



Annual General Meeting

26 April 2018

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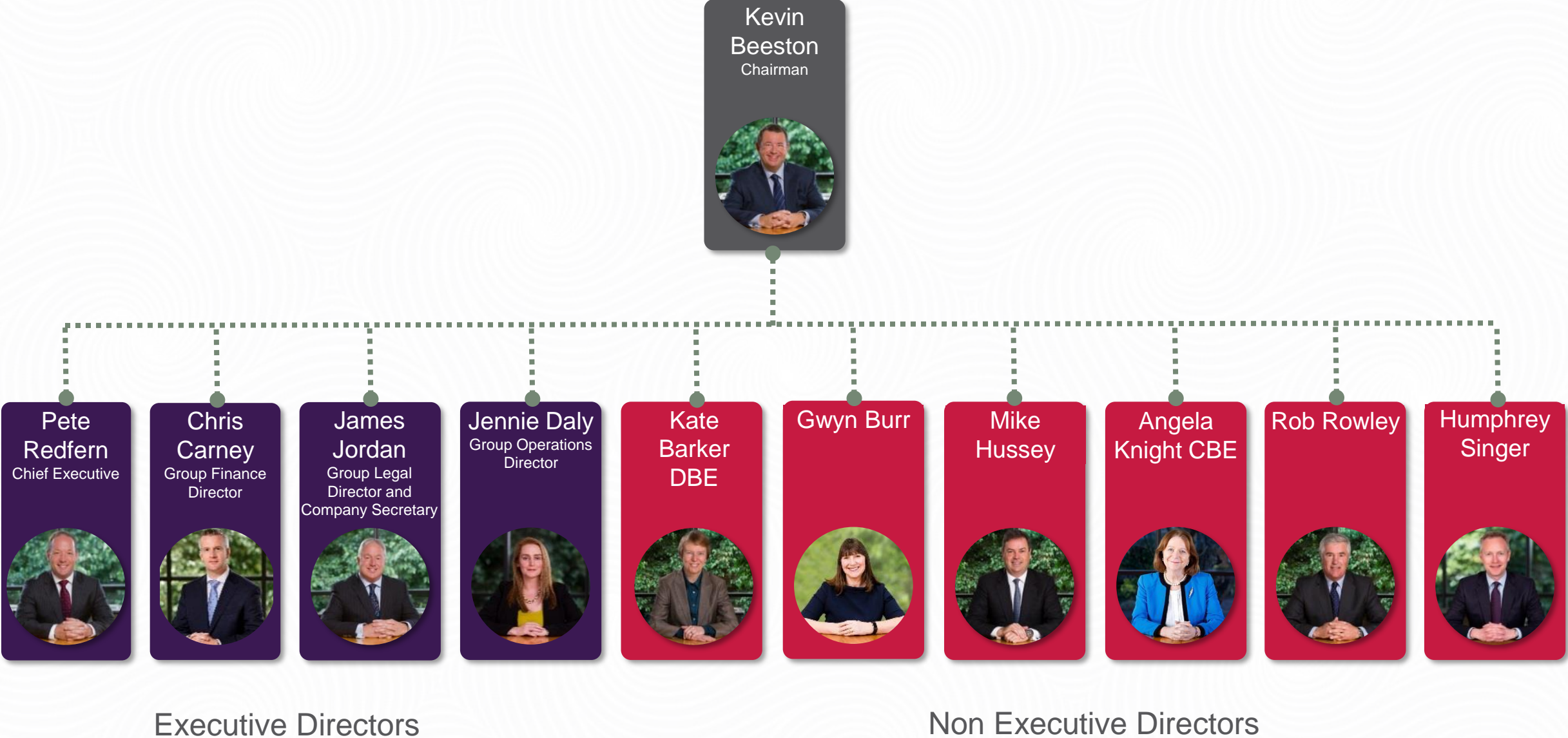
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# Welcome

