

# Nomination and Governance Committee report



## Key activities of the Nomination and Governance Committee in 2022



Oversaw the recruitment process for the appointment of Robert Noel as the Company’s new Chair

Oversaw an effective induction programme for Jennie Daly as the newly appointed Chief Executive

Facilitated a formal, rigorous and transparent recruitment process for the appointment and induction of two new Non Executive Directors

Reviewed the Group Management Team, Heads of Functions and wider workforce talent and succession plans

Reviewed and recommended the approval of the Company’s diversity and inclusion activities, progress and targets

## As at 31 December 2022:

Percentage of plc Board positions held by women

44%

Percentage of GMT positions held by women

38%

Percentage of Leadership Team positions held by women<sup>(a)</sup>

21%

(a) The definition of our Leadership Team is our GMT and their direct reports.

Committee members	Meeting attendance
1. Irene Dörner (Chair) <sup>(a)</sup>	● ● ● ●
2. Robert Noel <sup>(a)</sup>	● ● ● ●
3. Lord Jitesh Gadhia	● ● ● ● ●
4. Scilla Grimble	● ● ● ● ●
5. Humphrey Singer	● ● ● ● ●
6. Clodagh Moriarty <sup>(b)(c)</sup>	● ○
7. Mark Castle <sup>(b)</sup>	● ●
8. Angela Knight <sup>(d)</sup>	●
9. Gwyn Burr <sup>(d)</sup>	●

(a) Irene Dörner and Robert Noel were not in attendance at meetings involving the recruitment and appointment process for the Chair.  
(b) Appointed to the Committee on 1 June 2022.  
(c) Clodagh Moriarty was unavailable for one meeting.  
(d) Stood down from the Committee on 26 April 2022.

Committee meetings were also attended, by invitation, by the Chief Executive, Group Finance Director, Group HR Director, Group General Counsel and Company Secretary, members of the Company Secretariat team, Head of Talent, Head of HR, and Head of Production.

## Dear Shareholder

As Chair, I am pleased to present the 2022 report of the Nomination and Governance Committee (the Committee) on behalf of the Board.

## Board changes

Following the appointment of Jennie Daly as Chief Executive in April 2022, the focus of the Committee through the year has been to ensure a smooth induction and transition for Jennie into her new role. Since Jennie was already an Executive Director and member of the Group Management Team, her knowledge and grasp of the business was clear and her induction therefore focused on her role as Chief Executive and the outlook for the business.

The outgoing Chief Executive, Pete Redfern, was supportive and played a key role in the handover process for which we are very grateful.

In April 2022, Gwyn Burr and Angela Knight stepped down from their roles as Non Executive Directors. We thank both Gwyn and Angela for their contribution to the Board and the Committee during their tenure.

We welcomed Mark Castle and Clodagh Moriarty as Non Executive Directors to the Board in 2022. Mark’s significant operational experience in all aspects of the construction sector and Clodagh’s varied customer-focused experience across retail, strategy, digital transformation and e-commerce have been valued additions to our Board. Both Mark and Clodagh have brought with them key skills and experience gathered throughout their careers.

As a Committee, we have overseen the recruitment and induction processes for Jennie, Mark and Clodagh in 2022. More information about these processes can be found on page 108.

In December 2022, it was announced that I would be stepping down from my role as Chair of the Board at the conclusion of the 2023 Annual General Meeting (AGM). A thorough succession process was led by Jitesh Gadhia with the assistance of an independent search firm. I am delighted that Robert Noel, the Company’s current Senior Independent Director, will become the Company’s Chair. The Committee carefully considered Rob’s experience, skills and time available for this role and concluded that his skills were well suited to the role and he has sufficient time to devote to the Company. I am also very pleased to be remaining on the Board as a Non Executive Director following the conclusion of the 2023 AGM. More information about the Chair succession process can be found on page 108.

## Corporate governance

Our responsibilities as a Committee include oversight of the Company’s corporate governance practices and we have continued to develop our processes to ensure corporate governance best practice is complied with at all levels of the organisation. More information about our activities in this area can be found on page 110.

Embedding good corporate governance throughout the Company will remain an important area of focus for the Committee throughout 2023.

