

Taylor Wimpey at a glance

Overview

We are one of the UK's leading national homebuilders operating at a local level from 23 regional businesses. We also have a small operation in Spain.

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

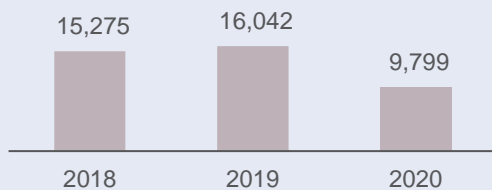
FTSE 100: TW.L

Executive management:
Pete Redfern
Chris Carney
Jennie Daly

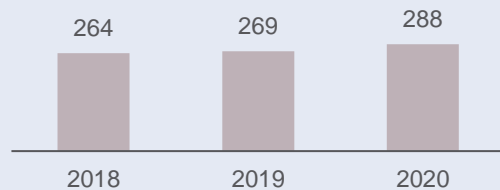
Employees: c.6k

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

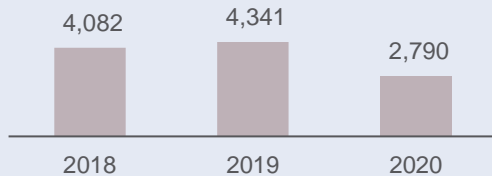
Group completions



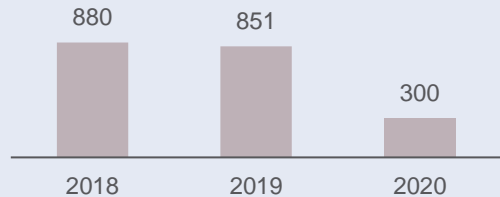
UK average selling price £k



Group revenue £m



Group operating profit* £m



Environmental

Ambitious science-based target for carbon reduction approved by the Science Based Targets initiative

Enhancing nature on our sites, reducing waste, using fewer and more sustainable resources

Social

Community Communications Plan ensures consistent approach to working with communities

Creating connected, sustainable communities through placemaking, benefiting customers and residents

Governance

Strong culture of doing the right thing with health and safety our number one priority

In 2021, we are launching our new Equality, Diversity and Inclusion Policy

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

5-star housebuilder



Industry leading construction quality review score

4.45 out of 6



First housebuilder to achieve the Carbon Trust Standard



Voted by employees as one of the UK's top 50 places to work



High quality landbank

82k plots (UK short term landbank) as at March 2021

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

Investment case

► Our strong culture and values

We have a strong culture of 'doing the right thing' and we will not compromise the character of the business

► A renewed focus on sustainability

Whilst short term performance is important, we run the business for the long term

► Well invested, quality landbank and strong balance sheet

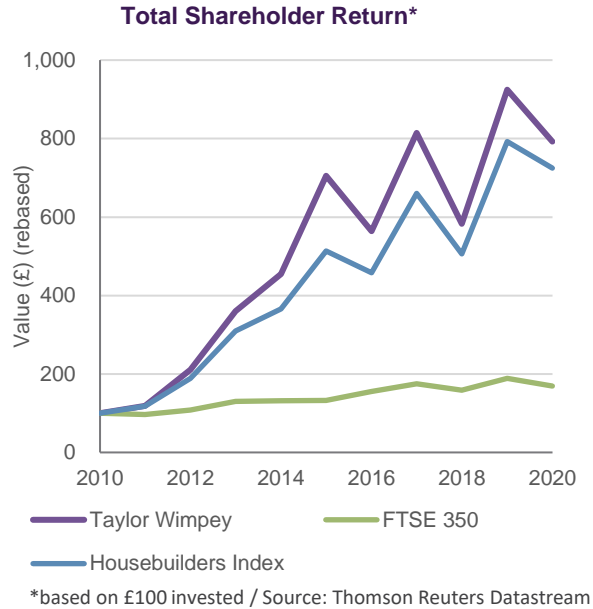
Our high-quality landbank remains a key competitive advantage and an important driver of value

► Growth at the right time in the cycle

Growth without compromising on quality or adding meaningful market risk at the right time in the cycle

► Cash generation, enabling significant and reliable returns to shareholders

We are a cash generative business and our aim is to provide a reliable income stream to our shareholders



[\(See how we performed against our investment case in 2020\)](#)

Business model

We optimise shareholder capital and stakeholder returns through three key phases

Key phase	What is it?	Why we do it?	How we do it?
1. Investing Selecting land	Shareholder capital management	Securing a quality land pipeline, located in places people want to live, with good planning prospects.	We continue to look for opportunities in the right locations that optimise our value and meet our returns criteria. We continue to focus on being responsive to land market conditions.
2. Development Managing the community and planning process	Protecting capital and adding value	Progressing land through the planning system is the key way we add value to the land we acquire.	We do this through factoring in stakeholders' needs, addressing environmental and other local issues and building community facilities to create developments that meet their wider needs.
3. Realising value Optimising the housebuilding process	Optimising stakeholder returns	Key to this is building quality homes which are attractive to customers. We seek to do the right thing, and deliver our strategy in a way that benefits all our stakeholders. As a national housebuilder we benefit from our scale and look to maximise and optimise the efficiency of our operations.	We have implemented additional checks and driven higher standards of build quality across our business. We work with our subcontractors to make improvements to our processes and operations.

Performance and guidance

	2018	2019	2020	2021 Guidance
UK completions (excl. JVs)	14,822	15,520	9,412	85%-90% of 2019
Private	11,421	12,043	7,564	–
Affordable	3,401	3,477	1,848	c.17% affordable
Group operating profit margin (incl. JVs) %	21.6	19.6	10.8	18.5%-19%
Year end net cash £m	644.1	545.7	719.4	c.£500 million
Dividends per share pence (paid in year),	15.28	18.34	-	<ul style="list-style-type: none"> • 4.14p declared for 2020 final ordinary dividend (May 2021 payment) • Ordinary: Intend to pay c.7.5% of net assets in two equal payments¹ • Excess capital return: Not planned for 2021

Strategy and priorities



Priorities in 2021:

- Margin delivery – optimisation of selling price and an enhanced cost mindset
- Bringing through new land acquisitions for volume growth in 2023/24
- Delivering customer service and consistently great build quality
- Building on our strengths in Social and Governance areas and new Environmental strategy

Medium term goals (2018-2023):

Return on net operating assets** €

35%

9.9% in 2020
(2019: 31.4%)

Cash conversion** €

70-100%

(54.9%) in 2020
(2019 : 82.6%)

Operating profit* margin €

c.21-22%

10.8% in 2020
(2019: 19.6%)

Short term landbank

4-4.5 years

c.8.1 years in 2020
(2019: c.4.8 years)

€ Linked to management remuneration/ */**/## See Definitions

Due to the impact of COVID-19 on the 2020 financial results, none of our medium term strategic objectives were met in the year.

Shareholder returns

Ordinary Dividend Policy

Our Ordinary Dividend Policy is to pay out to shareholders approximately 7.5% of net assets, which will be at least £250 million per annum, paid in two equal instalments in May and November.¹

Approach to return of excess capital

As we look forward, 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.

¹ Final Dividends subject to shareholder approval