneration Report has been strongly supported by shareholders – which has been very much appreciated. Further details on how the current policy has been applied during 2019 can be found on pages 121 to 131.

We believe that current remuneration levels are appropriately positioned and no changes to the maximum limits of either the Executive Incentive Scheme bonus (EIS, our annual bonus) or Performance Share Plan (PSP, our long term incentive plan) are proposed under the New Policy. Therefore, it is proposed that the structure of the current policy be effectively rolled over for the next three-year policy period – albeit updated to bring it into line with the Code and investor requirements on matters such as pension provision and post-employment shareholding requirements.

Under the proposed New Policy, the Committee has carefully considered pension arrangements for Executive Directors. We propose to reduce all Executive Directors' pension contributions to 10%, which is the level of the pension contribution available to the majority of the workforce. As this will be a reduction in the Executive Directors' contractual entitlements, the Committee proposes that this will be done over the next five years. Further details of how this will be done can be found on pages 113, 116 and 121.

Remuneration Committee Summary

The Committee is chaired by Gwyn Burr. The Committee consists of three independent Non Executive Directors as required by the Code and also the Chair-designate and Chair of the Board. Its members are set out in the table below.

Committee members	Meetings attended
Gwyn Burr (Chair)[a]	4/4
Kate Barker[b]	4/4
Kevin Beeston[c]	4/4
Irene Dorner[d]	1/1
Angela Knight	4/4

(a) Appointed as Chair of the Committee on 25 April 2019.
(b) Stood down as Chair of the Committee on 25 April 2019.
(c) To stand down from the Board on 26 February 2020.
(d) Appointed to the Committee on 1 December 2019 and as Chair of the Company on 26 February 2020.

Main objective

To establish and maintain formal and transparent procedures for developing policy on executive remuneration to deliver the Company's strategy and value for shareholders; to agree, monitor and report on the remuneration of individual Directors and senior executives; and to review wider workforce remuneration and other policies in accordance with the 2018 Code.

2019 activities

- Reviewed the Remuneration Policy and developed a new Remuneration Policy for consideration at the 2020 AGM.
- Reviewed and adopted updated Terms of Reference in line with the 2018 Code.
- Embedded ways in which employee views were taken into account in relation to pay at Board and senior management level.
- Reviewed the performance conditions for the EIS and PSP.
- Continued to encourage share ownership across the business through participation in our all-employee share plans.
- Agreed the retirement arrangements for the Group Legal Director and Company Secretary and agreed the fee for the Chair-designate.

2020 objectives

- Implement the revised Remuneration Policy (subject to shareholder approval at the 2020 AGM).
- Continue to consider the evolution of the performance conditions in line with the business strategy.
- Monitor senior management remuneration in line with the Code.

The Committee has also reviewed the required minimum level of share ownership (which is 200% of salary) and considers this to remain appropriate for the New Policy, recognising that two of the three Executive Directors are building their shareholdings to this level and the value of the Chief Executive's shareholding is significantly in excess of this minimum. In addition, in line with the Code and shareholder guidance, we are introducing a post-employment shareholding requirement for the Executive Directors to hold 200% of salary, or their shareholding level at the time of cessation if their 200% shareholding requirement has not yet been met, for at least two years.

Overall, we believe that these changes represent a sensible evolution of the current policy, showing restraint and embracing the latest best practice requirements from both corporate governance guidance and feedback from shareholder engagement. Further details on the proposed changes and why the Committee believes the New Policy is in accordance with the Code can be found on page 112.

Wider workforce remuneration

The Committee took the wider workforce remuneration policies and practices into consideration when determining the New Policy for Executive Directors. We have also used both internal and external measures to ensure that it remains appropriate (including pay gaps and pay ratios). The Committee is comfortable that the incentives and rewards available to the wider workforce are directly linked to the culture and strategy of Taylor Wimpey at all levels, including the Remuneration Policy for Executive Directors.

I was pleased to attend the National Employee Forum (NEF) where I took the opportunity to discuss the proposed New Policy and the wider remuneration policies and practices alignment with executive pay more generally. I was encouraged to see the level of engagement from the NEF employee members and look forward to further engagement with the NEF in the near future.

Subject to shareholder approval at the 2020 AGM, management will apply the New Policy and review the Group's overall remuneration policies and incentive arrangements for the wider management team, to ensure a clear and coherent policy cascade supporting the Group's strategy, throughout the policy period. The Committee will be providing input and challenge as part of this process.

The Committee also encourages employee share ownership across the business and is pleased that 57% of all employees either participate in one or both of our all-employee share schemes, or are otherwise shareholders in the business.

Shareholder engagement

The Committee has continued its much-valued and long-established practice of engaging and consulting with its key institutional investors and with shareholder representative bodies. We are very grateful for the constructive engagement that has taken place with regard to both the proposed New Policy, performance during 2019, and remuneration proposals for 2020.

Board changes

The Committee considered the remuneration arrangements in relation to the Board changes that happened during 2019. These included the retirement arrangements for James Jordan as Group Legal Director and Company Secretary and the appointment of Irene Dorner as Chair-designate.

Committee activities during 2019

February 2019

- Reviewed feedback from major shareholders on the remuneration consultation conducted in December 2018 around the Company's remuneration proposals for 2019.
- Considered and approved the salary review proposals for 2019 for the Executive Directors and the wider executive team.
- Considered and approved the outcome of the EIS for 2018 and of the PSP Award vesting in 2019.
- Considered and approved the Committee's Terms of Reference which had been updated in line with the Code.
- Reviewed and approved the Remuneration Report for the Company's 2018 Annual Report and Accounts.
- Reviewed and approved the EIS scheme rules, which had been updated to include malus and clawback.
- Received an update from Korn Ferry and agreed the proposed timeline in respect of the 2020 Remuneration Policy update.
- Received an overview of the Company-wide remuneration policies and practices.

March 2019

- Approved the retirement arrangements for James Jordan (Group Legal Director and Company Secretary) and the remuneration of Alice Marsden (Group General Counsel and Company Secretary).

July 2019

- Initial consideration of the 2020 Remuneration Policy update.
- Agreed the fee for Irene Dorner (Chair-designate).

As announced on 28 March 2019, James Jordan stepped down from the Board on 31 December 2019. Remuneration paid to James during 2019, and until he retires from the business on 31 March 2020, is in accordance with his contractual terms and the current policy which is consistent with the statement published on the Company's website on 31 December 2019. Further details can be found on page 123.

As announced, our new Chair, Irene Dorner, has been appointed and from her accession to the Chair of the Board on 26 February 2020 she will receive a fee of £320,000 per annum, the same as Kevin Beeston, her predecessor. Irene joined the Board on 1 December 2019 as a Non Executive Director and Chair-designate and her fees were the same as our basic Non Executive Director fees until she became Chair. I am also pleased to have welcomed Irene to the Committee and look forward to working with her in 2020 and beyond.

2019 performance and incentive plan payments

During the year, the current policy operated as intended in terms of Company performance and quantum. The EIS and PSP continued to operate with clearly defined performance conditions, which are set at the start of the relevant performance period.

Our trading performance during 2019 was very much in line with our expectations, against the backdrop of strong sales rates but also ongoing political and macro-uncertainty. As a result the EIS outturn for 2019 was 50.6% of the maximum.

The PSP award granted in 2017, which measured performance up to the end of 2019 vested in part. Cash Conversion, Return on Net Operating Assets (RONOA) and Total Shareholder Return (TSR) against the FTSE 100 vested in full, Operating Profit Margin partially vested and the TSR measure against the housebuilder peer group did not vest. On this basis, the performance against the five measures led to an overall vesting of 62.8% of the 2017 PSP Award.

Full details of the performance targets and the results achieved for both the EIS and PSP can be found on pages 125 and 126 of this report.

The Committee looked at the broader circumstances in which performance against the measures for both incentive plans has been delivered and is comfortable that there has been a strong link between reward and both financial and operational performance. The Committee is also comfortable that there are no exceptional circumstances that require the consideration of discretion to be applied.

2020 remuneration approach and alignment to strategic objectives

The Committee reviews the performance conditions for the Company's incentive plans each year to ensure that they remain appropriate and directly linked to our strategy. Therefore, following shareholder consultation, we have taken the opportunity to update and refresh the performance conditions used in both the EIS and PSP to ensure that they remain aligned to the Company's long term strategy.

October 2019

– Further consideration of the Remuneration Policy update and the application of the policy to senior management.

December 2019

– Final consideration of the proposed changes to be made to the 2020 Remuneration Policy.
– Agreed the remuneration consultation letter to be sent to major shareholders and shareholder representative bodies setting out the proposed changes to be made for the 2020 Remuneration Policy.
– Considered reports from Korn Ferry on executive remuneration benchmarking.
– Considered a general governance update from Korn Ferry on remuneration considerations.
– Preliminary discussions on salary proposals for 2020; projected outcomes of the 2019 EIS and PSP Award vesting in 2020.
– Considered the performance measures and targets for the 2020 EIS and 2020 PSP Award.

Customer Service

As detailed in the Strategic Report on pages 24 and 25 over the last two years there has been an increased emphasis on the business strategy that places the customer front and centre in what Taylor Wimpey does. As a result, the Committee has decided to reflect this by including a customer service measure in each of the EIS and PSP to ensure that customers remain the focus both in the short and longer term. A customer services measure has operated in the EIS for several years; however, this will be the first time that customer performance is measured over the three-year performance period in the PSP.

Healthy cash returns

Cashflow is considered to be a critical measure for the business as there continues to be a level of uncertainty in relation to the housing market. Therefore, the Committee has decided that a cashflow measure, Cash Conversion, will operate in both the EIS and the PSP (Cash Conversion will be assessed as an aggregate across the full three-year period for PSP) in 2020. This will ensure that our priority remains converting our profit into healthy cash returns and will provide strong support for further dividend progression over the medium term.