## Board Evaluation

I am pleased to report that our annual Board Evaluation concluded that the Board continues to be effective; all Directors continue to make valuable contributions based on experience and knowledge and the Non Executive Directors provide constructive challenge at Board and Committee meetings. The 2022 Board Evaluation was internally facilitated by myself with the assistance of the Company Secretariat team and plans are underway for the 2023 externally facilitated Board Evaluation which shall be reported on in the Annual Report and Accounts 2023.

More information about the outcomes of the 2021 Board Evaluation and the 2022 Board Evaluation can be found on page 112.

## Equality, diversity and inclusion

Our focus on equality, diversity and inclusion continues at all levels across the business. During 2022, we were kept apprised of a number of developments in this area, including updating all employee e-learning modules, becoming a ‘Level 1 Disability Confident’ employer and the development of our aspirational diversity targets.

In addition, the development of the Company’s first Diversity Report has been a welcome addition to our reporting in this area. The Diversity Report outlines our aspirational targets and our plans to achieve these. A summary can be found on page 114 and the Diversity Report can be found on our website.

Whilst we are very pleased with our progress, we recognise that our Company is not yet as diverse as we would like and we will continue to aspire to be reflective of the communities in which we operate. Creating a diverse Company is our first goal but the ultimate aim must be to create an inclusive environment where everyone can thrive and contribute.

More information about our future focus on equality, diversity and inclusion can be found on page 114 and also in our Diversity Report which can be found on our website.

**Irene Dörner**  
Chair of the Nomination and Governance Committee

1 March 2023

Chair succession and recruitment

In December 2022, it was announced that Irene Dorner will be stepping down from her role as Chair of the Board, for personal family reasons, at the conclusion of the 2023 AGM on Thursday 27 April 2023. Irene will stay on the Board as a Non Executive Director following the conclusion of the AGM.

The Nomination and Governance Committee, led by Jitesh Gadhia, undertook the search and recruitment process for Irene’s successor, as the Company’s Senior Independent Director (who would usually lead a Chair search) had indicated his interest in being considered for the role early in the process. The Committee appointed Spencer Stuart to assist with the search process. Spencer Stuart confirmed that they had no other connection to the Company or any Director other than as appointed by the Company to assist with executive and non executive search and appointment processes. A role profile was developed to ensure that the appointment was based on merit and objective criteria to identify the best candidate for the role.

A small working hub was formed at the outset consisting of the Remuneration Committee Chair, Chief Executive, Audit Committee Chair and the Group HR Director. The working hub was responsible for the day-to-day oversight of the recruitment process to ensure progress was being made against the agreed plan.

Spencer Stuart conducted an internal and external market-scanning exercise and produced a diverse long list of candidates for consideration against the role profile developed by the Committee. Following consideration of the long list of potential candidates against the role profile, the Committee produced a shortlist of preferred candidates to proceed to interview. The Committee agreed an interview approach, whereby each candidate met with all Executive and Non Executive Directors. Following each interview, feedback was provided to the working hub, and was discussed by the Committee at its meetings during the process. A final meeting was held in December 2022 for the Committee to discuss its views and agree a recommendation to the Board.

Following approval by the Board, on 16 December 2022 it was announced that Rob Noel, the Company’s current Senior Independent Director, would be appointed as the Company’s new Chair from the conclusion of the AGM on 27 April 2023.

The Committee and Board recognised Rob’s long track record in the property sector, ability to operate in a cyclical environment, ability to challenge whilst working collegially and developing strong relationships among key stakeholder groups as key strengths suited to the role. The Committee also considered Rob’s experience of chairing a FTSE 250 company as a strength. Following careful consideration, the Committee concluded that Rob would have sufficient time to devote to the Company alongside his other external appointments.

More information about Rob, his experience and previous roles can be found on page 88.

Irene and Rob will work closely together on a thorough handover ahead of Rob’s formal appointment to the role. More information on Rob’s induction process will be reported in the Company’s Annual Report and Accounts 2023.

**Non Executive Director appointments and induction process**

In 2022, after Gwyn Burr and Angela Knight informed the Board of their intention to step down and following the Committee’s review of the Board’s composition, balance and skills, a formal and rigorous search and recruitment process was undertaken to appoint two new Non Executive Directors to the Board.