Kevin Beeston  
Chairman



# Board of Directors

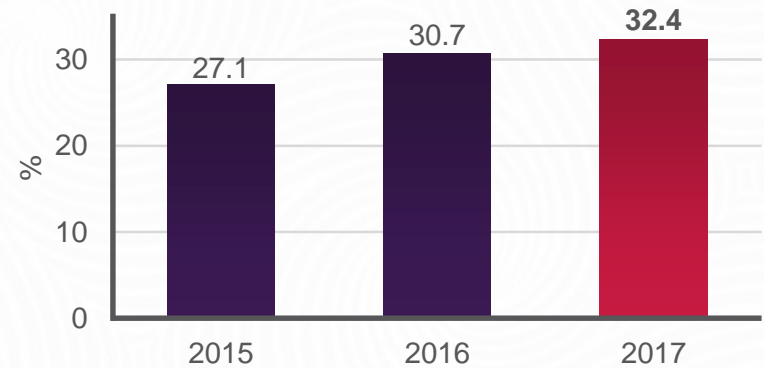


# Group overview

Pete Redfern  
Chief Executive

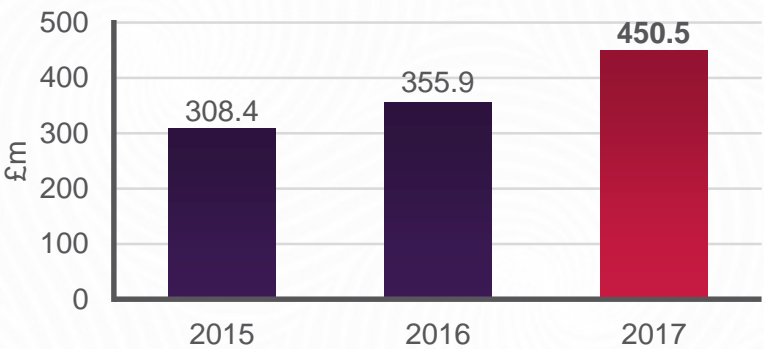
# Group financial highlights

Return on net operating assets\*



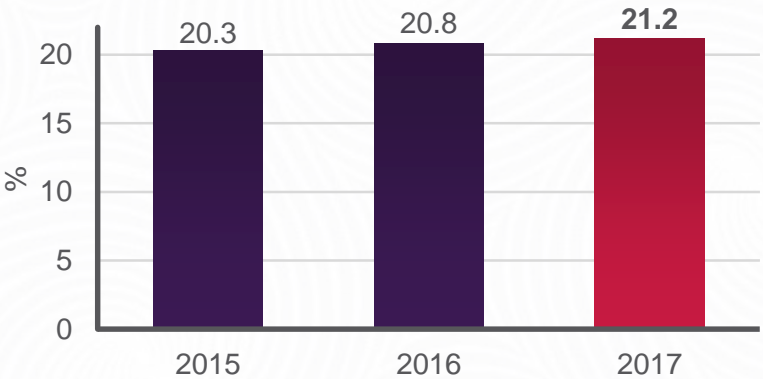
2016-2018 medium term target:  
Average of 30%