In relation to the EIS performance measures: Group Operating Profit, Customer Service and Build Quality will remain for 2020; however, Order Book and RONOA will be replaced by Cash Conversion and Operating Profit Margin. A focus on Operating Profit Margin will ensure a focus on our cost discipline and mitigate future build cost inflation. Further details on these two new measures can be found on page 122.

The performance conditions to be used in the PSP will retain TSR as a measure; however, to simplify the TSR element, the relative TSR measured against the FTSE 100 will no longer be used. Instead 40% of the Award will focus solely on our performance against a listed housebuilder peer group. Customer Service will replace Operating Profit Margin, but Cash Conversion will remain a measure for the 2020 Award. This reduces the number of measures that performance is measured against and ensures a simpler, more direct link to strategy, in respect of the Award.

The targets for the performance conditions in both the EIS and PSP are stretching and challenging and will not reward mediocre performance. Further details on the weightings and targets for both incentive plans can be found on page 122.

The average salary increase being proposed across the Company for 2020 is 2% and will apply with effect from 1 April 2020. This increase will also apply to Pete Redfern, Chris Carney and Jennie Daly as well as to the wider senior management team.

Finally, I'd like to take the opportunity to thank Kate Barker for her stewardship of the Remuneration Committee since 2016, and Kevin Beeston for his wise counsel to the Committee during his nine years of membership of the Committee.

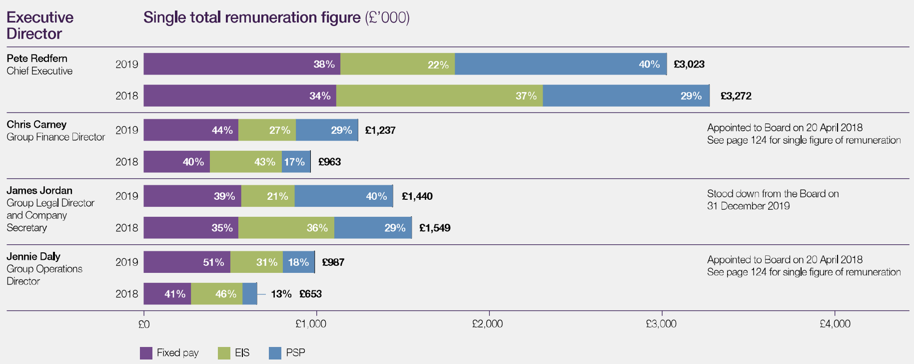
I very much hope that you will feel able to support our New Policy; the level of remuneration paid with respect to 2019; and the manner in which we propose to implement the New Policy during 2020.

Gwyn Burr
Chair of the Remuneration Committee

25 February 2020

Executive Directors' total remuneration

The chart below compares the 2019 single figure for total remuneration for each of the Executive Directors with the equivalent figure for 2018.



Remuneration at a glance

Application of the current Remuneration Policy in 2019

	Policy elements	Purpose	Measure	Strategic goal	KPI	Stakeholders
Variable Pay	Executive Incentive Scheme (Annual bonus) (EIS)	To reward the achievement of stretching objectives that support the Company's annual and strategic goals	Operating Profit*	●		●
			RONOA*	●		●
			Order Book		●	●
			Customer Service		●	●
			Build Quality		●	●
	Long Term Incentive Plan (PSP)	To assist with retention and the incentivisation and motivation of senior executives to deliver long term returns to shareholders	TSR v Peer Group			●
			TSR v FTSE 100			●
			Cash Conversion*	●		●
			Operating Profit Margin*	●		●
			RONOA*	●		●
Fixed Pay	Base salary	To recruit and reward executives of a suitable calibre for the role and duties required				
	Benefits	To provide a competitive package of benefits to assist with recruitment and retention of staff				
	Pension	To provide competitive retirement benefits that represent an appropriate level of cost and risk for the Group's shareholders				

Award timeline: Year 1, Year 2, Year 3, Year 4, Year 5

Performance period / Deferral / holding periods

* Read more about our financial definitions on page 58.

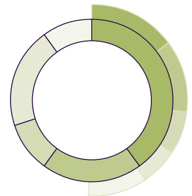
Read more about our strategic goals on page 24

Read more about our KPIs on pages 25 to 29

Read more about our stakeholders on pages 32 to 43

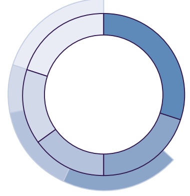
Executive Directors' remuneration in 2019

2019 EIS outcome



	Weighting	Outcome
Operating Profit	40%	14.9%
RONOA	20%	12.1%
Order Book	10%	7.3%
Customer Service	20%	6.3%
Build Quality	10%	10%

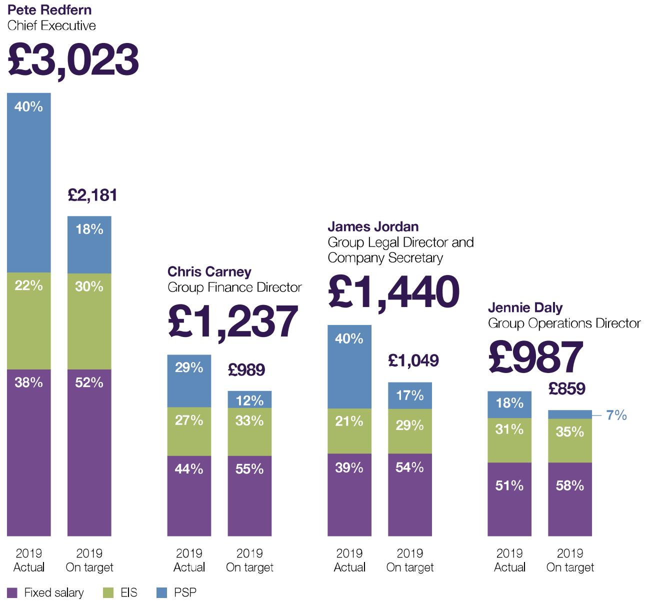
2017 PSP outcome



	Weighting	Outcome
TSR v Peer Group	30%	0%
TSR v FTSE 100	20%	20%
Cash Conversion	15%	15%
Operating Profit Margin	15%	7.8%
RONOA	20%	20%

2019 actual remuneration v 2019 on target potential

(£000's)



Remuneration across Taylor Wimpey

Workforce remuneration

"Rewards available to the wider workforce are directly linked to the culture and strategy of Taylor Wimpey at all levels."

Gwyn Burr, Chair of the Remuneration Committee

Read more about wider workforce remuneration on page 118

Gender pay reporting

"We are passionate about attracting, developing and retaining a diverse range of talent, and ensuring a culture where, regardless of background, each person thrives to meet their potential."

Anne Billson-Ross, Group HR Director

2% Mean Pay Gap
The mean pay for women is 2% lower than that of men (2018: 6%)

-4% Median Pay Gap
The median pay for women is 4% higher than that of men (2018: 0%)

Read the Company's Gender Pay Report at www.taylorwimpey.co.uk

Proposed remuneration policy summary (the New Policy)

How will the New Policy align with the wider Company remuneration policy?

The Committee received an update on wider workforce remuneration and related policies and took this into account when determining the proposed changes to the current policy.

The Committee is satisfied that the incentives and rewards available to the wider workforce are directly linked to the culture and strategy at Taylor Wimpey at all levels.

In addition, the Committee Chair attended the Taylor Wimpey National Employee Forum (the NEF) and discussed the proposed changes to the remuneration policy. Further information can be found on page 118.

How will the New Policy align with the 2018 UK Corporate Governance Code (the Code)?

It is proposed that the structure of the policy will be updated to bring it into line with the Code, which applied with effect from 1 January 2019, and investor requirements.

The Code sets out principles against which the Committee should determine the policy for executives, as follows:

Principle	Committee approach
Clarity – remuneration arrangements should be transparent and promote effective engagement with shareholders and the workforce	– We have operated a consistent approach which is well understood internally by executives and externally with strong levels of shareholder support – We have consulted the NEF (the Taylor Wimpey workforce advisory panel) on our proposed changes to the remuneration policy. Further information on the NEF can be found on page 78
Simplicity – remuneration structures should avoid complexity and their rationale and operation should be easy to understand	– There is, naturally, more complexity for Executive Director remuneration packages in order to ensure a robust link to performance and avoid reward for failure and to comply with investor and Code requirements, but this aside they have been designed to be as simple as possible – Where possible we cascade the remuneration policy down throughout the remuneration practices in the business consistent with the shareholder approved policy
Risk – remuneration arrangements should ensure that potential reputational and other risks arising from excessive rewards, and behavioural risks that can arise from target-based incentive plans, are identified and mitigated	– We have mitigated these risks through careful plan design, including long term performance measurement, deferral and shareholding requirements (including post cessation of employment) and discretion and clawback provisions
Predictability – the range of possible values of rewards to individual directors and any other limits or discretions should be identified and explained at the time of approving the policy	– We look carefully at the range of likely performance outcomes when setting performance target ranges for threshold, target and maximum payouts and have used discretion where necessary
Proportionality – the link between individual awards, the delivery of strategy and the long term performance of the company should be clear. Outcomes should not reward poor performance	– Incentive plans are determined based on a proportion of base salary so there is a sensible balance between fixed pay and performance-linked elements – Performance conditions are all linked to the business strategy. There is no personal performance element as we feel that the annual appraisal process is a better mechanism to review personal performance and development – There are provisions to override the formula-driven outcome of incentive plans, as well as deferral and clawback mechanisms to ensure that poor performance is not rewarded
Alignment to culture – incentive schemes should drive behaviours consistent with company purpose, values and strategy	– Bonus plans operate widely throughout the Company and are reviewed by the Committee to ensure consistency with Company purpose, values and strategy