The Committee developed a role profile for these appointments and Spencer Stuart was appointed to assist with the search and recruitment process. Spencer Stuart confirmed they had no other connection to the Company or any Director other than as appointed by the Company to assist with executive and non executive search and appointment processes. After following the same steps as outlined in the Chair succession and recruitment process above, the Committee recommended the appointment of Mark Castle and Clodagh Moriarty as Non Executive Directors.

Mark’s significant operational experience in all aspects of the construction sector and Clodagh’s varied customer-focused experience across retail, strategy, digital transformation and e-commerce were identified as key strengths and important additions to the Board’s skills.

Following their appointment, Mark and Clodagh undertook an in-depth induction process which included reviewing a comprehensive pack of documents setting out key information about the Company and the Board, broker reports on the Company and housebuilding sector, and information on directors’ duties. Following their appointment, Mark and Clodagh met with a number of key internal individuals, including the Chair, Executive Directors, Non Executive Directors, members of the GMT and Heads of Functions. In addition, meetings with the Company’s solicitors, brokers, external Auditors and advisers were arranged. Mark and Clodagh also visited a number of regional businesses and sites during 2022, including our Logistics business.



Chief Executive induction process and Q&A

Following the announcement of the appointment of Jennie Daly as the Company’s Chief Executive in February 2022, an extensive handover process was completed ahead of Jennie’s formal appointment in April 2022.

As the former Group Operations Director and an existing member of the Company’s GMT, Jennie’s extensive knowledge of the Company meant that the handover and induction process was not focused on the Company itself and more on her new role as Chief Executive and outlook for the business. This enabled Jennie to be well positioned upon formal appointment as the Company’s Chief Executive.

During the handover period, Jennie and Pete Redfern, the Company’s former Chief Executive, engaged with or visited every regional business across the country. In addition, since her appointment, Jennie has visited eight regional businesses and held six Teams live Q&A events to further engage with our employees. More information about Jennie’s engagement with employees can be found on page 40.

A Q&A with Jennie is set out below, focusing on the handover process and her first year in the role.

**How would you describe the handover process from Pete to you as Chief Executive?**

The handover process between Pete and myself was a really valuable experience. My focus during this period was on developing and embedding my outlook for the business and engaging with as many of our employees as possible. I believe Taylor Wimpey has a very special culture of which we are all proud and it is important to ensure we continue to keep our people and business partners motivated and engaged.

**How would you describe your first year as Chief Executive?**

2022 was a challenging year with two distinct halves. However, with challenge comes the opportunity to renew our focus on our purpose and focus on our strategy to build a stronger and more resilient business and deliver superior returns.



Committee purpose and responsibilities

The main objectives of the Committee are to ensure that there are formal, rigorous and transparent procedures for the appointment of new Directors to the Board, its Committees and other senior positions in the Company; to keep the Board’s corporate governance arrangements under review; and to ensure that both the Company and the Board operate in a manner consistent with corporate governance best practice.

More information about the Committee’s purpose and responsibilities can be found in the Committee’s Terms of Reference which are available on our website.

Governance

During 2022, the Committee oversaw a number of governance matters, including:

- Approved the 2022 Notice of Annual General Meeting.
- Confirmed compliance with the Committee’s Terms of Reference.
- Reviewed the corporate governance framework and reported to the Board that it remains appropriate.
- Recommended to the Board the annual approval of the Directors’ Conflicts of Interest Register.
- Approved and oversaw the 2022 Board Evaluation process.
- Approved the Committee’s annual plan for 2023.
- Recommended to the Board the renewal of a Non Executive Director’s three-year appointment term.

Each Director is required to seek election or re-election, as appropriate, at each year’s AGM. As part of this election and re-election process, the Committee has assessed each Non Executive Director’s independence and is satisfied that they remain independent in nature and there were no circumstances identified that are likely to impair, or could impair their independence. In addition, the Committee is satisfied that the Chair was independent in accordance with the Code, when she became Chair of the Board. Upon stepping down from the role of Chair, Irene Dörner will be considered a non-independent Non Executive Director.

Upon appointment as Chair, Rob Noel will be considered independent in accordance with the Code. The Committee considers the balance of independent and non-independent Directors appropriate and will keep this under review.

