Introduction

Sustainable homes and communities

Land, planning and community engagement Customer service and quality

Health, safety

Responsible

Charitable

# **People** and skills

We want to be known as an employer of choice in our sector and beyond, recruiting a diverse workforce and offering industry-leading development opportunities. During 2020, we have continued to implement our people strategy while adapting how we work in response to the pandemic.



### 2020 highlights

- Named in Glassdoor's top 50 places to work, for the fourth consecutive year
- Launched our new Code of Conduct and updated induction
- Entry level roles made up 14% of our workforce
- 13,000 training days delivered
- 30% women in our workforce
- 98% colleagues felt positive about the support they received while on furlough
- Made the top 20 out of 650 companies in the European Women on Boards' Gender Diversity Index

### Plans and targets

- Launch our updated Equality. Diversity and Inclusion policy, Maternity, Paternity and Adoption Leave policy, and first Menopause policy
- Introduce reverse mentoring with LGBTQ+ colleagues
- Launch our updated Wellbeing Policy
- Roll-out respectful workplace training to site management teams to ensure every site provides an inclusive work environment



UN SDG: Goal 5 -**Gender Equality** 

Achieve gender equality and empower all women and girls.

We support this goal by increasing female representation in our business, including at all levels of leadership.

### Our culture

We aim to create a strong, positive work culture at Taylor Wimpey, guided by our vision and values. All employees are appraised against our values as part of our performance review process.

Our updated Code of Conduct was launched in 2020, setting out the high standards of integrity and conduct we expect. The Code summarises the key policies and procedures that everyone should be familiar with. We distributed it to all existing employees and made it part of our induction.

We launched our updated induction process 'Laying the Foundations', which now includes pre-start material to engage new employees and help them quickly become familiar with how we work. It includes content on our commitment to customers and how we operate as a listed company, as well as topics such as diversity and inclusion, modern slavery, and privacy and data security.

### Awards and recognition

We were named in the Glassdoor top 50 places to work in the UK for 2021 for the fourth year running, based on employee feedback. Taylor Wimpey was also named in Glassdoor's top 10 companies for work-life balance during the pandemic. based on employee reviews left between March and September 2020.

### Workforce and turnover

During 2020, we directly employed, on average, 5,948 people across the UK (2019: 5,796) and provided opportunities for a further 12.3k operatives on our sites (2019: 14.6k). Our voluntary employee turnover was 9.4% (2019: 12.9%). We aim to keep this below 15%.

We restructured parts of our business to improve efficiency, reduce costs and maximise returns to our shareholders. This included merging two of our regional businesses, reviewing and restructuring some of our business units and removing some senior operational management roles. We treated anyone affected by redundancy fairly and respectfully, including offering outplacement support, and were pleased to be able to redeploy some affected employees into alternative roles across our business.

Sustainable homes Land, planning and Customer service Health, safety Introduction and communities community engagement and quality and wellbeing

Skills and development

There is a well documented skills shortage in the construction sector. This means increased competition to recruit and retain key roles and subcontract skilled tradespeople.

To ensure we have access to the skills we need, we have been increasing the number of experienced tradespeople that we hire directly, focusing on key trades: bricklayers, carpenters, roofers, painters, scaffolders and joiners.

We also offer a range of entry-level roles to encourage people into our business. Entry level positions make up around 14% of our total workforce (2019: 16%). These include:

- Trade apprenticeships three to five-year placements for bricklayers, carpenters, painters, roofers, scaffolders and joiners
- Management trainees three year development programme to become a Site Manager, Quantity Surveyor, Buyer, Design and Planning Executive, or Engineer and gain professional qualifications
- Graduates placements, formal training, special projects and coaching over three years to develop our future managers and leaders

We support our regional businesses to develop local links with colleges, universities and schools and encourage a diverse range of candidates to consider careers in housebuilding. This includes attending careers fairs, offering work placements, giving talks and lectures and working with careers advisers. From 2021, we will be partnering with the Careers & Enterprise Company to further develop these links.