Proposed changes to the current policy

		Summary of current policy	Proposed change and rationale
Variable Pay	**Executive Incentive Scheme (Annual bonus) (EIS)**	– Maximum EIS opportunity is 150% of base salary and target is 75% – Performance measures and targets are set at the beginning of each year and are based on a scorecard of designated objectives to meet annual and strategic goals – One-third of any EIS payable is deferred into shares and held in trust on the Executive Director's behalf for three years – Dividends will accrue during the three-year deferral period – Malus and clawback mechanism applies for three years post the payment date	– Specific provision to be incorporated for the Committee to be able to use discretion to override a formula-driven outcome in exceptional circumstances
Variable Pay	**Long Term Incentive Plan (PSP)**	– Annual PSP Award. Maximum award is 200% of base salary and threshold performance would pay out 40% of base salary – Performance conditions and targets are set at the beginning of the three-year performance period and are stretching and appropriate for the medium term – Dividends accrue during the performance period and holding period – Malus and clawback mechanism applies for three years post vesting – Two-year holding period post vesting	– Specific provision to be incorporated for the Committee to be able to use discretion to override a formula-driven outcome in exceptional circumstances – In line with best practice, the PSP has operated a compulsory two-year holding period since 2018, however this will now be specifically incorporated into the New Policy
Fixed Pay	**Base salary**	– Salaries are reviewed annually although there is no automatic entitlement to an increase – The maximum annual salary increase will not normally exceed the average increase which applies across the wider workforce	– No change proposed
Fixed Pay	**Benefits**	– Benefits include: company-provided car or a cash allowance, provision of a fuel card, life assurance and private medical insurance	– No change proposed
Fixed Pay	**Pension**	– Pension benefits are provided through one or more of the following arrangements: defined contributions; defined benefit arrangements; or a cash allowance – Pete Redfern, Chris Carney and Jennie Daly receive a pension contribution of 24.05%, 20% and 20% respectively	– Incumbent Executive Directors pension contributions will be reduced in broadly equal increments over a period of five years to 10% which is the pension contribution available to the majority of the wider workforce – The first reduction will take effect on 1 April 2020 and Pete Redfern, Chris Carney and Jennie Daly will receive a pension contribution of 21.24%, 18% and 18% respectively – New Executive Directors' pension contributions will be in line with the usual contribution of the wider workforce
	Shareholding guidelines	– Executive Directors must build a holding of shares worth 100% of salary within five years and then the balance to 200% of salary at a timeframe agreed with the Chair – Executives must retain no less than 50% of any vested PSP award or EIS deferred shares until these guideline thresholds are achieved	– To increase transparency and reduce complexity, the guidelines will be simplified so that the time frame is removed and Directors must retain not less than 50% of any vested PSP award or EIS deferred shares until the 200% of salary shareholding level is achieved – A post-employment shareholding requirement will require Executive Directors to hold 200% of salary, or their shareholding level at the time of cessation if their 200% shareholding requirement has not yet been met, for at least two years. To help facilitate this, there will be no early vesting of deferred bonus shares, or PSP awards on leaving (either unvested or vested shares and the two-year holding period will continue to apply in respect of these), other than in exceptional circumstances

Governance

Introduction

This Report has been prepared to comply with the provisions of the Companies Act 2006 and other applicable legislation, including the Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended) (Regulations), and has also been prepared in line with the recommendations of the 2018 UK Corporate Governance Code (the Code) and the UK Listing Authority Listing Rules.

This Report has been prepared by the Remuneration Committee on behalf of the Board.

The 2019 Remuneration Report includes disclosures which reflect in full the Regulations on remuneration reporting, divided into two sections:

– Remuneration Policy Report: this sets out the new Remuneration Policy that will be proposed to shareholders at the 2020 AGM, describing the framework within which the Company remunerates its Directors. The Policy will apply, if approved by shareholders, for a period of three years from the date of the 2020 AGM or until a revised Policy is approved by shareholders if sooner. Any existing remuneration commitments or contractual arrangements, such as historical share awards, agreed prior to the approval and implementation of this Policy in accordance with any policy in place at the time, namely before 23 April 2020, will be honoured in accordance with their original terms.
– Annual Report on Remuneration: this sets out how the Company's existing Remuneration Policy was applied during 2019 and how it is proposed that the New Policy will be implemented during 2020. The Annual Report on Remuneration will be subject to an advisory resolution at the AGM on 23 April 2020. Details of the resolution and its status as an advisory vote are set out in the Notes to the Notice of Meeting on page 198.

The Regulations require that the Company's auditors report to shareholders on certain parts of this Report and state whether in their opinion those parts have been properly prepared in accordance with the requirements. The Remuneration Policy Report, which describes the Committee's current Remuneration Policy for Executive Directors and which has applied since its approval by shareholders on 27 April 2017, contains unaudited information. Some elements of the Annual Report on Remuneration, which describes how the Committee has implemented its existing policy in 2019, contain audited information.

Remuneration Policy Report

Unaudited information

The Company's current Remuneration Policy was subject to a binding shareholder vote at the 2017 AGM of the Company and was approved by 98% of shareholders who voted. The three-year life of that policy will expire at the 2020 AGM and we are required to seek binding shareholder approval for a new policy.

The New Policy is designed to ensure that the remuneration framework will support and drive the Taylor Wimpey strategy forward by both challenging and motivating the Executive Directors and the senior management team to deliver it, and this will drive value for our shareholders whilst having due regard to our other stakeholders. The New Policy is set out on pages 115 to 117 and is also available to view on the Company's website at www.taylorwimpey.co.uk/corporate/our-company/governance.

The main changes proposed by the Committee in the New Policy are summarised and set out on page 113.

Policy overview

A key part of the Committee's role is to ensure that the remuneration of Executive Directors and senior management is aligned to the Company's strategic objectives. It is, of course, key that the Company is able to attract and retain leaders who are focused and also appropriately incentivised to deliver the Company's strategic objectives within a framework which is aligned with the long term interests of the Company's shareholders. This alignment is achieved through a combination of: deferral into shares of a percentage of the EIS; a two-year retention period for vested PSP awards; share ownership guidelines which require executives to build up holdings of Taylor Wimpey shares, either directly or by retaining vested PSP share awards and deferred EIS amounts; and also now requiring shares to be retained by the Executive after they have ceased employment.

The above requirements ensure that a significant percentage of the overall remuneration package of Executive Directors and senior management is subject to performance. With all packages for Executive Directors substantially geared towards meeting challenging targets set under the EIS and PSP, the Committee believes that the pay and benefits of its Executive Directors and senior management adequately balance reward and risk.

In line with best practice, the Committee ensures that the incentive structure for Executive Directors and senior management will not raise environmental, social or governance (ESG) risks by inadvertently motivating irresponsible behaviour. More generally, the Committee under its Terms of Reference may, where it considers appropriate, take ESG matters into account when considering the overall remuneration structure and as part of its overall discretion.

Proposed New Policy

Element	Purpose and link to strategy	Operation	Maximum	Performance targets
Salary	To recruit and reward executives of a suitable calibre for the role and duties required.	Salaries are normally reviewed annually to ensure that they remain positioned appropriately. There is no automatic entitlement to an increase each year. Salary level and increases take into account the following: – The performance, role and responsibility of each individual Director. – The economic climate, general market conditions and the performance of the Company. – The level of pay awards across the rest of the business. – Salary levels in comparably-sized companies and other major housebuilders.	The maximum annual salary increase will not normally exceed the average increase which applies across the wider workforce. However, larger increases may be awarded in certain circumstances including but not limited to: – Increase in scope or responsibilities of the role. – To apply salary progression for a newly / recently appointed Director. – Where the Director's salary has fallen below the market positioning.	Company and individual performance are factors considered when reviewing salaries.
Chair of the Board and Non Executive Director fees	The Chair's and Non Executive Directors' fees should be in line with recognised best practice and be sufficient to attract and retain high calibre non executives.	Fees consist of a single consolidated fee for the Chair, an annual fee for the other Non Executives and additional fees for roles such as the Chair of the Audit Committee, Chair of the Remuneration Committee and Senior Independent Director. Set by reference to the responsibilities undertaken by the non executive, taking into account that each Non Executive Director is expected to be a member of the Nomination Committee and / or the Audit Committee and / or Remuneration Committee. Reviewed periodically but generally annually and at least every other year. Takes into account levels in comparably-sized companies and other major housebuilders. Non Executive Directors do not participate in any incentive, share scheme, benefits-in-kind or pension arrangements.	Aggregate annual limit of £1 million imposed by the Company's Articles of Association.	N/A
Other benefits, including benefits-in-kind	Provides a competitive package of benefits to assist with recruitment and retention of staff.	The main benefits offered: – Company-provided car or a cash allowance in lieu. – Provision of a fuel card. – Life assurance. – Private medical insurance. – A 5% discount on the price of a new home acquired from the Group.	The value of a company-provided car or a cash allowance in lieu is of a level appropriate to the individual's role and is subject to review from time to time. The fuel card covers the cost of all fuel, for both business and personal use. Life assurance of up to four times basic salary. For home purchases, the price discount is calculated at the plot release price less the average discount to third party buyers for that house type on that development, less a further 5% employee discount. No more than one home per annum can be acquired at a discount under the scheme; and no more than three homes can be acquired in a five-year period. The maximum discount over a five-year period is £100,000.	N/A