Total dividends paid



2016-2018 medium term target:  
Total £1.3bn over period

Operating profit\* margin



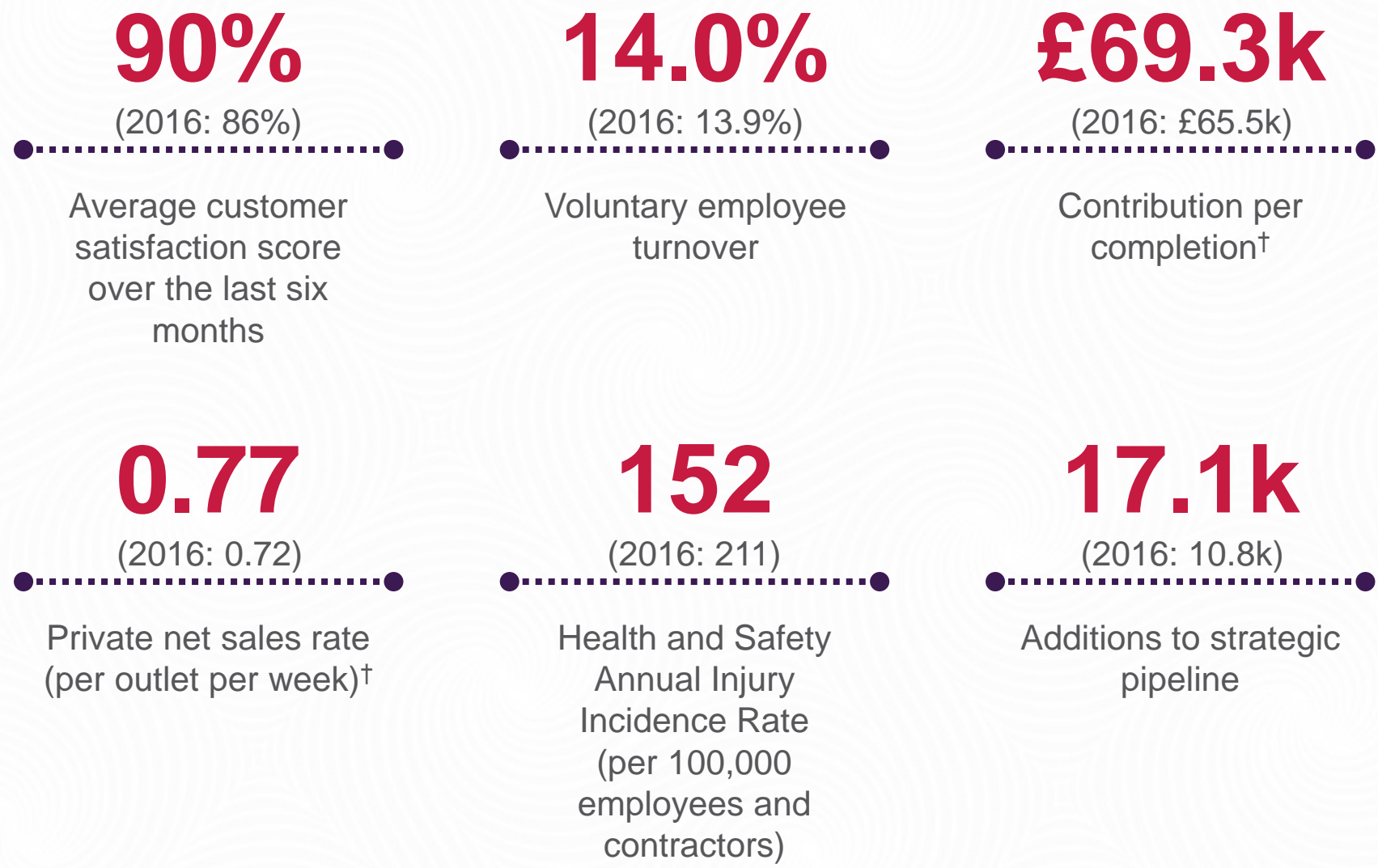
2016-2018 medium term target:  
Average of c.22%

■ Cash conversion\* 87.5% (2016: 81.4%)

