

Our purpose is to build great homes and create thriving communities.

Overview

We are one of the UK's leading national homebuilders operating at a local level from 22 regional businesses. We also have a small Spanish business.

We were established from the merger of George Wimpey and Taylor Woodrow in 2007, companies that date back over 100 years.

Year end: 31 December

FTSE 100: TW.L

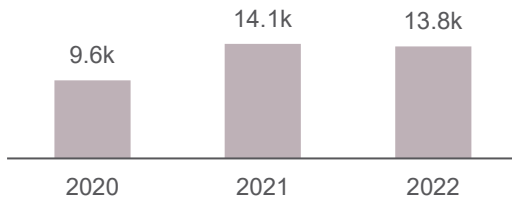
Executive management:

Jennie Daly, Chief Executive

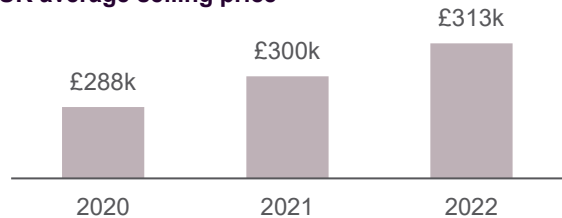
Chris Carney, Group Finance Director

Employees: c.5.1k

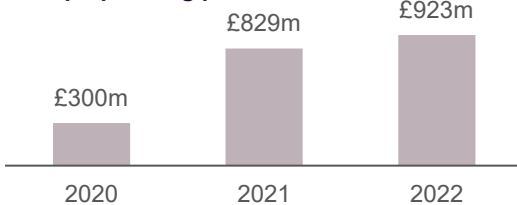
UK completions incl. JVs



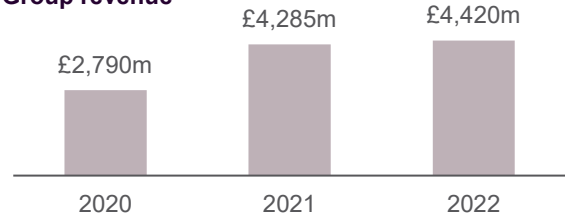
UK average selling price



Group operating profit*



Group revenue



*See Definitions

Environmental

- Launched our Net Zero Transition Plan in March 2023 to be net zero by 2045, five years ahead of Government target
- Climate change: Science-based target for carbon reduction approved by the Science Based Targets initiative
- Nature: Enhancing nature on our sites
- Waste: Using fewer and more sustainable resources

Social

- Community Communications Plan: Consistent approach to working with communities
- Placemaking: Creating connected, sustainable communities
- Social contributions: Financial contributions through our section 106 commitments and support of local and national charities

[\(see more information in our Annual Report\)](#)

[\(see our full list of KPIs here\)](#)

Governance

- Board oversight: Strong culture of governance led by the Board and robust frameworks, policies and responsible group culture
- Our values: Strong culture of doing the right thing with health and safety our number one priority
- Commitment to diversity: In 2021, we launched our new Equality, Diversity and Inclusion Policy



Investment case

- ▶ **Operational excellence** to optimise margin and drive attractive long term returns
- ▶ **High-quality landbank** together with a significant strategic land pipeline providing optionality throughout the cycle
- ▶ **ESG embedded throughout** the organisation for the benefit of all our stakeholders
- ▶ **Reliable returns:** Committed to paying an annual ordinary dividend through the cycle and returning surplus capital at the appropriate time

We returned c.£3.3 billion to shareholders from 2007 to 2022

Ordinary Dividend Policy

Our Ordinary Dividend Policy is to pay out to shareholders approximately 7.5% of net assets, paid in two equal instalments in May and November.

Approach to return of excess capital

Our intention remains to return cash generated by the business in excess of that needed by the Group to fund land investment, all working capital, taxation and other cash requirements of the business, and once the ordinary dividend has been met.

Our business model value chain

Creating

Making the right land investments ensuring long term sustainability of the business through securing a quality land pipeline, located in places people want to live.

Enhancing

Progressing land through the planning system is the key way we add value to the land we acquire. We design and plot the right houses in an efficient manner to generate strong returns while maximising available land resources and creating attractive places to live

Protecting

We engage extensively with local authorities and communities, before and during the lifetime of each development. We work to advance the standard of our homes in advance of upcoming regulation to ensure our homes are regulatory compliant and are sustainable for our communities.

Optimising

We work closely with our supply chain and our central logistics function, TW Logistics, to maximise the benefits of scale and increase our use of recycled materials and to adopt materials with lower embodied carbon.

Realising

Delivering high-quality homes and customer service, consistently manage our sites to ensure they are safe and align to our high quality standards, and focus on service execution to ensure we are delivering for our stakeholders.

Reinvesting and returning

We have a clearly defined capital returns policy to provide visibility of a reliable income stream to our shareholders whilst enabling us to reinvest in the long term sustainability of the business.

Performance and guidance

	2020	2021	2022	2023 guidance
UK completions (excl. JVs)	9,412	13,929	13,551	UK completions excl. JVs of between 10,000 and 10,500
Group operating profit (incl. JVs) £m	300.3	828.6	923.4	£440 - £470 million
Year end net cash £m	719.4	837.0	863.8	c.£500 - £650 million
Dividends per share pence (paid in year)	-	8.28	9.06	Announced a 2023 interim dividend of 4.79 pence per share payable in November Ordinary Dividend Policy: Intend to pay c.7.5% of net assets in two equal payments

Strategic cornerstones

Land

- An agile approach to optimising value
- Focused on progressing land through the planning system and will continue to open outlets
- Strong landbank position supports highly selective approach to new land acquisition and positions us well in a challenging planning environment
- Remain agile and closely monitor conditions in the land market for any opportunities

Sustainability £

- Continue to develop thriving communities with excellent placemaking
- Continue to advance environment strategy with ambitious targets in climate, nature and waste
- Launched our Net Zero Transition Plan to be net zero by 2045, five years ahead of the Government target

£ Linked to management remuneration

Operational excellence £

- Continued focus on driving performance
- Efficient business structure refined through change programme
- Investing in the long term through new timber frame facility
- Advanced preparation for changing regulation and trialling technology ahead of Future Homes Standard

Capital allocation

- Maintain a strong balance sheet
- Focus on funding business needs, including land investment and WIP
- Clear and sustainable ordinary dividend to provide visibility to shareholders, and keep decision on return of excess cash under review

HBF 5-star homebuilder



Industry leader in Construction Quality Review (CQR)



First housebuilder to achieve Carbon Trust Standard



Highly engaged employees

93%
Overall employee engagement score

High quality landbank

c.83k
Plots in UK short term landbank as at 31 December 2022