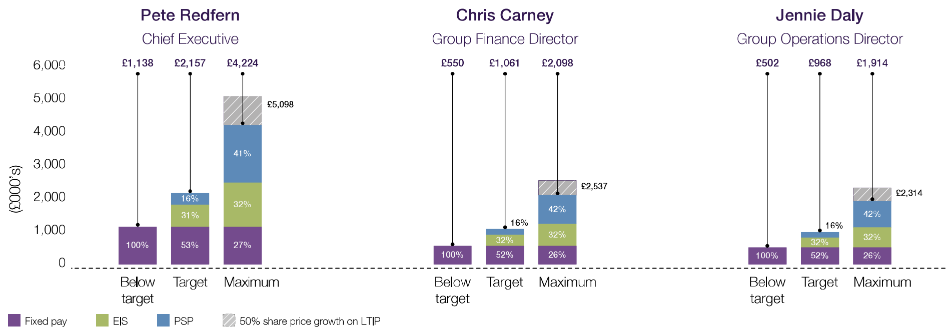
Element	Purpose and link to strategy	Operation	Maximum	Performance targets
Executive Incentive Scheme (EIS)	Rewards the achievement of stretching financial performance targets and other objectives that support the Company's annual and strategic goals. Compulsory deferral in shares further aligns the interests of Directors with shareholders.	EIS awards are determined by the Committee after the year end, based on annual performance against targets set at the beginning of each year. One-third of any EIS is payable in shares which are held in trust for three years. A malus and clawback mechanism applies to all participants in the event of a material misstatement of the Group's accounts, error, misconduct, reputational damage or corporate failure. The discovery period for the event that would give rise to the clawback is three years from the date of payment.	The maximum EIS opportunity for Executive Directors is set at 150% of salary. Target is set at 75% of salary and threshold at 0%.	The EIS measures are based on a scorecard of designated key annual financial, operational and environmental measures.
Performance Share Plan (PSP)	Annual grants of share-based long term incentives assist with retention, incentivisation and motivation of senior executives to achieve long term sustainable returns for shareholders. A post-vest holding period helps align the interests of senior executives with those of the Company's shareholders.	Executive Directors and other designated senior executives can receive annual PSP awards. PSP awards provide alignment with shareholders as they deliver (subject to meeting performance conditions) the full value of the shares, which can increase and decrease in value over the three-year performance period. The value of dividends or other distributions will accrue during the performance and holding periods and will be received with any shares that vest in favour of participants after the applicable performance period. Dividends will normally be accrued and paid in shares. Performance measures are normally measured over three financial years. A malus and clawback mechanism applies to all participants in the event of a material misstatement of the Group's accounts, error, misconduct, reputational damage or corporate failure. The discovery period for the event that would give rise to the clawback is three years from the date of payment.	The maximum award (currently in performance shares) is normally over shares with a face value of 200% of salary. In exceptional circumstances this can be increased up to 300% of salary.	The performance conditions are aligned to the long term business strategy. The Committee may vary the measures that are included in the plan and the weightings between the measures from year to year. Awards vest at 20% for threshold performance.
Pension	The Company aims to provide competitive retirement benefits that represent an appropriate level of cost and risk for the Group's shareholders. Over five years the pension contributions will reduce to the level of the workforce pension.	Pension benefits are provided through one or more of the following arrangements: – Personal Choice Plan; – Taylor Wimpey Pension Scheme; – or as a cash allowance.	Pete Redfern: cash allowance in 2020 of 21.24% of salary and then reducing annually thereafter by 2.81% of salary until the pension rate is the same as the majority of the workforce. Chris Carney and Jennie Daly: cash allowance of 18% of salary in 2020 and then reducing annually thereafter by 2% of salary until the pension rate is the same as the majority of the workforce. Company contributions to any pension scheme in respect of a new Executive Director will be in line with the pension contribution rate applying to the majority of the workforce, currently 10% of salary.	N/A

Element	Purpose and link to strategy	Operation	Maximum	Performance targets
All-employee share schemes	All employees including Executive Directors are encouraged to become shareholders through the operation of all-employee share plans such as the HMRC tax-advantaged Sharesave plan and a Share Incentive Plan (SIP).	The Sharesave plan and SIP have standard terms under which all UK employees with at least three months' service can participate.	Sharesave: Employees can elect for a savings contract of either three or five years, with a maximum monthly saving set by legislation or by HMRC. Options can be exercised during the six months following the end of the contract. SIP: Employees can elect to contribute an amount per month or per tax year by one or more lump sums. The maximum saving or contribution level is set by legislation or Government from time to time and the Committee reserves the right to increase contribution levels to reflect any approved Government legislative changes.	N/A
Shareholding guidelines	Encourages greater levels of shareholding and aligns employees' interests with those of shareholders.	Executive Directors are expected to achieve and maintain a holding of the Company's shares at least equal to 200% of salary and until this level is achieved, are required to retain no less than 50% of the value of any vested EIS or PSP awards, after tax. A post-employment shareholding requirement will require Executive Directors to hold 200% of salary, or their shareholding level at the time of cessation if their 200% shareholding requirement has not yet been met, for at least two years. This requirement may be reduced by the Committee in exceptional circumstances, such as serious ill-health.	Executive Directors: 200% of salary	N/A

The Committee may amend this shareholder approved policy to take account of changes to legislation, taxation and other supplemental and administrative matters without the necessity to seek shareholder approval for those changes.

Illustration of the Remuneration Policy for 2020

The charts below illustrate the level and mix of remuneration based on the Remuneration Policy depending on the achievement of below target, target and maximum for the Executive Directors under the policy.



1. Salary is £891,644, £447,372 and £408,000 for Pete Redfern, Chris Carney and Jennie Daly, respectively with effect from 1 April 2020 (see page 121 for further details).
2. Benefits are £54,000, £20,000 and £18,000 for Pete Redfern, Chris Carney and Jennie Daly, respectively, being the 2019 value (see page 121 for further details).
3. Pension is 21.24% for Pete Redfern and 18% for Chris Carney and Jennie Daly with effect from 1 April 2020.
4. For the EIS the target and maximum award is 75% and 150% of base salary, respectively.
5. For the PSP the target (assumed for these purposes to be at threshold performance) and maximum are 40% and 200% of base salary, respectively.

Committee discretion

The Committee recognises that the exercise of discretion must be undertaken in a careful and considered way as it is an area that will quite rightly come under scrutiny from shareholders and other stakeholders. The Committee confirms that any exercise of discretion in such circumstances would be within the available discretions set out in this Report and that the maximum levels available under any relevant plans would not be exceeded. There would be full disclosure in the following Directors' Remuneration Report and major investors would be consulted if necessary.

With regard to both the EIS and the PSP, the Committee, consistent with market practice, retains discretion over a number of areas relating to the operation and administration of these plans but in all cases within the applicable scheme rules.

How shareholder views are taken into account

The Remuneration Committee appreciates and considers very seriously all shareholder feedback received in relation to remuneration each year and guidance from shareholder representative bodies more generally. Shareholder views are key inputs when shaping the Remuneration Policy and the Committee welcomes any comment or feedback on any aspects of remuneration and will always consider and respond.

The Committee regularly engages with its largest shareholders and shareholder representative bodies regarding the ongoing Remuneration Policy and implementation, and will take into account any feedback when determining any changes that might apply. The last such consultation took place in January 2020 and included the proposed changes to the Remuneration Policy and the performance targets and weightings of both the EIS and PSP.

The Committee follows the principles of good governance relating to Directors' remuneration as set out in the Principles and Provisions of the Code. The Committee reviews and takes into account governance-related developments and guidance that arise, on an ongoing basis.

How our employees' voice is taken into account

The Committee supports and welcomes the introduction of the 'employee voice' initiative.

The Taylor Wimpey National Employee Forum (NEF) was established in 2017 and continues to work with members of the Group Management Team and build upon the existing business wide regional Employee Consultation Committee structure.

As part of the remuneration policy update, Gwyn Burr attended the NEF in her capacity as Chair of the Remuneration Committee. During the meeting Gwyn explained the corporate governance process more generally and the role of the Committee in setting pay and undertaking the remuneration policy review for Executive Directors. The meeting also discussed how executive remuneration aligns with the wider company pay practices and policies. The NEF were encouraged to hear that it was proposed that the Executive Directors pension entitlements would be reduced to be aligned with those available to the wider workforce.

The feedback received from the NEF was positive and they confirmed that the session was clear and extremely informative.

Remuneration Policy for the wider workforce

When setting the policy for Executive Directors, the Committee is made fully aware of pay structures across the workforce. In addition, the Committee will conduct a formal review of relevant elements of remuneration across the Group and for all levels of employee at least every three years as part of its Remuneration Policy review.

Virtually all of the Company's employees participate in incentive arrangements.

Many of our employees can elect to take their performance-related payment in Taylor Wimpey shares (and benefit from a 20% uplift) rather than in cash, further enhancing the link and alignment between shareholder value and employee reward throughout the Company, which both the Company and the Committee consider important. Alternatively, employees can elect to invest their performance-related payment into their pension and will therefore benefit from tax efficiencies.

The Company also offers both Sharesave and Share Incentive schemes to all eligible UK employees with more than three months' service and is delighted with the level of participation from across the business.

How performance measures were chosen

The performance metrics that are used for each of the short term and long term incentive plans have been selected to reflect the Group's key strategic goals and are designed to align the Executive Directors' and senior management's interests with those of the Company's shareholders. The Committee consults with major shareholders where any significant changes are proposed.

Directionally we propose to move to a broader scorecard approach including a more equal balance of financial and non-financial measures, including environmental ones. However, for 2021 our priorities are margin improvement and cashflow and so we propose that these measures should be incorporated into the plans for 2020 and therefore the use of cashflow as a measure will be included on both plans in the short to medium term.

The Committee will continue to review the choice of performance measures and the appropriateness of the performance targets each year. Targets are set based on a sliding scale that takes account of internal planning and external market expectations for the Company. Maximum rewards require substantial out-performance of our challenging plans approved at the start of each year, with a significantly lower level of rewards available for delivering threshold performance levels.

For further information on the 2020 performance measures for the EIS and PSP see page 122.

External non Executive Director positions

Subject to Board approval and provided that such appointments fall within the general requirements of the Code (and do not give rise to any conflict issues which cannot be managed by the Board and the Executive Director), Executive Directors are permitted to take on one non executive position with another company. Executive Directors are permitted to retain their fees in respect of such positions.

Details of any external positions held by the Executive Directors can be found in their biographies on pages 66 and 67.

Remuneration policy on recruitment or promotion

Base salary levels will be set in accordance with the Remuneration Policy, taking into account the experience and calibre of the individual. Where appropriate, the Company may offer a below market salary initially with a view to making above market and workforce increases over a number of years to reach the desired salary positioning, subject to individual and Company performance. Benefits will be provided in line with those offered to other Executive Directors and pension will be provided in line with the wider workforce, and relocation expenses will be provided if necessary. Tax equalisation may also be considered if an executive is adversely affected by taxation due to their employment with the Company. Legal fees and other costs incurred by the individual may also be paid by the Company, if considered appropriate and reasonable to do so.