\* See definitions slide in the appendix



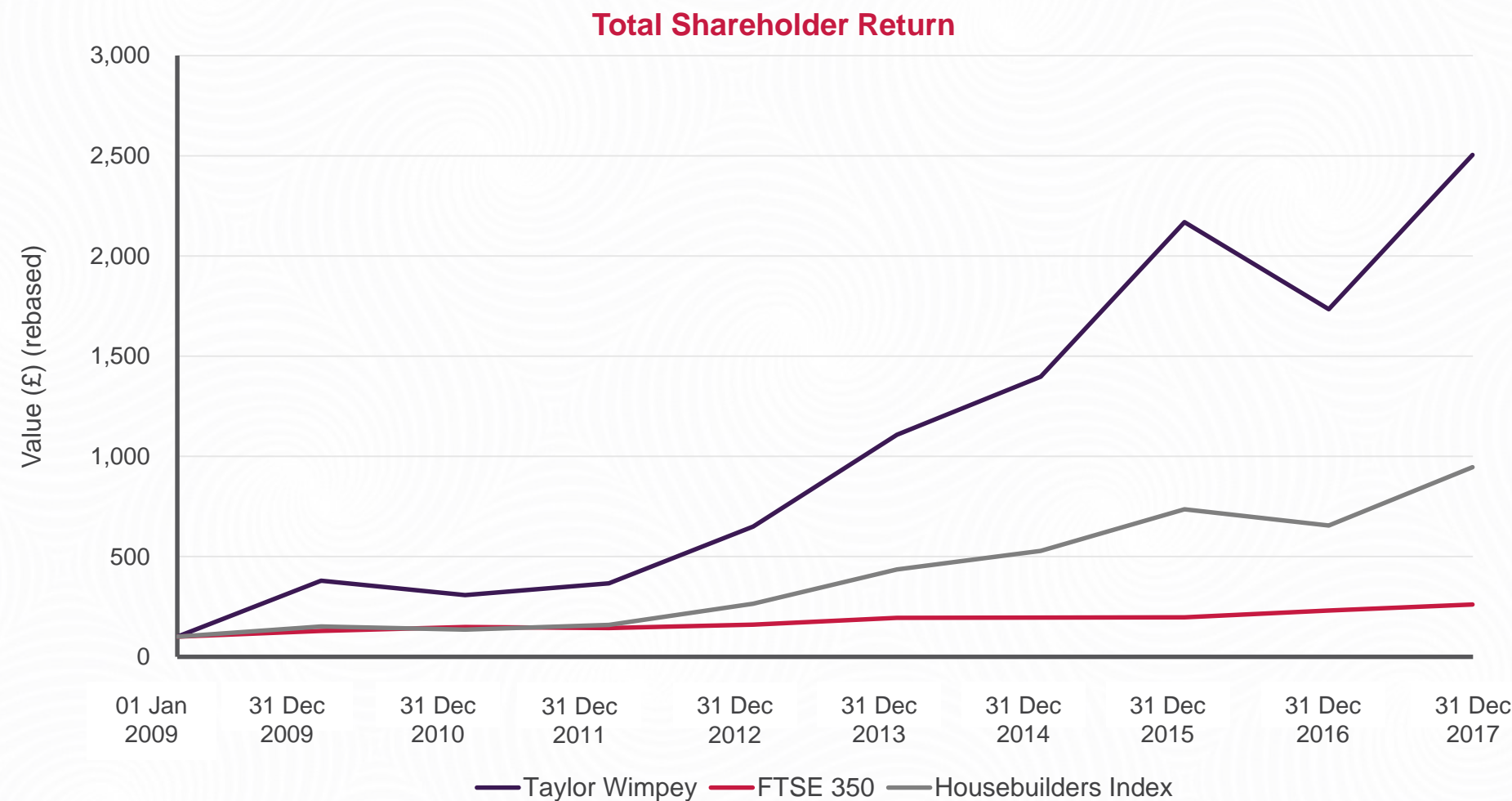
# UK operating highlights



<sup>†</sup> Data based on units excluding JVs

# 2017 shareholder highlights

■ Total shareholder return of 92% over three years to Dec 31 2017



Source: Datastream (Thomson Reuters)  
Note: This graph shows the value of £100 invested in Taylor Wimpey plc on 1 January 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.



# 2017 shareholder highlights

- Subject to shareholder approval, 2017 total dividends declared up 68%
  - 2017 final ordinary dividend of 2.44 pence per share (2016: 2.29 pence per share), to be paid on 18 May 2018
  - Total ordinary dividend for the year of 4.74 pence per share (2016 total ordinary: 2.82 pence per share)
  - As previously announced, special cash dividend of 10.4 pence per share (July 2017: 9.20 pence per share), to be paid on 13 July 2018
- Medium term target to pay a total of £1.3 billion of dividends in cash to shareholders over the period 2016-2018

# Continuous business improvement



Health and  
safety



Business  
operating  
methods



Customer  
service



People and  
resources



Product and  
production

# Three focus areas of our employee proposition

Culture	Attraction and Development	Pay and Benefits
Increasing collaboration through open plan environments and improvement to technology	Investment in new Training Academies (Production, Customer Services and Sales), and e-learning portal	Benchmarked key teams to ensure they remain market competitive
Established a National Employee Forum – voice of the employee	Stretching Leadership Programmes	Increased participation in our flexible benefits +11% (for weekly) +6% (monthly)
Promoting a flexible working mindset	Pilot a new 'Fast Track' programme	Introduced holiday purchase for our weekly employees (+4 days)
Supporting our employees more through a Health & Wellbeing Strategy	Increased website traffic on our improved careers site	We have increased stakeholder auto enrolment contributions over the minimum requirement
Continued focus on Diversity and Inclusion	Focus on Direct Labour	Improved communication and understanding of our Employee Share Scheme
	Redesigned Management Trainee and Apprenticeship Programmes	



