

## Chair's statement

# Optimising performance, investing in long term sustainability



**We must optimise short term performance but continue to invest in areas that matter for the future sustainability of the business.”**

Robert Noel  
Chair



## Dear shareholder,

In 2023, customers' affordability was significantly reduced by increased mortgage rates. This directly impacted Taylor Wimpey and the wider housebuilding sector's volumes, and earnings. In my first year as Chair, I am very pleased to report that, despite this backdrop, we have delivered a good financial performance which was in line with expectations, with revenue of £3.5 billion (2022: £4.4 billion) and operating profit\* of £470.2 million (2022: £923.4 million). We have also delivered a resilient performance across each element of ESG (environmental, social and governance) which is important to us and you can read more about this on page 7.

As my predecessor, Irene Dorner, wrote in her letter last year, it is in changing market conditions where the experience and strength of our team really count. I am pleased to say that we have reaped the benefit of a very experienced management team, led by CEO Jennie Daly, who have responded proactively and decisively with an unwavering focus on cost and operating efficiency. I would also like to thank all our people and our partners for their continued hard work and dedication.

You can read more about our 2023 financial performance in Group Finance Director Chris Carney's section and how this was achieved in Jennie Daly's section and throughout this report.

## Health and safety

Health and safety remains our number one priority in all markets and it is the first topic covered in every Board, Group Management Team (GMT) and local regional management team meeting across the country. Building sites are inherently dangerous places and so it is essential that strict safety protocols

are identified, embedded, monitored and enforced, and a clear, consistent and disciplined approach to safety is key throughout the organisation. I am therefore delighted that 98% of our employees agree that we take health and safety seriously.

The Board is also pleased to see another year of progress in this area, even against a strong comparator, with our Annual Injury Incidence Rate (AIIR) for reportable injuries per 100,000 employees and contractors down to 151 in 2023 (2022: 166), remaining well below both the HBF Home Builder Average AIIR of 241 and the Health and Safety Executive construction industry average AIIR of 296. Maintaining and improving standards requires constant vigilance and part of this is identifying areas where we can do better. We are therefore reiterating and reinforcing our focus on health, safety and environmental compliance across the business, to include additional training.

## Building for the future

The theme of this report is 'Building for the future', which underscores that while we must optimise short term performance for today's market, we have a long term focus and continue to invest today in areas that matter for the sustainability and success of the Company. I am pleased to say that your Board has the confidence that Taylor Wimpey has both the resilience and fundamentals in place to weather all market conditions and to capitalise on future market opportunities.

This year, 'Building for the future' has another, more literal meaning, given we launched our zero carbon ready homes prototypes, the first of their kind on a live development site. We are pleased with our progress on this project and our preparedness well ahead of future regulation – you can read more about this throughout this report.

## Chair's statement continued

### Stakeholder engagement

During my time as Board employee representative, I was privileged to hear the views of many of our colleagues first hand and to represent the employee voice in the boardroom. We continue to promote the employee voice through our local and national employee forums.

This year the Board has visited a number of regional business units and sites, including our Sudbury prototypes, which you can read about in more detail on page 36, and the strong and positive culture, to do the right thing, that permeates our organisation remains very evident.

Following interviews with all our key stakeholders, we have updated our material impacts which show the areas that are most material for our business, valued by our stakeholders and where we can have the most positive impact through our approach to every element of ESG. You can read more about this on page 49.

The executives and I have also continued to have a high level of engagement with institutional shareholders. We look forward to continuing this level of engagement at the AGM and in future institutional shareholder meetings.

This year's AGM will take place in person at the Crowne Plaza Hotel, Gerrards Cross. Like last year, a live audiocast of our AGM will be available to qualifying shareholders, to further encourage shareholder engagement and accessibility. Shareholders will also be able to submit their vote in advance by proxy and email questions in advance of the meeting.

\* Definitions and reconciliations of our APMs to the equivalent statutory measures are included in Note 32 of the financial statements. Please see page 81 for definitions.

### Governance

Whilst the Board's composition was unchanged during 2023 in terms of personnel, there were changes in April to a number of key roles and to the membership of the Remuneration Committee.

Following my appointment as Chair, my predecessor Irene Dorner continues on the Board as a non-independent Non Executive Director and continues to give us the benefit of her wide experience.

Humphrey Singer succeeded me as Senior Independent Director and has over eight years' experience of the Company and its Board, to draw upon when engaging with stakeholders.

Mark Castle took over my role as the Board's Employee Champion and has further developed the Board's interaction with employees at all levels across the Group and the promotion of their views into relevant Board discussions. Finally, Mark Castle and Clodagh Moriarty joined the Remuneration Committee.

Non Executive Directors visited an increased number of the Group's regional businesses and sites during the year. We enjoyed and learned from the interaction with employees across the business.

ESG engagement at Board level was enhanced during 2023 with more regular and expanded reporting, supported by the introduction of a tracker of progress against key metrics.

### Dividend

We are pleased to be able to provide a reliable return to our shareholders in line with our Ordinary Dividend Policy to return 7.5% of net assets per annum to shareholders throughout the cycle.

In line with this, at the time of our full year results in February 2024, we announced a 2023 final ordinary dividend payment of 4.79 pence per share, which is subject to shareholder approval at the Annual General Meeting. With the 2023 interim dividend payment of 4.79 pence per share, the total ordinary dividend for the year is 9.58 pence per share or approximately £339 million.

### Looking forward

We operate in an undersupplied market, and remain determined to play our part in building much needed quality homes and creating thriving communities. We have a strong balance sheet, excellent landbank and highly experienced and engaged teams. We have a clear strategy to respond to all market conditions and are well positioned for future growth.



**Robert Noel**  
Chair



# 98%

of employees feel we take health and safety seriously

# £339m

Total ordinary dividend for 2023