The Directors are required to notify the Company of any changes to their external commitments in order that these roles can be considered in relation to the potential for a conflict of interest to arise. These external roles are considered by the Committee and during 2022 it has been concluded that no conflicts of interest have arisen. In addition, the Committee also considers that each Director is able to allocate sufficient time to the Company effectively. This not only included Board and Committee meeting attendance, but also preparation time, site visits and other additional time commitments required during the year.

Accordingly, at the 2023 AGM each Director, irrespective of their appointment date, will be submitted for election or re-election, as appropriate. More information can be found on page 210.

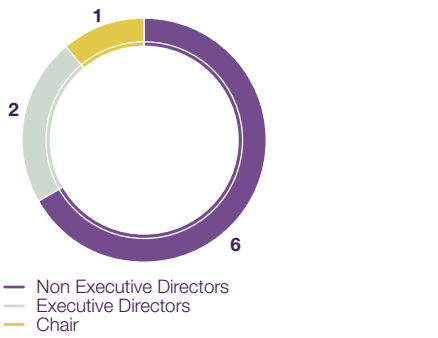
Governance framework documents

- The below governance-related documents can be found on our website.
- Articles of Association.
  - Matters Reserved for the Board.
  - Division of Responsibilities document.
  - Terms of Reference for the Board Committees.
  - Board mandated policies.

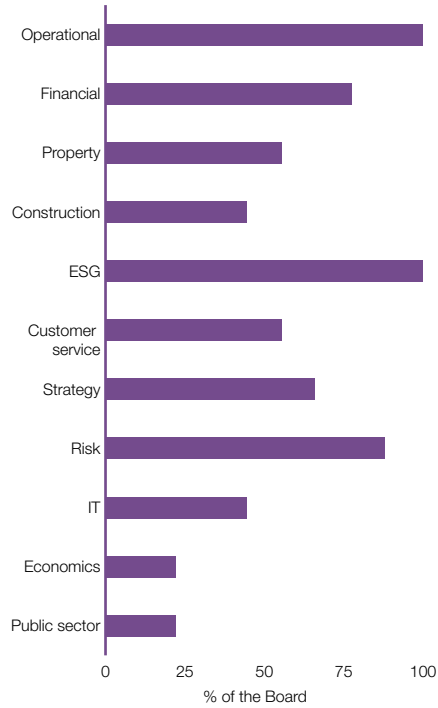
Board balance and skills

During 2022, following a number of Board changes, the Committee considered the structure, size, and diversity of the Board, as well as the skills, knowledge and experience of each Board member.

The Committee concluded that the balance, as at 31 December 2022, of the Chair, two Executive Directors and six Non Executive Directors remains appropriate. This balance will be kept under review during 2023. In addition, the skills of each member of the Board, as set out below, along with the balance of Executive and Non Executive Directors is considered to be appropriate to provide constructive challenge as well as guidance and support in order to continue to deliver the Company’s strategy.



Board skills



Board appointments

The Committee ensures that all Board appointments are subject to formal, rigorous and transparent procedures, are based on merit and objective criteria and promote diversity of gender, social and ethnic background, and cognitive and personal strengths.

There were a number of appointments to the Board during 2022, including:

- On 26 April 2022, Jennie Daly was appointed as the Company’s Chief Executive.
- On 1 June 2022, Mark Castle and Clodagh Moriarty were appointed as Non Executive Directors.
- On 16 December 2022, it was announced that Irene Dörner would be stepping down and Rob Noel would become Chair of the Board at the conclusion of the 2023 AGM.

More information about the appointments made to the Board during 2022 can be found on page 108.

Succession planning

During 2022, the Committee considered the succession planning for both the GMT and Heads of Functions, as well as wider workforce planning for certain roles including regional managing directors. The Committee has visibility of a range of employees who have been identified as potential succession candidates for such roles in the short, medium and long term. The Committee reviews the development programmes for these individuals to ensure they continue to develop in line with the succession plan.

The appointment of Ishaq Kayani as the Company’s new Group General Counsel and Company Secretary is an example of our succession plans in action. Ishaq started at Taylor Wimpey as the Group’s Dispute Resolution Solicitor and progressed to Legal Director and Interim General Counsel in 2022. More information about Ishaq’s career to date can be found on page 91.