# Employee changes having a positive impact

- Consistent, low attrition rate (14% - 15%) even as competition for staff has increased
- 93% employee engagement level (72% response rate)
- Ranked 15<sup>th</sup> best place to work in the UK by Glassdoor - voted for by employees, the only commercial housebuilder to make the list
- Clear buy-in to cultural changes around customer service and community engagement
- Consistency of delivery of performance significantly improved across all business units



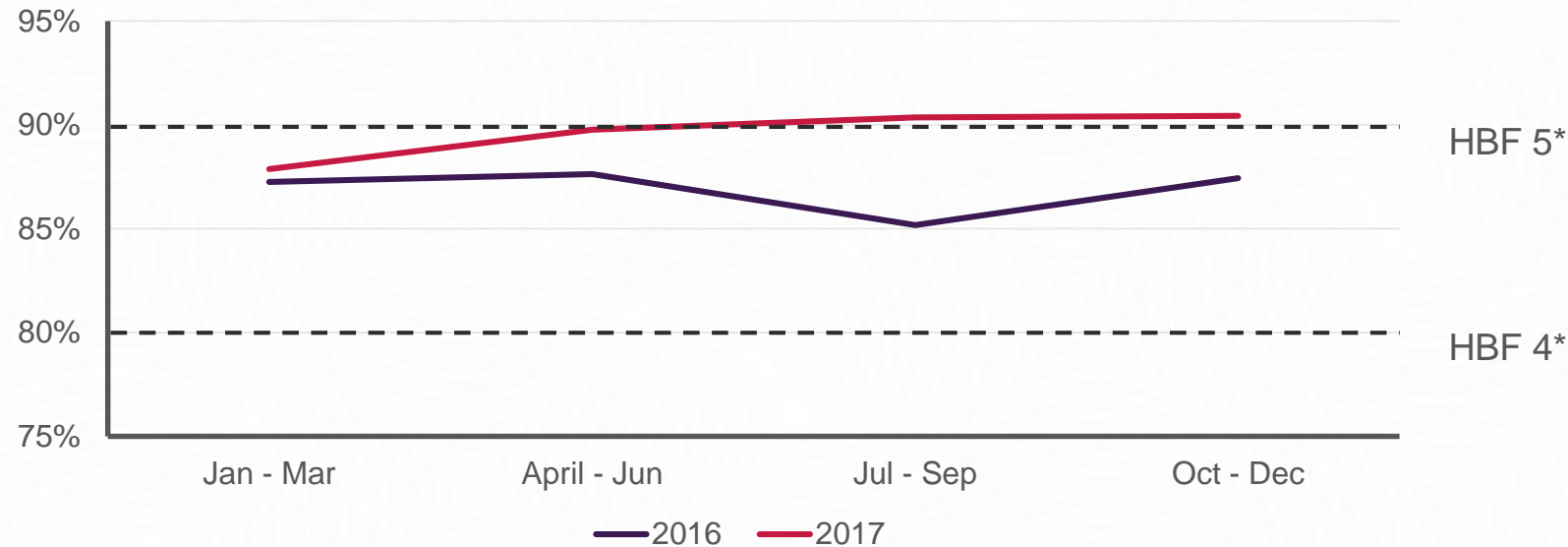
# Diversity

- First Gender Pay Gap report released:
  - Mean and median gender pay gaps of 1% and -2% respectively, significantly lower than the current UK national average
  - However with 32% females across the business and significantly more senior men, we recognise that we need to do more
- Our Action Plan sets out measures to challenge the traditionally male dominated culture of the construction and housebuilding industries to ensure that, regardless of gender, race, religion, age or sexuality, all employees:
  - Can achieve a positive work-life balance that can accommodate their responsibilities beyond work
  - Are fairly and proportionately represented within our workforce at all levels
  - Do not face career progression or remuneration barriers because of their gender
  - Have equal opportunities to progress their careers within our business



# Customer service

- Statistics\* - “Recommend” score in 2017 at **89%**



- Embedding culture and processes takes time, but trend is encouraging
- Underlying statistics evidence improvement as we move through the year
  - Score for customers satisfied or very satisfied with the quality of their new home in 2017 was 88% (2016: 85%)
  - “Would you recommend” score for 2017 was 89% (2016: 86%)
  - “Would you recommend” score average for the last six months is over 90%