### Learning and training

Our training focuses on: management and leadership; personal development skills (such as presentation, communication, negotiation and time management); and technical knowledge and capabilities. Our employees completed over 13,000 training days in 2020 (2019: 12,270).

The pandemic provided an opportunity to change how we deliver training, using technology and new formats to reach more people and to introduce more bite size content. This included:

- Best-in-class: how-to videos for each function on technical and operational subjects
- Masterclasses: one hour sessions and discussions led by colleagues or external experts on business and technical subjects
- Spotlight: invitation only masterclasses for senior colleagues led by internal experts

Over 2,500 employees attended a masterclass and over 4,000 viewed a best in class session during 2020.

Our technical academies cover production, sales and customer service, providing structured career and skills development, and enabling employees to gain a formal qualification. Over 1,500 employees have enrolled on or completed academy courses. We also run on-site training academies for apprentices at six of our sites.

We assess the impact of our training and development using metrics such as employee productivity and retention, build quality scores, customer satisfaction scores and sales figures. An Academy Board meets quarterly to review our academies, and how they are impacting business performance.

### Performance appraisals and development

All employees have two performance appraisals with their line manager each year to review performance and set objectives. We also use an online performance management system enabling employees and managers to monitor progress throughout the year. Employees have a personal development plan that identifies skills gaps, training needs and development opportunities.

We aim to move to a culture of 'Output Focused Performance Management', setting objectives and targets linked to business goals and purpose with progress monitored throughout the year.

All new Directors and Managing Directors receive a 360 appraisal – around 55 people per year.

### **Building a diverse workforce**

Responsible

We want every Taylor Wimpey location to provide an open, inclusive and diverse working environment. By having a broader range of perspectives, ideas and experiences we will improve decision making, better align with our customers and be more resilient and effective.

Our Diversity and Inclusion (D&I) Steering Committee is chaired by a member of our GMT. Each regional business has a D&I Champion and a D&I action plan. We are setting quantitative targets to help speed up progress.

### Recruitment

We provide diversity training for hiring managers and have reviewed our job adverts, careers site and candidate communication to make our hiring processes more inclusive. We're also improving candidate data to enable us to track ethnicity, gender and age.

To reach a diverse range of candidates we work with workingmums.co.uk, Sponsors for Educational Opportunity London and Black Professionals in Construction. With the Leonard Cheshire Change 100 programme, we provide work experience for talented undergraduates with a disability.

### Training and engagement

All new employees are required to complete our Diversity and Inclusion e-learning, and senior leaders complete mandatory unconscious bias training.

We began a reverse mentoring pilot for eight senior leaders who were partnered with black, Asian and minority ethnic (BAME) employees. The programme aims to raise awareness among senior management of the challenges faced by individuals from other backgrounds, whilst providing under-represented employees with access to the insights and experiences of senior leaders. Feedback suggests that this programme

is improving understanding of the barriers faced by BAME colleagues and encouraging leaders to challenge practices that may be hindering diversity in our talent pipeline.

Governance and

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We ran our second D&I conference virtually in 2020 with over 110 attendees, including our D&I Champions, Managing Directors and Divisional Chairs. This included a panel discussion on Black Lives Matter. John Amaechi OBE, the organisational psychologist, spoke at two webinars for senior leaders on how to be a consciously anti-racist organisation.

We run campaigns to highlight our commitment to diversity and in 2020 celebrated International Women's Day, LGBTQ+ Pride, National Inclusion Week, Black History Month and International Men's Day.

We support colleagues to form affinity networks where they can share experiences and work together on diversity. We created our BAME employee network in 2020 and expect to launch menopause, women returners and LGBTQ+ networks in 2021.

### Flexible and agile working

Flexible and agile working can help us recruit and retain talented employees, as well as benefiting employee engagement and wellbeing. We already encouraged flexible working arrangements and the pandemic has increased our focus on this area.

We published remote and agile working principles and guidance for employees working from home during the pandemic. We also trained line managers on supporting the wellbeing of colleagues working from home.