In addition, the Committee oversees wider workforce succession planning and one area considered in 2022 was the production skills shortage action plan. The Committee considered the factors contributing to the skills shortage across the sector and recognised the requirement for further action planning in this area. The Committee discussed the action plan, including the need for collaboration across the sector and supporting the supply chain.

Equality, diversity and inclusion considerations, as defined in the Company’s Equality, Diversity and Inclusion Policy, are embedded throughout the succession planning process. This applies throughout all levels of the business and during 2022, an inclusive leadership coaching programme was piloted to explore the attributes, mindset and skills required of an inclusive leader. In addition, an inclusion workshop was delivered which focused on attracting, selecting and retaining diverse teams. These considerations throughout the business ensure that we attract and retain a diverse workforce which feeds into our long term succession plans.

The Committee is supported in this by the Group Talent Management Board and Divisional Talent Management Boards which regularly review succession plans and related development requirements across roles within the Company.

One aspect of a senior individual’s development plan is for those below Board level to be given the opportunity to attend Board meetings to present on specialist topics, project work and divisional performance. This process not only provides valuable exposure to the Board but it is also valuable for the Board and Committee to assess the strength and depth of the succession plans in place. During 2022, a number of individuals were invited to present to the Board on topics including customer service, supply chain, HR, production, HSE, IT, sustainability and technical.

Contingency planning

During 2022, the Committee reviewed the Company’s contingency cover to ensure that the Company can respond to the unforeseen unavailability of any member of the Board, GMT or other senior roles without impacting the current and long term performance of the Company. Following this review, the Committee was confident that all key roles have an appropriate contingency plan in place.

Non Executive Director tenure

The Committee is conscious that the Code does not consider a Non Executive Director to be independent after they have served on the Board for nine years from the date of their first appointment and is therefore mindful of the tenure of each Non Executive Director. This table shows the tenure of each of our Non Executive Directors against the nine year period.