The variable pay elements that may be offered will be subject to the maximum levels described in the policy table on pages 115 to 117. The Company may also consider applying different performance measures if it feels these more appropriately meet the strategic objectives and aims of the Company whilst incentivising the new appointee.

In the case of an external hire, the Company may choose to buy-out any incentive pay or benefit arrangements which would be forfeited on leaving the previous employer. This will only occur where the Company feels that it is a necessary requirement to aid the recruitment. The replacement value would be provided for, taking into account the form (cash or shares), timing and expected value (i.e. likelihood of meeting any existing performance criteria) of the remuneration being forfeited. Replacement share awards, if used, will be granted using Taylor Wimpey's existing share plans wherever and to the extent possible, although in exceptional circumstances awards may also be granted outside of these schemes if necessary and as permitted under the Listing Rules. To ensure alignment from the outset with shareholders, malus and clawback provisions may also apply where appropriate and the Committee may require new directors to acquire Company shares up to a pre-agreed level. Shareholders will be informed of any buy-out payments at the time of appointment.

In the case of an internal hire including a promotion, as previously reported, the Company will honour any commitments entered into prior to their appointment to the Board even where it is not consistent with the Policy prevailing at the time such commitment is fulfilled.

Directors' contracts and policy on payments for loss of office

It is the Company's policy that Executive Directors should have contracts of employment providing for a maximum of one year's notice either way.

Name	Date of appointment	Notice period
Pete Redfern	12 July 2007	12-months
Chris Carney	20 April 2018	12-months
Jennie Daly	20 April 2018	12-months

Pete Redfern, Chris Carney and Jennie Daly are proposed for re-election at the 2020 AGM and each will have at that date an unexpired service contract term of one year. As has previously been noted, James Jordan stood down from the Board on 31 December 2019 and will not be seeking re-election.

Each of the Executive Directors' service contracts provides for:

- The payment of a base salary
- An expensed company car or a cash allowance in lieu; a fuel allowance; life assurance; and private medical insurance
- Employer's contribution to a pension
- A notice period by either side of 12 months
- A provision requiring a Director to mitigate losses on termination

Each service contract contains the following performance-related provisions:

- Participation in the EIS
- Participation in one or more long term incentive plan

The Company has the right to terminate contracts by making a payment in lieu of notice. Any such payment will typically reflect the individual's salary, benefits in kind and pension entitlements. The Company will be mindful, on termination of an Executive Director's employment, of the need to mitigate costs and phase payments, which cease when the individual obtains an alternative role. There are no change of control provisions that apply in relation to the service contract of any Executive Director.

Other than in certain 'good leaver' circumstances (which could include redundancy, ill-health or retirement), no payment would usually be due under the EIS unless the individual remains employed at the payment date. Any payment to a good leaver under the EIS would be based on an assessment of their and the Company's performance over the applicable period and pro-rated for the proportion of the EIS year worked.

Where an Executive Director is considered by the Committee to be a good leaver, deferred EIS awards (shares) would vest. In other circumstances, awards would lapse.

With regard to long term incentive plan awards, the rules of the PSP provide that, other than in certain good leaver circumstances, awards lapse on cessation of employment. Where an individual is a good leaver, the Committee's normal policy is for the award to vest at the normal time following the application of performance targets and a pro-rata reduction to take account of the proportion of the applicable performance period outstanding post the cessation. The Committee also has discretion for both early vesting and reducing the impact of pro-rating. In doing so, it will take account of the reason for the departure and the performance of the individual through to the time of departure.

In situations where an Executive Director is dismissed, the Committee reserves the right to make additional exit payments where such payments are made in good faith:

– in discharge of an existing legal obligation (or by way of damages for breach of such an obligation);
– by way of settlement or compromise of any claim arising in connection with the termination of a Director's office or employment; or
– to contribute towards the individual's legal fees and fees for outplacement services.

The terms of engagement of the Chair of the Board and the Non Executive Directors are regulated by letters of appointment over a term of three years, which are reviewed annually. Both the Company and the aforementioned Directors have a notice period of six months and the Directors are not entitled to compensation on termination other than for the normal notice period if not worked out.

Service contracts for all Executive Directors and letters of appointment for all Non Executive Directors are available for inspection at the Company's Registered Office during normal business hours and at the AGM.

Terms of engagement

The terms of engagement of the Chair of the Board and the Non Executive Directors are regulated by letters of appointment as follows:

Name	Date of appointment as Director	Term of appointment	Notice period by Company (months)	Notice period by Director (months)
Kevin Beeston	1 July 2010	3 years, reviewed annually	6	6
Irene Dorner	1 December 2019	3 years, reviewed annually	6	6
Kate Barker	21 April 2011	3 years, reviewed annually	6	6
Gwyn Burr	1 February 2018	3 years, reviewed annually	6	6
Angela Knight	1 November 2016	3 years, reviewed annually	6	6
Robert Noel	1 October 2019	3 years, reviewed annually	6	6
Humphrey Singer	9 December 2015	3 years, reviewed annually	6	6

Legacy arrangements

Any commitment which is consistent with the approved Remuneration Policy in force at the time that the commitment was made will be honoured, even where it is not consistent with the policy prevailing at the time such commitment is fulfilled.

Annual Report on Remuneration

This Annual Report on Remuneration will be put to an advisory shareholder vote at the 2020 AGM.

Remuneration Committee

The role of the Remuneration Committee is to recommend to the Board a strategy and framework for remuneration for Executive Directors and senior management which will attract and retain leaders who are focused and incentivised to deliver the Company's strategic business priorities within a remuneration framework which is aligned with the interests of our shareholders and thus designed to promote the long term success of the Company.

The Committee's Terms of Reference are available on the Company's website at www.taylorwimpey.co.uk/corporate/our-company/governance. The Committee's main responsibilities are to:

– Establish and maintain formal and transparent procedures for developing policy on executive remuneration and for determining the remuneration packages of individual Directors and senior management, and to monitor and report on them.
– Determine the remuneration, including pension arrangements, of the Executive Directors and senior management.
– Approve annual and long term incentive arrangements together with their targets and levels of awards.
– Determine the level of fees for the Chair of the Board.
– Select and appoint the external advisers to the Committee.
– Review wider workforce remuneration and other policies.

For the majority of 2019, the Committee comprised three Independent Non Executive Directors and also the Chair of the Board. Gwyn Burr became Chair of the Committee on 25 April 2019. Although Kate Barker stood down as Chair of the Committee on 25 April 2019, she remains a member of the Committee alongside Angela Knight and Kevin Beeston. Irene Dorner became a member of the Committee when she was appointed to the Board as Chair-designate on 1 December 2019 and will remain on the Committee once she assumes the role of Chair of the Board on 26 February 2020.

Details of attendance at Committee meetings held during 2019 appear on page 106.

No Director or other executive is involved in any decisions about his or her own remuneration. Conflicts of interest are managed carefully. No Director is involved in any decisions about their own remuneration and a conflicts of interest register is maintained by the Company Secretary in accordance with the Company's Conflicts Policy.

Advice to the Committee

The Committee keeps itself fully informed on developments and best practice in the field of remuneration and it seeks advice from external advisers when appropriate.

The Committee appoints its own independent remuneration advisers and during the year it continued to retain the services of Korn Ferry.

Korn Ferry is a member of the Remuneration Consultants Group and signatory to its Code of Conduct. During 2019 Korn Ferry also provided other ad hoc remuneration services outside the scope of the Committee to the Company. The Committee reviews the performance and independence of its advisers on an annual basis and is satisfied that the advice provided is objective and independent.

The Committee also receives legal advice from Slaughter and May, the Company's solicitors, as and when necessary. This generally relates to technical advice on share schemes and also with regard to any senior appointments and termination arrangements. The Committee is satisfied that the advice provided by Slaughter and May is objective and independent.

The fees paid to the Committee's advisers in 2019 were: Korn Ferry £112,722 on a time and materials basis (2018: £115,280). No significant amount of advice was sought from Slaughter and May during the year.

Pete Redfern (Chief Executive), James Jordan (former Group Legal Director and Company Secretary), and Anne Billson-Ross (the Group Human Resources Director) each attended the Committee meetings during 2019 by invitation only but were not present for any discussions that relate directly to their own remuneration. Alice Marsden (who was appointed as Group General Counsel and Company Secretary in November 2019) attended the December Committee meeting.

How the Remuneration Policy will be applied in 2020

Base salary

The Committee reviewed the Executive Directors' salaries in February 2020 and decided to award increases of 2% to each Executive Director with effect from 1 April 2020, in line with the general workforce increase.

The salaries of the Executive Directors effective from 1 April 2020 will be as follows:

Executive Director	Salary at 1 April 2019	Salary at 1 April 2020	Increase
Pete Redfern	£874,161	£891,644	2%
Chris Carney	£438,600	£447,372	2%
Jennie Daly	£400,000	£408,000	2%

Pension and benefits

As detailed on page 106, with effect from 1 April 2020 the Executive Directors' pension contributions will be reduced in broadly incremental amounts over a five year period to the level of pension arrangements enjoyed by the wider workforce. Therefore, during 2020 Pete Redfern, Chris Carney and Jennie Daly will receive a pension contribution of 21.24%, 18% and 18% of salary respectively.

Annual Bonus Scheme

The Executive Incentive Scheme (EIS) performance metrics and their weightings for 2020 are shown in the table below. The precise details of the targets themselves are deemed to be commercially sensitive as they relate to the current financial year. However, detailed retrospective disclosures of the targets and performance against them will be provided in next year's Remuneration Report in the usual way.

Measure	Weighting
Group Operating Profit	35%
Cash Conversion	15%
Operating Profit Margin	10%
Customer Service	20%
Build Quality	20%

The metrics and weightings have changed in light of the updated business strategy to ensure that the EIS continues to remain in line with our business priorities and market expectations, whilst maintaining a structure that has a weighting of 60% linked directly to financial targets.