\* Source: NHBC National New Homes Survey



# Charity and communities in 2017

- Contributed £413 million (2016: £363 million) to our local communities via planning obligations
- Charitable donations of over £1 million (2016: over £875k) to registered charities (donations and fundraising), in addition to c.£90k to other organisations (2016: c.£159k)





# Current trading and outlook

Pete Redfern  
Chief Executive

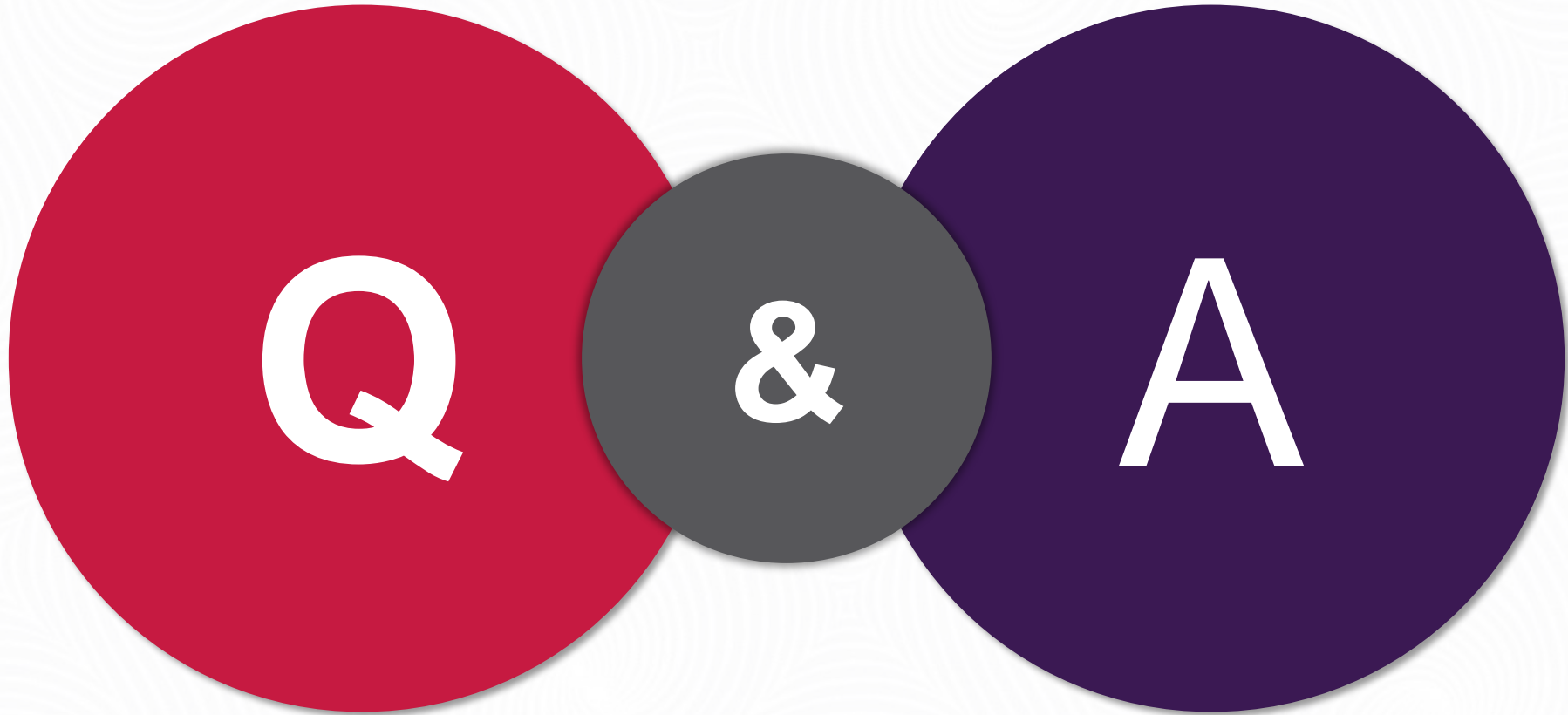
# UK current trading

- The underlying housing market has remained stable in the first four months of 2018, with continued good accessibility to mortgages at competitive rates
- During the first few weeks of March, poor weather conditions had a noticeable impact on sales and build rates but activity has since recovered
- Solid consumer demand continues to drive a healthy sales rate against a very strong comparator. Average private sales for the year to date were 0.85 sales per outlet per week (2017 equivalent period: 0.93) in line with our expectations
- Cancellation rates remained low at 13% (2017 equivalent period: 10%)
- Total order book stood at 9,050 homes (2017 week 16: 9,219), excluding legal completions to date
- Total order book value stood at approximately £2,155 million (2017 week 16: £2,210 million)



