

Chief Executive's letter

Committed to our purpose



“The pandemic highlighted the importance of home and that includes the planet we all live on.”

97%

employees comfortable with the arrangements the company has put in place to protect their safety

92%

8-week customer satisfaction score

2020 was an eventful and challenging year, but despite the disruption, I'm very pleased to say that we continued to make progress across our environmental, social and governance priorities.

What sustainability means to us

Sustainability for our business isn't just about a particular set of targets, although they are very important. We run our business for the long term and so sustainability, in the widest sense, has always been a key part of our decision making. You can see this approach at work across Taylor Wimpey, from our absolute commitment to health and safety and investment into build quality through to developing our people and subcontractor relationships.

Prioritising safety

Health and safety is always our number one priority. We were the first major homebuilder to stop construction and close sales centres during the first lockdown as we developed new working practices to protect our employees, partners and customers. We made these new practices available to smaller housebuilders free of charge. We also used our expertise and resources to support local communities, including making donations of personal protective equipment (PPE) to local care organisations.

Doing the right thing

Doing the right thing for our customers is a key priority for the Group. At the time of our 2020 full year results, we announced our intention to support building owners and leaseholders with fire safety investments to ensure their apartment buildings are safe and meet current EWS1 (External Wall Fire Review) requirements. This applies to Taylor Wimpey apartment buildings constructed over the last 20 years, including apartment buildings below 18 metres. We announced an additional £125 million provision to cover this cost.

Supporting our employees

During 2020, I have been incredibly proud of the resilience shown by our teams in adapting to ensure that we could continue to keep Taylor Wimpey open for business and to support customers in a safe and responsible way. Through all of this, our teams have pulled together to support one another and continue to work to achieve our purpose – building great homes and creating thriving communities. Their efforts are reflected in the five-star rating we have received from the Home Builders Federation (HBF) based on customer reviews, and the results of independent National House Building Council (NHBC) quality assessments that show we improved performance year on year.

Supporting employees during the pandemic has been a focus for our management team and has included increased employee communication, new wellbeing programmes and virtual training opportunities. We were pleased to be named in the Glassdoor top 50 places to work in the UK for the fourth year running, based on employee feedback, and that 98% of employees reported feeling positive with the support they received whilst on furlough.

We also maintained our focus on diversity and inclusion, seeking to widen our talent pool and ensure that all of our employees are respected and included regardless of their background. We have made some good progress in this area but recognise we have more to do to create a workforce that fully reflects our wider communities.

Increased focus on the environment

The pandemic highlighted the importance of home, not just the four walls in which we live but our neighbourhoods, our green spaces and our planet. The challenges posed by climate change and biodiversity loss are becoming ever more urgent, and we want to play our part in tackling them. During the year, we reviewed and updated our environment strategy, which now includes an ambitious carbon reduction target that has been approved by the independent Science Based Targets initiative (SBTI).

We are also making biodiversity a priority and will be working across our business to ensure that nature can find a home on our developments. We see this environmental strategy as a big step forward, and one which our employees are behind. After the challenging task of implementation, we will continue to target improvements, making meaningful and positive changes in our focus areas.

An integrated approach

Our commitment to sustainability is central to helping us achieve our purpose. Reflecting this, we are moving towards integrated financial and non-financial reporting. Following feedback from stakeholders, we have also widened the scope of our reporting and have reported against the Sustainability Accounting Standards Board (SASB) criteria for the first time this year.

We are pleased at the progress made to date to embed sustainability into the everyday, but know there is more that we can, and should, do. This will remain a focus for us and I look forward to updating you on our progress next year.

Pete Redfern
Chief Executive

Our response in 2020

Closure of show homes, sales centres and construction sites

Following the start of the first nationwide lockdown, we took the decision to close all of our show homes and sales centres on 23 March, and construction sites on 24 March, while we put in place the safety measures necessary to operate in a COVID-secure manner.

Employee wellbeing

A small challenge was set each day for employees, with the aim of providing a focus for all and encouraging colleagues to stay connected and engaged. A total of 44 challenges were set between March and May and almost 1,000 entries were shared using the Group's internal social network, Yammer.

Reopening of construction sites and sales centres

The phased reopening of Taylor Wimpey construction sites in England and Wales began on 4 May and in Scotland from 28 May.

Following Government guidance which removed restrictions on non-essential home moves and supported the return of activities related to the sale and purchase of homes, Taylor Wimpey's sales centres reopened by appointment only in England from 22 May.

NHS and care worker discount

Discount scheme for NHS and care worker employees launched, offering 5% discount off the purchase price of a new home, as a thank you for their heroic efforts during the COVID-19 pandemic.



May

New national restrictions

The Government confirmed that the housing market should remain open for business during the period of new restrictions in England announced in November, and construction was encouraged to continue.

Construction sites also remained open in Scotland and Wales.

Cost and organisational review

A detailed review of organisational and cost structures resulted in management changes, a rationalisation of the London operating structure and a series of reductions in central and business unit overhead levels.

2020

February

March

April

May

June

July

October

November

December

Irene Dorner adopts position of Chairman

After joining the plc Board as Chair-designate in December 2019, Irene Dorner adopted the position of Chairman on 26 February, bringing a wealth of financial and commercial experience.



Feb

Pay It Forward Scheme

Taylor Wimpey Pay It Forward Scheme launched offering advance payments to support self-employed subcontractors.

PPE donations

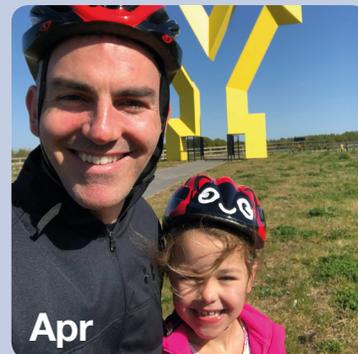
Following the closure of our construction sites, surplus PPE was donated to local care organisations which highlighted a widespread need. TW Logistics was able to procure face masks, gloves and aprons which were distributed by employees to care homes across the country.

Isolation Challenge

As the annual TW Challenge was unable to take place, employees instead took part in an Isolation Charity Challenge to complete as many miles as possible during their daily exercise, raising over £70k for charity.

Board changes

Kate Barker stepped down from the Board after just over nine years with Taylor Wimpey. Robert Noel took up the position of Senior Independent Director on 21 April.



Apr

Equity raise

Successfully completed an equity raise, raising net proceeds of £510 million in order to take advantage of attractive opportunities in the land market.

Scotland and Wales sales centres reopen

Sales centres in Wales reopened by appointment only for customers from 22 June, and in Scotland from 29 June.

Educational masterclasses

Between April and June, a series of masterclass sessions were held for employees, covering a range of topics with over 2,500 attendees.

Diversity and Inclusion

Taylor Wimpey's second diversity and inclusion conference was held virtually on 6 July, with over 110 attendees including our D&I Champions, Managing Directors and Divisional Chairs.

Furlough subsidies returned

All employees returned to work from furlough and all furlough subsidies returned to Government.

Work-life balance during COVID-19

Taylor Wimpey was named in Glassdoor's top 10 companies for work-life balance, based on employee reviews left between March and September 2020.

Housebuilder Award for care home initiative

Taylor Wimpey received the Housebuilder Star Award at the Housebuilder Awards 2020, for the Company's care home initiative, which supplied over 50 care organisations with much needed PPE and other supplies.

New Non Executive Directors

The Board announced that Scilla Grimble and Jitesh Gadhia will be appointed as Independent Non Executive Directors with effect from 1 March 2021.



Dec