Given the Company's increased strategic focus on placing customers at the heart of decision making, Customer Service and Build Quality remain the two non-financial measures operating within the EIS. The Committee has decided to increase the weighting for Build Quality as it continues to be used as a measure to underpin our goal to deliver high-quality homes and to reduce the number of instances requiring remediation.

The Customer Service measure will continue to be based on the independent NHBC scores at both eight-weeks and the longer term nine-month customer satisfaction surveys. At eight weeks, this specifically measures how likely our customers would be to recommend Taylor Wimpey.

Cash Conversion and Operating Profit Margin have been reintroduced as measures for 2020 as the Committee believes that these are both critical measures at an operational level and will ensure that our priority remains converting our profit into healthy cash returns and providing strong support for further dividend progression over the medium term.

The Committee may use discretion to adjust payments where necessary.

One-third of any EIS payment will be payable in shares which must then be held for three years.

Clawback and malus provisions are in line with the Code requirements and the Committee is satisfied that they remain fully enforceable if ever needed.

Long Term Incentive Plan

In accordance with the Remuneration Policy, long term incentives take the form of the Taylor Wimpey Performance Share Plan (PSP) award with a maximum award of 200% of base salary (face value of shares at date of award). The annual awards granted to Executive Directors in 2019 will be subject to the following performance conditions:

Measure	Weighting (% of total award)	Below threshold (0% vesting)	Threshold (20% vesting)	Maximum (100% vesting)
TSR v Peer Group	40%	Below median	Median	Upper quartile
RONOA in (2020-2022)	20%	Below 26%	26%	33%
Cash Conversion (2020-2022)	20%	Below 70%	70%	80%
Customer Service (2020-2022)	20%	Below 83%	83%	87%

Awards vest on a straight-line basis between the above threshold and maximum vesting levels.

The Committee has made some modifications to the performance measures for 2020 to reflect the Company's long term strategic priorities.

As mentioned on page 109, customer service continues to be a key strategic priority for the Company and therefore has been included as a performance measure for 2020.The Customer Service element of the PSP will be based on a broader set of questions independently measured through the NHBC eight-week survey, therefore will be on a different measurement basis to the EIS customer service measure.

TSR will remain a performance condition. However, to simplify the TSR element, relative TSR measured against the FTSE 100 will no longer be used, instead 40% of the Award will focus solely on performance against a listed housebuilder peer group (the Peer Group). The Peer Group is an unweighted index comprised of Barratt Developments, Bellway, Berkeley Homes, Bovis Homes Group (now Vistry Group), Countryside Properties, Crest Nicholson, Persimmon and Redrow. Galliford Try has been removed from the Group following the acquisition of its housing division (Linden Homes) by Vistry Group. By retaining TSR as a measure it aligns the rewards received by executives with the returns received by shareholders.

There will continue to be a Cash Conversion and RONOA measure (which will both be assessed as aggregates across the full three-year period) to ensure that returns to shareholders and the generation of cash to fund them are the result of long term sustainable financial performance.

The Committee has reviewed all targets and believes they remain stretching and appropriate in the present market outlook for the medium term.

The Committee may use discretion to adjust payments where necessary to avoid formulaic driven outcomes in light of significant negative events.

Clawback and malus provisions are in line with the Code requirements and the Committee is satisfied that they remain fully enforceable if ever needed.

PSP awards are subject to a two-year post-vesting holding period.

Dividend equivalents and other distributions will accrue on vested awards and continue to accrue to the extent awards remain unexercised post vesting. In line with best practice, from 2020 it is intended that all accrued dividends will be paid via shares rather than in cash and will be subject to the aforementioned two-year post-vesting holding period.

Retirement of James Jordan, Group Legal Director and Company Secretary

As announced on 28 March 2019, James Jordan stepped down from the Board as Group Legal Director on 31 December 2019 (having already relinquished his role as Company Secretary on 4 November 2019). James will continue to have an active role in the business until he formally retires on 31 March 2020. The following arrangements will be applied in respect of James Jordan's remuneration in line with the remuneration policy.

The amounts disclosed in the single figure table on page 124 relate to the entire 2019 period. As James had an active role in the business for the entirety of 2019 he is eligible to participate in the 2019 EIS arrangements for the full year and as the EIS outcome was 50.6% James will receive £308,048. One-third of this EIS award will be deferred into shares for three years and will vest at the normal time in March 2023.

As detailed on page 125, the Company partially achieved the 2017 PSP Award performance conditions and therefore the Award will vest at 62.8%. James will be entitled to exercise 258,946 shares on the normal vesting date and will also receive a dividend equivalent payment. The two-year holding period will apply.

No EIS award will be payable for 2020 and James will not receive a PSP award in 2020.

The Committee determined that James should receive good leaver treatment in respect of his unvested EIS deferred shares and unvested PSP Awards. James' unvested 2016, 2017 and 2018 Deferred Bonus Plan awards (over 78,148; 69,773 and 106,031 shares respectively) will vest at the normal time together with any dividend equivalent payments (in March 2020, March 2021 and March 2022). His outstanding PSP Awards (granted in March 2018 and March 2019) over 417,125 and 440,336 shares respectively will be scaled back pro-rata based on time employed subject to performance measured over the relevant three-year performance period and subject to the two-year post-vesting holding period.

Clawback and malus provisions will continue to apply after cessation of employment.

James will continue to have an active role in the business until he retires on 31 March 2020 therefore he will continue to receive salary, benefits and pension, in accordance with his contractual entitlements; which will total £139,383 for 1 January 2020 to 31 March 2020.

Payments for loss of office to former Directors (audited)

There were no payments made to former Directors.

Fees

The current fees for the Chair of the Board and Non Executive Directors are set out below. As announced, Irene Dorner will become Chair of the Board on 26 February 2020 and will receive the same fee as Kevin Beeston, her predecessor.

	Annual fees as at 1 April 2020
Chair of the Board	£320,000
Basic Non Executive Director and Chair-designate	£60,000
Senior Independent Director	£17,500
Audit Committee Chair	£17,500
Remuneration Committee Chair	£17,500

Implementation of the Remuneration Policy during 2019

Director emoluments (audited)

£'000	Year	Fees and salary	Benefits[a]	EIS	PSP[b]	Pension[c]	All-employee schemes[d]	Total
Executive								
Pete Redfern	**2019**	**870**	**54**	**663**	**1,225**	**209**	**2**	**3,023**
	2018	852	54	1,195	964	205	2	3,272
Chris Carney (appointed 20 April 2018)	**2019**	**436**	**20**	**333**	**359**	**87**	**2**	**1,237**
	2018	300	21	416	165	60	1	963
James Jordan (stood down 31 December 2019)	**2019**	**404**	**51**	**308**	**569**	**100**	**8**	**1,440**
	2018	395	51	555	448	98	2	1,549
Jennie Daly (appointed 20 April 2018)	**2019**	**400**	**18**	**304**	**183**	**80**	**2**	**987**
	2018	216	12	298	83	43	1	653
Non Executive								
Kevin Beeston	**2019**	**320**	**1**	**–**	**–**	**–**	**–**	**321**
	2018	308	1	–	–	–	–	309
Irene Dorner (appointed 1 December 2019)	**2019**	**5**	**-**	**–**	**–**	**–**	**–**	**5**
	2018	–	–	–	–	–	–	–
Kate Barker	**2019**	**83**	**–**	**–**	**–**	**–**	**–**	**83**
	2018	87	–	–	–	–	–	87
Gwyn Burr	**2019**	**72**	**–**	**–**	**–**	**–**	**–**	**72**
	2018	55	–	–	–	–	–	55
Angela Knight	**2019**	**60**	**–**	**–**	**–**	**–**	**–**	**60**
	2018	60	–	–	–	–	–	60
Robert Noel (appointed 1 October 2019)	**2019**	**15**	**–**	**–**	**–**	**–**	**–**	**15**
	2018	–	–	–	–	–	–	–
Humphrey Singer	**2019**	**78**	**–**	**–**	**–**	**–**	**–**	**78**
	2018	73	–	–	–	–	–	73
Total	**2019**	**2,743**	**144**	**1,608**	**2,336**	**476**	**14**	**7,321**
	2018	2,346	139	2,464	1,660	406	6	7,021

(a) Benefits comprise non-cash payments to Pete Redfern, James Jordan, Chris Carney and Jennie Daly for private medical insurance, life assurance and company car provision (the value of the company car provided was £39,129, £38,594, £16,574 and £14,693 respectively). Kevin Beeston's benefit relates to the provision of private medical insurance.
(b) This column shows the vesting during 2019 and 2018 of the PSP as set out in the tables at the top of page 125 and includes the value of dividends accrued during the performance period and payable on vesting. The 2018 totals have been restated to reflect the actual share price at vesting of 177.0 pence. The 2018 figures for Chris Carney and Jennie Daly have been pro-rated. None of the values received in 2018 and 2019 relate to a share price increase from the date of Award and date of Vesting.
(c) For Pete Redfern and James Jordan these figures represent the cash allowances payable. For Chris Carney and Jennie Daly these figures represent pension contributions up to the amount permissible under HMRC rules and cash allowances beyond this level.
(d) These figures represent the value of the 20% discount on the Sharesave option price, matching shares under the Share Incentive Plan and the payment of special dividends accrued on Sharesave options exercised by James Jordan during 2019 and grossed-up for income tax and national insurance.

Performance Share Plan (audited)

PSP awards included in the 2018 total remuneration figure – overall vesting 50.0%

Award	Performance target	Weighting	% of maximum	Date of end of performance period	Date of vesting	Share price at vesting
2016 PSP[a]	TSR FTSE	20%	0%	31/12/2018	27/02/2019	177.0[a]
	TSR Peer Group	30%	0%	31/12/2018	27/02/2019	177.0[a]
	RONOA	25%	25%	31/12/2018	27/02/2019	177.0[a]
	Cash Conversion	25%	25%	31/12/2018	27/02/2019	177.0[a]

(a) The share price shown is the closing middle market share price on the date of vesting – 27 February 2019.