# Outlook and summary

- Trading through the spring selling season has been good and customer demand for housing continues to be strong
- We remain on track to meet our expectations for the year, but expect completions for 2018 to be more second half weighted than 2017
- Build cost inflation is anticipated to be at similar levels to 2017, at around 3-4%
- We expect to end the year with a net cash position broadly similar to year end 2017
- Our priority is to build further improvements in product quality, customer service, and delivery capability to enable us to deliver great quality homes to more customers over the years ahead
- We will be hosting a Capital Markets Day on 15 May 2018, where we will update the market on our views of the housing market and our plans for continuous business improvement and shareholder returns



# Resolutions and proxy votes

Kevin Beeston  
Chairman



# Proxy vote for Resolutions 1-11

Number	Resolution	Total votes cast	Votes withheld	Percentage of total votes cast		
				Votes in favour (%)	Discretionary (%)	Votes against (%)
1	Report & Accounts	1,946,945,613	1,010,573	99.93	0.06	0.01
2	Dividend	1,946,945,613	197,232	99.91	0.06	0.03
3	Special dividend	1,946,943,742	222,685	99.82	0.06	0.12
4	Kevin Beeston	1,946,943,742	606,617	98.89	0.07	1.04
5	Pete Redfern	1,946,943,742	586,688	99.32	0.07	0.61
6	Ryan Mangold – proposed to be withdrawn*	1,946,943,742	683,607	98.97	0.07	0.96
7	James Jordan	1,946,943,740	41,879,356	99.01	0.07	0.92
8	Kate Barker DBE	1,946,943,741	670,517	99.10	0.07	0.83
9	Mike Hussey	1,946,943,741	10,405,509	98.69	0.07	1.24
10	Angela Knight CBE	1,946,945,613	681,202	99.11	0.07	0.82
11	Humphrey Singer	1,946,945,613	702,583	99.08	0.07	0.85

\* Following the Company's announcement on 20 April 2018, it is proposed that the resolution to re-elect Ryan Mangold as a Director be withdrawn at today's Annual General Meeting.

# Proxy vote for Resolutions 12-21

Number	Resolution	Total votes cast	Votes withheld	Percentage of total votes cast		
				Votes in favour (%)	Discretionary (%)	Votes against (%)
12	Gwyn Burr	1,946,945,613	735,332	97.80	0.07	2.13
13	Deloitte LLP	1,946,945,612	7,171,958	98.63	0.08	1.29
14	Auditor's fees	1,946,945,613	6,952,229	99.81	0.08	0.11
15	Authority to allot shares	1,946,945,613	595,239	93.93	0.08	5.99
16	Authority to dis-apply pre-emption rights (general power)	1,946,944,613	548,237	99.82	0.08	0.10
17	Authority to dis-apply pre-emption rights (additional power)	1,946,944,612	581,988	95.55	0.08	4.37
18	Market purchase of shares	1,946,945,612	730,911	98.86	0.08	1.06
19	Remuneration Report 2017	1,946,945,612	20,009,836	98.10	0.09	1.81
20	Political donations	1,946,962,961	18,443,047	95.60	0.08	4.32
21	General Meetings	1,946,943,742	11,016,370	90.43	0.08	9.49

# Taylor Wimpey plc

## Annual General Meeting Appendices



# Definitions

- Operating profit is defined as profit on ordinary activities before net finance costs, exceptional items and tax, after share of results of joint ventures
- Return on net operating assets is defined as 12-month rolling operating profit divided by the average of the opening and closing net operating assets
- Cash conversion is defined as operating cash flow divided by operating profit on a rolling 12-month basis
- Operating cash flow is defined as cash generated by operations before tax and interest paid on a rolling 12-month basis