Sustainable homes Land, planning and Customer service Health, safety Responsible **People** Charitable Governance and Performance Introduction and communities community engagement and quality and wellbeing Environment sourcing and skills giving management summary

### Performance in 2020

Overall we have a gender mix of 70% male and 30% female across the Company, and this is also reflected in our management tiers. We believe this indicates we are making good progress at successfully retaining and progressing female talent. We are making some progress at increasing diversity in recruitment. For example, for our management trainee intake we reached 36% women and 14% BAME among new recruits. Among graduates, 55% were women and 9% were BAME.

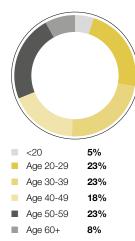
Our data on workforce ethnicity is incomplete but we are working hard to improve this. Existing data suggests our workforce does not reflect the diversity of the UK population. We want to address this.

We released our 2021 Gender Pay Gap Report which showed a negative mean gender pay gap of -6% and a median pay gap of -18%, meaning that females received more pay than males at our snapshot date of 5 April 2020, though the data was impacted by employees on furlough.

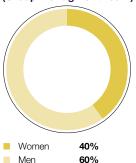
Our mean bonus pay gap was -14%. This is because sales commission was higher for the year, and 90% of sales roles are held by females. Our median bonus pay gap was 41%, influenced by the high number of men in senior roles where bonus payments make up a large part of remuneration.

While we are not currently required to report on ethnicity pay, we are working to ensure we will be in a position to do so, when required.

### Age diversity in our workforce



## Gender balance in executive leadership (Group Managment Team)



### Women in our workforce (%)

	2020	2019	2018	2017
All employees	30%	29%	31%	32%
Junior managers	46%	45%	48%	48%
All managers	28%	28%	27%	26%
Group Management Team	40%	44%	33%	30%
Board	50%	50%	44%	30%

Note to chart: The GMT and Board figures are correct as at 31 December 2020.

### Health and wellbeing

from home.

We want to support colleagues to maintain good mental, physical, social and financial health. Our Health and Wellbeing Committee coordinates our efforts supported by a Health and Wellbeing Champion in every regional business.

Our core benefits package includes healthcare for all employees, through private medical insurance or health cash plans. All office-based employees are entitled to regular health assessments after completing one year's service. Our Employee Assistance Programme (EAP) offers counselling, financial advice and a support line.

Supporting employees during the pandemic During the pandemic, we introduced new measures to support colleagues whether they remained at work, were on furlough or working

This included a free digital GP service for all employees. We also provided wellbeing training for line managers to help them support staff working remotely and launched wellbeing coaching sessions on topics such as work-life balance, healthy lifestyles and goal setting.

We created a COVID-19 section on our intranet site, with FAQs and guidance, including how to set up a workstation and structure your day when working from home. We shifted our training online (see page 24) and ran a series of 44 fun daily challenges to help employees stay connected.

We supported our colleagues on furlough with their full base pay and implemented revised remuneration arrangements for colleagues who usually receive high levels of variable pay, such as sales staff.

Colleagues who were not furloughed through the lockdown were given extra time off in-lieu to make up for their work during the crisis. We also extended emergency leave and introduced special leave for those unable to work their full hours, for example due to family commitments.

### 98% of employees

felt positive about the support they received while on furlough, as measured in an employee survey

### Addressing mental health in construction

Mental health is a significant concern for the construction industry. We partner with mental health charity, Mates in Mind, to deliver mental health training for colleagues. This aims to tackle stigma and empower people to get help if they need it. We have 132 Mental Health First Aiders across our business who support managers and employees when mental health issues arise.

We use the Thrive wellbeing app, which has been approved by the NHS and provides tools and support for employees to manage and improve mental wellbeing. We are a signatory to the Building Mental Health Charter.

### Supporting physical and financial health

We ran a number of physical health campaigns in the year including supporting cycle to work week and our Get Moving Challenge.

Our first financial awareness campaign highlighted the tools available to help employees manage their finances such as a budgeting tool, confidential advice on money and pensions and our EAP.

### **Employee engagement**

We welcome employee feedback and run regular employee surveys.

