

## Group Management Team Q&amp;A

# Energised for the year ahead

## Group Management Team

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Chief Executive

**Chris Carney**  
Group Finance Director

**Jennie Daly**  
Group Operations Director

**Alice Marsden**  
Group General Counsel and Company Secretary

**Anne Billson-Ross**  
Group Human Resources Director

**Nigel Holland**  
Divisional Chair, Central and South West

**Daniel McGowan**  
Divisional Chair, North

**Ingrid Osborne**  
Divisional Chair, London and South East

**Lee Bishop**  
Major Developments Director

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### Q What are the key priorities for 2020?

**A JD** In 2019, our teams achieved an industry-leading sales rate, delivering a 5% increase in home completions whilst at the same time improving quality, no mean feat. They have been busy implementing several initiatives over the past three years so, in 2020, our priority is embedding these improvements across the business. That said, one of our values is 'better tomorrow' so the Board has set a manageable number of new priorities for 2020. These are: increased focus on costs and process simplification, supporting our apprentice and direct labour programmes, outlining our environmental strategy and work on smoothing the completions profile to prevent bottlenecks and improve our customers' experience. We will also work on specific medium term planning to deal with life post-Help to Buy and really test and challenge the cost base and specification of our new house type range, before we roll it out to our businesses and for our customers.

### Q In an improved land market, what are the benefits of a large strategic land pipeline?

**A DM** Under certain conditions in the cycle, strategic land can provide a margin advantage but the benefits of a large pipeline are broader. We have a record strategic pipeline of c.140k potential plots in areas we believe customers want to live. We have an excellent track record of converting these plots through the planning system, and for several years over half of our completions have been through strategic land. Therefore, the key benefits of our strategic pipeline are the advantage it gives us when planning our business and the significant competitive advantage of having exclusive opportunities to develop in locations where our customers want to live, close to local economies and amenities, supported by good transportation links. Strategically, good visibility of land coming through our pipeline enables us to plan great, sustainable places to live, maintaining strong buying discipline and so protecting our margin.

### Q How will you manage market uncertainty?

**A IO** Monitoring market conditions is a constant focus. As well as our live internal operating information, the GMT closely monitors market conditions across a range of metrics including market transactions, house pricing, materials pricing, affordability, planning permissions and land transactions. We are cautiously run with a strong balance sheet. We have built robustness and flexibility into our 24 regional businesses and are well positioned for all market conditions. Our Principal Risks (outlined on page 48) are closely monitored and discussed at Board and GMT meetings. This year we have refreshed our approach to explaining risks in a way which we hope is more helpful to our stakeholders.

### Q What are your key employee challenges?

**A ABR** You will see employee quotes throughout this report taken from responses to our 2019 values campaign, and they show we are fortunate to have a motivated and engaged workforce. Our 2019 employee engagement survey was very positive, and Glassdoor identifies us as one of the UK's top 50 places to work for a third successive year (as voted for by our employees). Retaining our talent is always a focus and we are committed to training and personal development plans to help everyone reach their potential and continue to advance initiatives to improve diversity and inclusivity (see our online Gender Pay Gap Report). Developing our pool of directly employed key trades is a key priority for 2020 to build in flexibility and establish a workforce with a customer focus and Taylor Wimpey values. As an industry leader in developing new trade apprentices, it is vital we have the supporting structures and teams of experienced colleagues in place to support them once they qualify.

### Q What is your response to climate change?

**A LB** We acknowledge the serious threat posed by climate change and biodiversity loss and the need for urgent action. The development of our environmental strategy and introduction of a science-based carbon reduction target by the end of 2020 is about formalising the good practices put in place throughout the business by our site teams and Sustainability Champions. We are pleased to have reduced our direct emissions intensity by 43% since 2013 and are on track for our targeted 50% reduction by 2023. We have also achieved an absolute reduction in emissions of 19% since 2013, even with a 42% increase in completed floor area. Taking action on the environment helps us to create better places to live for our customers and strengthens our relationships with employees and other stakeholders. It also reduces costs and risks to the business, with climate change and biodiversity identified as key risks and monitored by the Board.

### Q Are large sites still important?

**A NH** Our 'strategy for larger sites' should not be confused with us having a 'large site strategy' (prioritising larger sites over all others), we need a mix of site sizes for our planning and to better react to changing market circumstances. Large sites, where we generally operate from an earlier stage, offer us a great opportunity to shape and improve placemaking (design, facilities, biodiversity, landscaping) which is a key part of helping our customers develop new communities, a key focus for the Group. Sites such as Great Western Park (Didcot) and Somerdale (Keynsham) are excellent examples of what is possible in terms of creating attractive green spaces and excellent community facilities.