PSP awards included in the 2019 total remuneration figure – overall vesting 62.8%

Award	Performance target	Weighting	% of maximum	Date of end of performance period	Date of vesting	Share price at vesting
2017 PSP[a][b]	TSR FTSE 100	20%	20%	31/12/2019	26/02/2020	172.2[a]
	TSR Peer Group	30%	0%	31/12/2019	26/02/2020	172.2[a]
	RONOA	20%	20%	31/12/2019	26/02/2020	172.2[a]
	Cash Conversion	15%	15%	31/12/2019	26/02/2020	172.2[a]
	Operating Profit Margin	15%	7.8%	31/12/2019	26/02/2020	172.2[a]

(a) The share price shown is the average of the share prices for the dealing days in the last three months (October to December 2019) and will be restated in next year's Annual Report and Accounts to reflect the actual share price on vesting on 26 February 2020.
(b) On exercise, an equivalent proportion of cash accrued in lieu of dividends paid during the performance period, will also be paid net of income tax and national insurance.

Vesting of PSP awards in 2019 (audited)

2017 PSP Award

The performance period for all elements of the 2017 PSP award ended on 31 December 2019 and the final measurement was undertaken based on this date, with the performance outcome being independently calculated by Korn Ferry and as part of the overall audit process.

The outcomes were as follows:

		Vesting scale				
Measure	Weighting	No vesting	20% vesting	100% vesting	Performance achieved	% of maximum
TSR FTSE 100	20%	Below median	Median	Upper quartile or above	Above upper quartile	20%
TSR Peer Group	30%	Below Index TSR	Index TSR	Index TSR +8% p.a. (multiplicative) or above	TW TSR: 51.3% Median TSR: 61.5%	0%
RONOA in 2019	20%	Below 26%	26%	30% or above	31.4%	20%
Cash Conversion (averaged over 2017-2019)	15%	Below 65%	65%	75% or above	87.6%	15%
Operating Profit Margin (averaged over 2017-2019)	15%	Below 20%	20%	Above 22%	20.8%	7.8%
Total	**100%**					**62.8%**

In deciding whether, and to what extent, any vesting of awards should take place under any PSP, the Committee also considers the overall financial performance of the Company during the period. The Committee has determined that the overall financial performance of the Company has been strong and therefore determined that the 2017 PSP awards should vest at 62.8% based on the achievement of three performance measures in full, as set out in the table above.

Directors' PSP awards granted during 2019 (audited)

Performance awards were made in March 2019 as summarised below:

	Award	Type	Number of shares	Face value (% of salary)[a]	Performance conditions	Performance period	% vesting at threshold performance
Pete Redfern	PSP	Nil-cost options	947,769	£1,714,042 (200%)	30% on TSR v Peer Group Index 20% on TSR v FTSE 100 20% on RONOA 15% on Cash Conversion 15% on Operating Profit Margin	01/01/2019 – 31/12/2021	20%
Chris Carney	PSP	Nil-cost options	475,532	£860,000 (200%)	As above	As above	As above
James Jordan	PSP	Nil-cost options	440,036	£795,804 (200%)	As above	As above	As above
Jennie Daly	PSP	Nil-cost options	442,355	£800,000 (200%)	As above	As above	As above

(a) Calculated using the share price of 180.85 pence being the average of the closing prices for 28 February, 1 and 4 March 2019.

EIS in respect of 2019 (audited)

For 2019, the Committee measured performance against each individual performance target, which is directly linked to the achievement of the Company's strategy, as described in more detail on pages 24 and 108, as follows:

Measure	Strategic goal / KPI		Weighting	Summary of targets: Entry (10% vesting)	Target (50% vesting)	Stretch (100% vesting)	Result	% of maximum
Operating Profit (£)	To increase aggregate profit		40%	£830m	£860m	£900m	£850.5m	14.9%
RONOA (%)	Driving capital efficiency		20%	30%	31%	33%	31.4%	12.1%
Order Book (£)	Provide greater emphasis on sales volume		10%	£1,848m	£2,189m	£2,324m	£2,252.2m	7.3%
Build Quality	To deliver high-quality homes and to reduce remediation		10%	3.90	3.95	4.00	4.13	10%
Customer Service	Improving and delivering customer service based on key National House-Building Council performance standards	8-week survey	10%	72%	86%	89%	80%	3.3%
		9-month survey	10%	70%	72%	74%	71%	3%
Total			**100%**					**50.6%**

The amounts paid to the Executive Directors in respect of 2019 are set out in the Directors' emoluments table on page 124. One-third of the bonus paid will be deferred in shares for three years.

Executive Directors' interests in the Company's share schemes (audited)

Details of the options and conditional awards over shares held by Directors who served during the year are as follows:

	Maximum potential outstanding shares as at 1 January 2019	Additional maximum potential awarded during the year	Dividend re-investment shares added during the year	Delivered / exercised during the year	Lapsed during the year	**Maximum potential receivable as at 31 December 2019**	**Maximum shares vesting in: 2020**	**2021**	**2022**
Pete Redfern									
Deferred shares (EIS)	563,443	228,375	65,304	204,026	–	653,096	218,036	181,313	253,747
Performance Share Plan (PSP)	2,675,251	947,769	–	444,360	444,360	2,734,300	888,108	898,423	947,769
Sharesave Plan	18,863	–	–	–	–	18,863	–	–	18,863
Total	**3,257,557**	**1,176,144**	**65,304**	**648,386**	**444,360**	**3,406,259**	**1,106,144**	**1,079,736**	**1,220,379**
Chris Carney									
Deferred shares (EIS)	–	108,810	12,088	–	–	120,898	–	–	120,898
Performance Share Plan (PSP)	771,087	475,532	–	108,458	108,459	1,029,702	260,021	294,149	475,532
Sharesave Plan	20,891	–	–	–	–	20,891	–	11,460	9,431
Total	**791,978**	**584,342**	**12,088**	**108,458**	**108,459**	**1,171,491**	**260,021**	**305,609**	**605,861**
James Jordan									
Deferred shares (EIS)	261,595	106,031	30,318	94,726	–	303,218	101,229	84,180	117,809
Performance Share Plan (PSP)	1,242,079	440,036	–	206,309	567,279	908,527	412,335	312,844	183,348
Sharesave Plan	12,534	7,413	–	6,876	–	13,071	5,658	–	7,413
Total	**1,516,208**	**553,480**	**30,318**	**307,911**	**567,279**	**1,224,816**	**519,222**	**397,024**	**308,570**
Jennie Daly									
Deferred shares (EIS)	–	76,315	8,480	–	–	84,795	–	–	84,795
Performance Share Plan (PSP)	467,244	442,355	–	54,438	54,439	800,722	132,719	225,648	442,355
Sharesave Plan	22,921	–	–	–	–	22,921	–	22,921	–
Total	**490,165**	**518,670**	**8,480**	**54,438**	**54,439**	**908,438**	**132,719**	**248,569**	**527,150**

Vesting of the deferred shares and Sharesave Plan options are not dependent on any performance conditions. The vesting of the PSP is subject to the achievement of performance conditions.

There have been no variations to the terms and conditions or performance criteria for outstanding share awards during the financial year. The market price of the ordinary shares on 31 December 2019 was 193.40 pence and the range during the year was 136.85 pence to 201.20 pence. Details of any share awards made to the Executive Directors during 2020 will be included in the 2020 Remuneration Report.

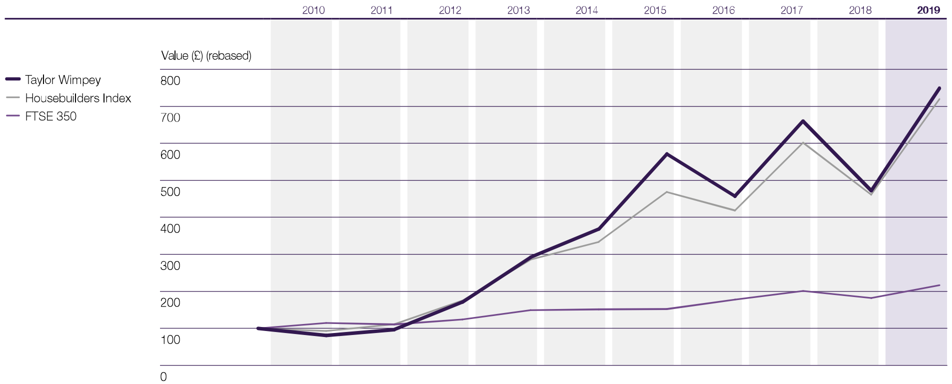
James Jordan stood down from the Board on 31 December 2019. His leaving arrangements are set out on page 123. His outstanding Performance Share Plan awards have been pro-rated to his leaving date of 31 March 2020. For transparency, these lapses are shown in the 'lapsed during the year' column.

The Directors do not hold any vested but unexercised share options.

Performance graph (unaudited)

This graph shows the value of £100 invested in Taylor Wimpey plc on 31 December 2009 compared with the value of £100 invested in the FTSE 350 and in the average of the Housebuilder Index introduced for the 2012 Performance Share Plan awards onwards and as varied subsequently for the 2014 and 2016 awards. These benchmarks have been chosen as Taylor Wimpey is a constituent of both.

Total shareholder return



Source: Thomson Reuters Datastream.

Chief Executive historic remuneration (unaudited)

	Year ending 31 December									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	**2019**
Total remuneration (£'000)	1,542	1,674	3,009	6,724	6,250	6,888	4,072	3,697	3,272	**3,023**
EIS (%)	85	82	95	90	90	78	80	66	93	**50.6**
PSP vesting (%)	0	0	40	85	94	100	81	78	50	**62.8**

The table above shows the total remuneration figure for the Chief Executive over the same 10-year period as is shown in the TSR graph above. The total remuneration figure includes the EIS and PSP awards which vested based on performance in those years. The EIS and PSP percentages show the payout for each year as a percentage of the maximum award that could have been paid or received.

