The Taylor Wimpey Pension Scheme (the "Scheme")
Summary Funding Statement at 31 December 2024

As Trustee of the Taylor Wimpey Pension Scheme (the **"Scheme"**), we look after the Scheme on behalf of its members and we issue a statement each year to let you know about the Scheme's financial position. The information in this Statement is set out in a question-and-answer style, which we hope you find helpful.

How is the Scheme's financial position measured?

We are required to carry out an in-depth look at the Scheme's finances at least every three years. This is called an actuarial valuation. We ask a qualified, independent professional, known as an actuary, to undertake the valuation on our behalf.

As part of the valuation, the actuary will calculate the expected cost of providing pensions for all of our members both now and in the future ('liabilities') and compare this with the value of the Scheme's money ('assets'). If the Scheme has less money than the cost of providing pensions, it has a "shortfall"; if the Scheme has more money than the cost of pensions, it has a "surplus".

What was the Scheme's financial position at the most recent valuation?

The fourth valuation of the Scheme was carried out using data at 31 December 2022. The financial position of the Scheme on this date is set out below:

	Actuarial Valuation 31 December 2022
The value of the Scheme's liabilities was:	£ 1,677 million
The Scheme's assets were valued at:	£ 1,732 million
This means there was a surplus of:	£ 55 million

Another way to look at the Scheme's financial position is to consider the funding level. The funding level is calculated as the Scheme's assets divided by the value of its liabilities. At 31 December 2022, the funding level of the Scheme was 103%.

Does the Trustee always calculate the Scheme's liabilities in the same way?

Each time we carry out a valuation, we review the approach taken at the previous valuation to ensure that we take into account the most up to date information available. This is particularly the case where we have to make assumptions about the future in relation to inflation, interest rates and how long members will live. The valuation is undertaken in line with pensions legislation which is overseen by the Pensions Regulator.

As part of the 31 December 2022 valuation, we updated our funding plan called the *'Statement of Funding Principles*'. This statement sets out how we manage the Scheme to ensure it has enough money to pay members' benefits.

Has the financial position of the Scheme changed since the valuation?

Yes. The Scheme actuary provides an annual update to the Trustee showing how the financial position of the Scheme has changed since the most recent valuation. The latest annual update report shows the financial position of the Scheme at **31 December 2024**.

	Actuarial Valuation 31 December 2022	Annual Update 31 December 2023	Annual Update 31 December 2024
The value of the Scheme's liabilities was:	£ 1,677 million	£ 1,643 million	**£ 1,473 million**
The Scheme's assets were valued at:	£ 1,732 million	£ 1,717 million	**£ 1,569 million**
This means there was a surplus of:	£ 55 million	£ 74 million	**£ 96 million**
The Scheme's funding level was:	103%	105%	**107%**

The change to the Scheme's funding level since the most recent actuarial valuation is mainly due to changes in financial conditions which have reduced the value of the Scheme's liabilities, along with positive investment performance over the period.

What about Company contributions?

As the Scheme has a surplus, the Company is not required to make deficit contributions to the Scheme or the escrow account that was set up following the 2019 valuation. The escrow account continues to hold c.£11 million which is available to the Scheme if it's needed in certain circumstances.

The Company continues to contribute £2 million each year towards the running expenses of the Scheme, and £5.1 million each year (up to 2028) via the Pensions Funding Partnership.

Is there enough money to provide my full benefits if the Scheme was wound-up?

The Scheme's assets are currently not sufficient to pay the full benefits of all members if the Scheme has to be wound-up and benefits are bought out with an insurance company.

This is because the cost of buying out benefits with an insurance company is high, as insurers take a very cautious view of the future and need to make a profit, as demonstrated by the figures below:

	Actuarial Valuation 31 December 2022	Annual Update 31 December 2023	Annual Update 31 December 2024
The liabilities if the Scheme is wound-up:	£ 1,922 million	£ 1,902 million	**£ 1,626 million**
The Scheme's assets:	£ 1,774 million*	£ 1,779 million*	**£ 1,600 million***
This means there would be a shortfall of:	£ 148 million	£ 123 million	**£ 26 million**
The Scheme's winding-up funding level:	92%	94%	**98%**

Note: The asset value here is higher than the main valuation. This is because the Scheme's insurance policies are valued differently on a winding-up basis and the Scheme would also benefit from payments from the Pensions Funding Partnership and escrow account.

Given the strength of our sponsoring employer, there is no reason to think that the Scheme will be wound up or be unable to provide members' benefits as they fall due. This information is to help you understand the financial position of the Scheme. Neither the Company nor the Trustee is considering winding up the Scheme.

What would happen if the Scheme started to wind up now?

If the Scheme did start to wind up, the Trustee would work to secure members' benefits with an insurance company. If there weren't enough assets to secure all the benefits, the Company would have to make up the difference. Members might not get all of the benefits they have built up, especially if the Company is not able to pay for any shortfall.

If the decision to wind up was triggered by the Company becoming insolvent and hence not being able to pay for any shortfall, the Trustee would work with the Government's Pension Protection Fund (PPF) to ensure that all members were provided with at least a basic level of PPF compensation benefits.

Further information is available at: www.pensionprotectionfund.org.uk.

When is the next actuarial valuation?

The next full valuation has an effective date of 31 December 2025. It can take up to 15 months to finalise the results of each valuation.

Can I leave the Scheme before I am due to retire?

Yes. You can leave the Scheme before you retire by transferring your benefits into another registered pension arrangement.

However, if you are thinking of transferring your pension benefits you should consult a professional adviser, such as an independent financial adviser, before taking any action. The law prevents us from providing you with financial advice.

What is the Pensions Regulator's involvement?

The Pensions Regulator is the UK regulator for workplace pensions schemes, such as the Scheme. In certain circumstances the Pensions Regulator can:

- Direct how the Scheme's liabilities must be calculated
- Set the period for removing any funding shortfall
- Set the level of Company contributions to be paid
- Change the way members build up benefits in the future

None of these things have happened in the Scheme.

Have there been any payments out of the Scheme to the Company?

No payments have been made to the Company out of the Scheme's assets.

Where can I get more information?

If you have further questions about the Scheme then please contact, Hymans Robertson, the Scheme administrator for further details:

Taylor Wimpey Pension Scheme
Hymans Robertson
20 Waterloo Street
Glasgow
G2 6DB

Email: taylorwimpey@hymans.co.uk
Telephone: 0141 566 7578

A list of documents which provide further information is set out below. They are either available on the Scheme website (www.taylorwimpeypensions.co.uk) or by contacting Hymans Robertson.

Issued: June 2025

Additional documents available on the Scheme website (www.taylorwimpeypensions.co.uk) or in hard copy by contacting Hymans Robertson:

Annual Report and Financial Statements
This shows the Scheme's income and expenditure during the year.

Statement of Investment Principles
This explains how the Trustee invests the money held in the Scheme.

SIP Implementation Statement
This explains how the Trustee engages with its investment managers in relation to Environmental, Social and Governance issues.

Taskforce on Climate Related Disclosures Statement
This explains how the Trustee manages risks and opportunities related to climate change, as well as reporting on the climate impact of the Scheme's investment portfolio.

Schedule of Contributions
This shows how much money is being paid into the Scheme by the Company and includes a certificate from the actuary confirming that it is sufficient.

Actuarial Valuation Report
This contains the details of the actuary's check of the Scheme's financial situation as at 31 December 2022.

Statement of Funding Principles
This is the Trustee's plan for funding the Scheme, with the aim of providing the benefits that members have built up.