We ran three Pulse surveys in 2020. These short surveys focused on our response to the pandemic, diversity and inclusion, communication, development and agile working. Key findings include:

- 98% of furloughed staff felt positive with the support they received during the pandemic
- 92% agreed that their line manager values different perspectives, beliefs, values and abilities
- 84% would recommend Taylor Wimpey to family and friends based on the career training and development they have received

Sustainable homes Land, planning and Customer service Health, safety Responsible People Charitable Governance and Performance Introduction and communities community engagement and quality and wellbeing Environment sourcing and skills giving management summary

The surveys also showed that our communications regarding our commitment to diversity and inclusion and the training opportunities available at Taylor Wimpey could be improved. It also highlighted opportunities to strengthen our performance review process. Each of our regional businesses has an action plan to address local feedback.

We encouraged colleagues to share their views and ideas throughout the year and a dedicated email address was set up to allow employees to share feedback directly with our Chief Executive.

### **Employee forums**

Our National Employee Forum (NEF) enables our Board and senior management team to engage with employees and hear their feedback. The NEF has nine members (three from each of our regional divisions), including site and office employees and regional directors. It is attended by members of our GMT. Its members are drawn from active Employee Consultation Committees in our regional businesses.

In 2020, to further strengthen engagement between the Board and employees, the Chair of the Remuneration Committee, Non Executive Director Gwyn Burr, was appointed as the Board's NEF Champion. Gwyn now attends NEF meetings and feeds back to the Board. Our Chairman Irene Dorner also attended the NEF in 2020.

The Forum met four times in 2020 and topics discussed included training and development for employees during the furlough period, employee survey results, and customer service improvements.

We are establishing Local Employee Forums (LEF) in our regional businesses as well as our head office and logistics business, to encourage dialogue at the local level.

### Raising concerns

We encourage employees to share any concerns, breaches of our policies or suspected cases of unethical conduct with their direct line manager, another manager or by reporting to our Group General Counsel and Company Secretary, Group HR Director or Head of Internal Audit. This includes any form of harassment or bullying, or if any employee has reason to believe that modern slavery of any form may exist within our organisation or our supply chain, or may occur in the future. We also operate an independent confidential reporting hotline, Safecall, available to all employees and subcontractors.

### Living wage

All employees are paid at least the voluntary living wage, as calculated by the Living Wage Foundation, except for trainees and trade apprentices who are paid in accordance with the apprentice rates set out in the Construction Industry Joint Council Working Rule Agreement.

The pay rates of site operatives are governed by the industry-wide Construction Industry Joint Council (CIJC) Working Rule Agreement. This is above the voluntary living wage.

#### Social mobility

We have signed the Social Mobility Pledge, an initiative by former MP Justine Greening, signalling our commitment to boost opportunity and social mobility. We are developing an Opportunity Action Plan focusing on four areas: helping to tackle homelessness; building employability for disadvantaged people; developing construction skills; and diversity and inclusion.

### More information

Read about succession planning, reward and remuneration in our Annual Report and Accounts 2020.

### **Progress against targets**

Target	Progress	Achieved?
Launch and roll-out our new induction process, Laying the Foundations	We launched our updated induction process 'Laying the Foundations', which now includes pre-start material to help new employees to quickly become familiar with how we work.	<b>⊘</b>
Increase BAME representation in our workforce	Our data on workforce ethnicity is incomplete but suggests our workforce does not currently reflect the diversity of the UK population.	
Increase the percentage of women in leadership roles in our regional businesses and in our management trainee programme	We have seen a small increase in women in leadership roles in our regional businesses but we have more to do in this area. We increased the percentage of women among new recruits to our management trainee programme.	
All employees to have completed our mental health training	Most colleagues have completed the training but further roll-out was delayed due to the pandemic.	<u> </u>
Launch our Agile Working Toolkit	We launched our toolkit and agile working principles, which are now available on our intranet for all employees to access.	<b>⊘</b>
Set up Local Employee Forums (LEF) in our regional businesses	Progress was delayed due to the pandemic and we will establish the LEFs during 2021.	