Read more on page 88

Irene Dörner

Robert Noel

Mark Castle

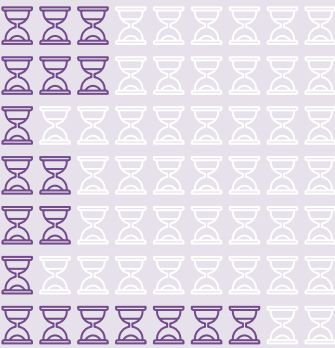
Jitesh Gadhia

Scilla Grimble

Clodagh Moriarty

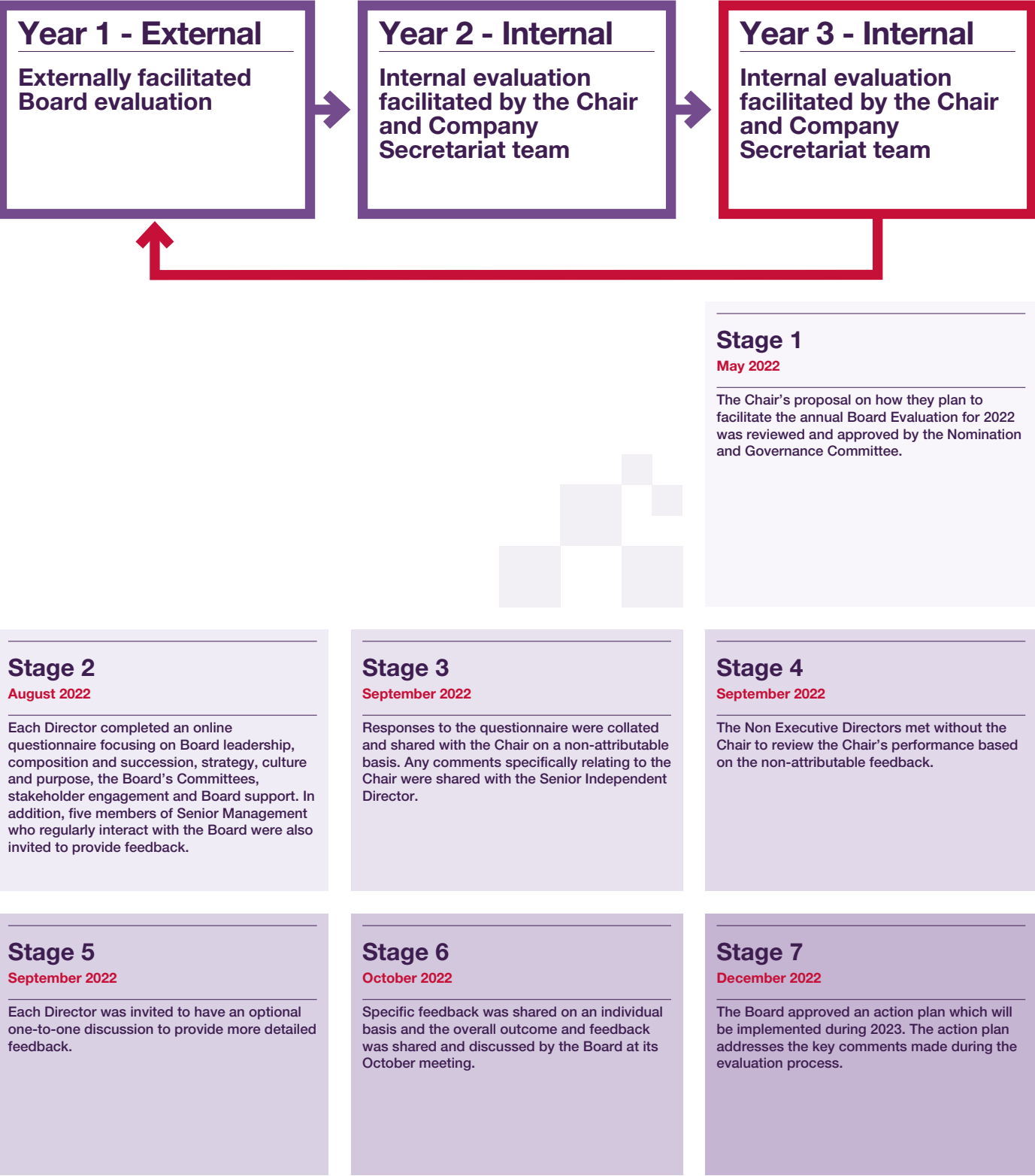
Humphrey Singer

- Tenure
- Maximum tenure as per the Code



Board Evaluation

The Board undertakes a formal and rigorous evaluation of the performance of the Board, its Committees, the Chair and individual Directors on an annual basis. This process follows a three year cycle, with the 2022 Board Evaluation being internally facilitated and the next externally facilitated evaluation due to be undertaken in 2023.



The overall conclusion of the Board Evaluation was positive on all aspects of Board effectiveness, and confirmed that there continues to be effective challenge and support at Board meetings. Some areas for improvement were identified and an action plan was agreed to address these areas.

2022 recommendations	Actions planned for 2023
Increase exposure to members of Senior Management.	Additional opportunities for engagement with the GMT and Heads of Functions will be arranged in 2023.
Increase reporting on succession and development plans.	Annual agenda plans for 2023 include increased reporting and feedback on succession and development plans for the Board, GMT and all employees.
Ensure progress against ESG initiatives are clear.	Agendas for Board and Committee meetings have been reorganised to ensure ESG initiatives are clearly highlighted and understood.

In addition, the Committee ensured that the following actions were taken during 2022, following on from the 2021 Board Evaluation. Progress against the below actions was reviewed during the year as part of the overall Board Evaluation process.

2021 recommendations	Actions taken during 2022
Completion of a rigorous and thorough recruitment process to appoint the next Chief Executive and prepare a comprehensive induction programme.	Jennie Daly was announced as the Company’s Chief Executive from the conclusion of the 2022 AGM on 26 April 2022. A thorough induction and handover process was undertaken, as detailed on page 109.
Review the role of the Board’s Employee Champion and consider ways to further strengthen engagement with employees.	The role of the Board’s Employee Champion was reviewed and during 2022, additional engagement sessions were scheduled outside of the Employee Forum schedule to encourage further two-way communication. More information can be found on page 104.
Further develop the Board’s oversight of the Company’s ESG priorities and determine ways to measure ESG progress consistently.	During 2022, the Board increased its oversight of the Company’s ESG priorities and approved the Company’s Net Zero Transition Plan. More information can be found on page 56.
Arrange additional regional business and site visits for Board members.	The Directors have visited 9 sites throughout 2022, both on a group and individual basis. In 2023, each Non Executive Director is requested to visit at least one regional business or site per quarter. More information can be found on page 100.