CEO pay ratios (unaudited)

Year	Method	CEO single figure	All UK employees	Lower quartile	Median	Upper quartile
			Ratio	103:1	77:1	41:1
2018[a]	Option B	£3,151,748	Total pay	£30,375	£41,135	£76,575
			Salary	£26,412	£26,873	£52,458
			Ratio	**93:1**	**73:1**	**48:1**
2019[b]	**Option B**	**£3,023,654**	**Total pay**	**£32,342**	**£41,483**	**£62,418**
			Salary	**£27,500**	**£31,277**	**£45,621**

(a) The 2018 CEO single figure disclosed has not been restated to reflect the share price on the date the 2016 PSP Award vested. We have chosen to do this for transparency purposes so that we are comparing the ratios disclosed in 2018.
(b) The three representative employees were determined on 31 December 2019.

Our CEO pay ratios have been calculated using 'option B' which is to use the 2019 gender pay gap data to identify the three employees that represent the lower quartile, the median and the upper quartile. We believe this provides us with a clear methodology involving less adjustments to calculate Full-Time Equivalent earnings and is more likely to produce more robust reporting year on year.

The Committee has reviewed the results of the calculations and is satisfied that they continue to be representative of the respective quartiles.

The lower quartile and median ratios have both reduced. This decrease is attributed to the CEO single figure being lower than in 2018; this is predominantly a result of the short term incentive bonus outturn for 2019 being significantly lower than the previous year (2019: 50.6%; 2018: 93%). Further details of the different elements of the CEO pay can be found on page 124.

The impact of the reduced bonus payment for 2019 has resulted in an increase in the upper quartile ratio. This increase is a result of the representative employee in the upper quartile having a relatively high maximum bonus potential in comparison to the lower quartile and median employees which, as is the case for the CEO, achieved a lower actual payment for 2019, and lower than last year's equivalent representative employee.

There has been no significant change to the Company's employee remuneration structure during the year; however there continues to be a focus on increasing our use of direct labour within the Company to mitigate the industry-wide skills shortage. The Company now employs 643 apprentices; trainees and apprentices are lower paid and impact on inter-quartile range.

As has been noted on page 118, the Committee has reviewed the remuneration policies and practices for the wider workforce in conjunction with the Directors' Remuneration Policy review during the year – this includes the maximum bonus potential for all new employees. The Committee is satisfied that there is a good level of consistency in relation to pay policies throughout Taylor Wimpey.

Change in Chief Executive pay compared to that of Taylor Wimpey employees (unaudited)

The table below shows the percentage year on year change in salary, benefits and annual bonus earned between 2018 and 2019 for the Chief Executive and compared to the average percentage year on year change of Taylor Wimpey employees during the same year.

	Salary	Benefits	Annual bonus scheme
Pete Redfern	2%	0%	-45%
Average pay of Taylor Wimpey employees	3%	0%	-20%

Change in Company performance relative to change in remuneration (unaudited)

	2018	**2019**	Change (%)
Profit before tax, interest and exceptional items	£880.2m	**£850.5m**	-3.4%
Dividends paid per ordinary share			
– interim 2019 / interim 2018 (3.84p / 2.44p)			
– final 2019 / final 2018 (3.80p / 3.80p)			
– special 2019 / special 2018 (10.7p / 10.4p)	16.64p	**18.34p**	10.2%
Employee pay in aggregate (See Note 7 to the financial statements)	£270.4m	**£290.4m**	7.4%
Employee pay average per employee (See Note 7 to the financial statements)	£49,688	**£49,363**	-0.7%

Directors’ interests in shares of the Company

Share ownership guidelines

The Taylor Wimpey share ownership guidelines are designed to encourage shareholding in Taylor Wimpey plc by executives at various levels within the Company for the purpose of alignment with the Company’s shareholders. The guidelines cover the Executive Directors and those executives who participate in long term incentive plans with all participating executives required to build up shareholdings through the retention of shares vesting under the Company’s share plans.

The level of required shareholding for Executive Directors to attain is two times base salary. Subject to shareholder approval at the 2020 AGM the shareholding guidelines will be simplified by requiring Executive Directors to retain at least 50% of their net of taxes gain arising from any shares vesting or acquired pursuant to the Company’s Long Term Incentive Plans, until such time as the guidelines have been met. Beneficially owned shares count toward the guidelines, together with the portion of the annual bonus (EIS) deferred into shares (on a net of tax basis) and any vested but unexercised PSP awards. As mentioned earlier in this Report, any shares that are acquired through a PSP award vesting must, as a standard requirement, be retained by executives for at least 24 months.

The Chair and the Non Executive Directors are also encouraged to hold shares in the Company in order to align their interests with those of shareholders.

Directors’ interests in shares of the Company (audited)

	Beneficially owned		Outstanding interests in share plans			Share interests expressed as a % of salary
Director	at 01/01/19 (ordinary shares)[a]	at 31/12/19 (ordinary shares)	EIS deferred shares (gross)	PSP[b]	Sharesave	Value of shares (including EIS deferred shares on a net basis) as at 31/12/19[c]
Kevin Beeston[d]	718,432	777,596	–	–	–	–
Pete Redfern	2,993,706	1,188,804	653,096	2,734,300	18,863	339%
Chris Carney	190,606	253,182	120,898	1,029,702	20,891	140%
James Jordan[e]	937,858	1,106,146	303,218	908,527	13,071	603%
Jennie Daly	67,477	98,484	84,795	800,722	22,921	69%
Kate Barker	60,000	60,000	–	–	–	–
Gwyn Burr	–	–	–	–	–	–
Irene Dorner	–	15,000	–	–	–	–
Angela Knight	10,000	10,000	–	–	–	–
Robert Noel	–	–	–	–	–	–
Humphrey Singer	25,000	25,000	–	–	–	–

(a) Or date of appointment.
(b) Vesting is subject to the achievement of performance conditions.
(c) This has been calculated on the basis of beneficially owned shares and the net amount of EIS shares.
(d) Some of Kevin Beeston’s shares are held by a connected person.
(e) James Jordan stood down from the Board on 31 December 2019.

The only changes to the Directors’ interests as set out above during the period between 31 December 2019 and 25 February 2020 were the regular monthly purchases of shares and 1:1 matching by the Company under the Share Incentive Plan by Pete Redfern, Chris Carney and Jennie Daly who acquired 292 shares each.

Directors’ pension entitlements (audited)

Defined benefit schemes

The Taylor Wimpey Pension Scheme

Pete Redfern and James Jordan are members of the Taylor Wimpey Pension Scheme (TWPS). The following table sets out the transfer value of their accrued benefits under the TWPS calculated in a manner consistent with The Occupational Pension Schemes (Transfer Values) Regulations 2008.

Director	Normal retirement age	Accrued pension as at 31/12/18	Increase in accrued pension from 31/12/18 to 31/12/19	Accrued pension as at 31/12/19[a]	Transfer value gross of Director’s contributions at 31/12/19[c]	Transfer value gross of Director’s contributions at 31/12/18[b]	Increase (decrease) in transfer value from 31/12/18 to 31/12/19 less Director’s contributions[c]
Pete Redfern	62	15,255	370	15,625	389,163	313,150	76,013
James Jordan	62	28,220	684	28,904	848,009	712,473	135,536

(a) The pension benefits are based on service up to 31 August 2010 when the George Wimpey Staff Pension Scheme (GWSPS) closed to future accrual. Members of the GWSPS were transferred into the Taylor Wimpey Pension Scheme (TWPS) on 1 October 2013 and there was no change to members’ benefit entitlement. Pension benefits include a two thirds spouse’s pension. Pensions accrued up to 5 April 2009 will revalue in deferment in line with inflation subject to an overall cap of 5% per annum. Pensions accrued after 5 April 2009 will revalue in deferment in line with inflation subject to an overall cap of 2.5% per annum. Once in payment, pensions accrued up to 5 April 2006 are guaranteed to increase in line with inflation limited each year to 5%, pensions accrued after 5 April 2006 are guaranteed to increase in line with inflation limited each year to 2.5%. The Company has only taken into account defined benefits accrued over the period to 31 August 2010 and has not included any Defined Contribution pension benefits accrued after this date.
(b) Transfer values have been calculated in accordance with The Occupational Pension Schemes (Transfer Value) Regulations 1996 (as amended).
(c) The transfer value includes the effect of fluctuations due to factors beyond the control of the Company and Directors, such as financial market movements.

Note: Pete Redfern and James Jordan received cash allowances of £209,226 (2018: £204,991) and £99,896 (2018: £98,001) respectively in lieu of Company pension contributions.

There were no changes to benefits during the year and consequently no difference between the changes to any Director’s pension benefits in comparison with those of other employees.

Non-Group pension arrangements

	2019 (£)	2018 (£)
Chris Carney	**9,988**	6,985
Jennie Daly	**10,007**	6,981

Notes: Chris Carney and Jennie Daly also received pension allowances of £77,290 (2018: £52,592) and £70,008 (2018: £36,114) respectively in lieu of Company pension contributions over the Tapered Annual Allowance limit introduced in April 2016. Allowances for 2018 are pro-rated to their appointment date.

Statement of shareholder voting (unaudited)

At the 2019 AGM, the result of the shareholders’ vote on the Company’s Remuneration Report for 2018 was:

	2019 (Votes)
For	**2 billion (97%)**
Against	**71 million (3%)**
Withheld	**11,910,493**

At the 2017 AGM, the result of the shareholders’ vote on the Company Remuneration Policy was:

	2017 (Votes)
For	1.9 billion (98%)
Against	38 million (2%)
Withheld	1,502,137

Approval

This Remuneration Report was approved by the Board of Directors on 25 February 2020 and signed on its behalf by the Remuneration Committee Chair:

Gwyn Burr
Chair of the Remuneration Committee

25 February 2020