## Nomination and Governance Committee report *continued*

### Board diversity

Board diversity is supported by the Board Diversity Policy which specifically applies to the Board and its Committees and supports the Company's wider approach to diversity. Diversity is considered in its broadest sense, including but not limited to, sex, gender reassignment, ethnicity, religion or belief, disability, sexual orientation, age, pregnancy and maternity, marital status, educational and professional background. This Policy was reviewed and approved by the Board during 2022 and is available on our website.

The Committee and Board recognise the benefits that diversity brings and the importance of having a balance of perspectives, insights and challenge to ensure good decision making, oversight and support throughout the Company.

The Committee and Board fully support the FTSE Women Leaders Review target of 40% female representation on the Board and the Leadership Team by the end of 2025. The definition of Leadership Team includes our Group Management Team and their direct reports. Whilst we are pleased to report that we have exceeded this target in relation to our Board membership, we recognise that further progress needs to be made in relation to female representation in our GMT and Leadership Team. The Committee is also pleased to note that, as at 31 December 2022, both our Chair and Chief Executive are women, which exceeds the target set to be achieved by 2025. This target will be considered when making any Board changes in the future. The Committee and the Board also fully support the Parker Review's 'Beyond One by 21' recommendation and is pleased to confirm compliance with this recommendation as at 31 December 2022.

Diversity, in its broadest sense, remains a key consideration during recruitment and will continue to be referenced in all recruitment processes.

The Committee is pleased to report early compliance with the FCA's new diversity disclosure requirements, as set out in the table below.

At Taylor Wimpey 'executive management' is defined as the GMT. The figures in the table are stated as at 31 December 2022 and have been calculated based on diversity data provided upon employment.

### FCA Diversity Disclosure Table

	Number of Board members	Percentage of the Board	Number of senior positions on the Board	Number in executive management	Percentage of executive management	Number of employees	Percentage of employees
<b>Gender diversity</b>							
Men	5	55.60%	2	5	62.50%	3,455	67.01%
Women	4	44.40%	2	3	37.50%	1,701	32.99%
Other categories	–	–	–	–	–	–	–
Not disclosed/prefer not to disclose	–	–	–	–	–	–	–
<b>Ethnic diversity</b>							
White British or other White	8	88.90%	4	8	100%	4,467	86.64%
Mixed/multiple Ethnic Groups	–	–	–	–	–	62	1.20%
Asian/Asian British	1	11.10%	–	–	–	109	2.11%
Black/African/Caribbean/Black British	–	–	–	–	–	79	1.53%
Other ethnic group including Arab	–	–	–	–	–	29	0.56%
Not specified/prefer not to say	–	–	–	–	–	410	7.95%

### Employee diversity

Employee diversity, in its broadest sense, remains a key priority for the Committee, and across the Company as a whole.

In 2022, the Committee oversaw the progress and development of a number of activities in this area, including the embedding of the revised Equality, Diversity and Inclusion Policy introduced in 2021, the publication of our Diversity Report and the development of a number of aspirational diversity metrics to be achieved by the end of 2030.

The Company's Equality, Diversity and Inclusion Policy is based on three key areas of focus:

- 21st century leadership: Ensure that line managers understand their role and responsibility in developing a more diverse and inclusive culture through the provision of relevant training and building awareness across the Company.
- Employer of choice: Ensure that our working environment, policies, procedures and development and progression opportunities support greater diversity and inclusion.
- Expanding our reach: Develop broader recruitment channels and take positive action to expand the diversity of candidates attracted to the Company, including designing development programmes to attract and support new employees.

Detailed information about the Company's employee diversity policies, practices and progress in this area can be found on page 50 of this Annual Report and Accounts 2022 and in our Diversity Report which can be found on our website.

### 2030 aspirational diversity targets

#### Female representation in regional business leadership roles

**50%**

#### Ethnic representation in regional business leadership roles

**12.5%**

#### Female representation in graduate early entry talent

**50%**

#### Ethnic representation in graduate early entry talent

**25%**

#### Female representation in early entry talent

**50%**

#### Ethnic representation in early entry talent

**25%**