



Nomination and Governance Committee report



The Committee has maintained high standards of governance and talent development.”

Robert Noel
Chair of the Nomination and Governance Committee

Key activities and areas of focus

- Reviewed and recommended the approval of an externally facilitated Board evaluation
- Oversaw the appointments of Humphrey Singer as the Senior Independent Director and Mark Castle as Board Employee Champion
- Reviewed the Group Management Team, Heads of Functions and wider workforce talent and succession plans
- Reviewed and recommended the approval of the Company's equality, diversity and inclusion activities, progress and targets

“The Committee has been committed to identifying and overseeing the nomination of visionary leaders and creating a pipeline of succession that upholds the Company's values and strategic focus.”

Robert Noel
Chair of the Nomination and Governance Committee

Committee members

	Meeting attendance
1. Robert Noel (Chair) ^(a)	3/3
2. Humphrey Singer	3/3
3. Mark Castle	3/3
4. Irene Dorner	3/3
5. Jitesh Gadhia ^(b)	2/3
6. Scilla Grimble	3/3
7. Clodagh Moriarty	3/3

(a) Robert Noel was appointed as Chair on 27 April 2023.

(b) Jitesh Gadhia was unavailable for the meeting on 25 May 2023.

Committee meetings were also attended, by invitation, by the Chief Executive, Group HR Director, Group General Counsel and Company Secretary, members of the Company Secretariat team, Head of Talent, Head of HR, Chair of the National Employee Forum, Future Talent Development Manager and Co-Chairs of the Proud2Be Employee Network.

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Nomination and Governance Committee report continued

Dear Shareholder

As Chair, I am pleased to present the 2023 report of the Nomination and Governance Committee (the Committee) on behalf of the Board.

2023 Priorities

The Committee met three times during the year and reviewed various matters, including:

- An external evaluation of the Board, its committees, and individual directors, as well as the feedback and action plans arising from the evaluation process.
- Board Succession Planning and Group Management Team performance, development and organisation structure.
- The Diversity and Inclusion Report (including the approval of diversity targets) as well as progress made towards achieving the Board's diversity objectives, including gender, ethnic, and cultural diversity.
- The corporate governance framework and practices of the Company, including the review and approval of the annual corporate governance disclosures and assessing alignment with best practices and regulatory requirements.

As a Committee, we have overseen the appointments of Humphrey Singer as Senior Independent Director, and Mark Castle as the Board's Employee Champion, as well as the transition from Irene Dorner to me as Chair. More information on the Board changes can be found on page 110.

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 100.

Embedding good corporate governance throughout the Company will remain an important area of focus for the Committee throughout 2024.

External Board evaluation

I am pleased to report that the results of our annual Board evaluation concluded that the Board continues to be effective, with appropriate challenge and support at Board meetings. The 2023 Board evaluation was externally facilitated by Manchester Square Partners.

Whilst conducting the 2023 Board evaluation, we also reviewed the key actions identified in the 2022 Board evaluation and reviewed progress made against these actions during 2023.

More information about the outcomes of the 2023 external Board evaluation can be found on page 111.

“We have made significant progress in advancing our strategic priorities and enhancing our governance standards.”

Robert Noel
Chair of the Nomination
and Governance Committee

Equality, diversity and inclusion

Our focus on equality, diversity and inclusion remains unchanged. It would be easy, in times of challenge, to reduce activities and attention to this important area of work.

In 2023, we made progress on our aspirational targets, became a Level 2 Disability Confident employer, undertook a wide range of actions led by our employee affinity groups, and most importantly, our employees have told us in our engagement survey that they recognise that we are working hard to become as diverse as the communities in which we operate.

We will be publishing our second Diversity and Inclusion Report with the full details of our achievements in this area.

Whilst we are pleased with our progress, we recognise that in reality our Company is still working towards diversity and we will continue to aspire to be reflective of the communities in which we operate; to this end we have set diversity targets in line with the Parker Review.

More information about our future focus on equality, diversity and inclusion can be found on page 106 and also in our Diversity and Inclusion Report which can be found on our website.

Robert Noel
Chair of the Nomination
and Governance Committee
27 February 2024





Nomination and Governance Committee report continued

Committee purpose and responsibilities

The main objectives of the Committee are to ensure that there are formal, rigorous and transparent procedures for the appointment and induction of new Directors to the Board, its Committees and other senior positions in the Company; and 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 2023, the Committee oversaw a number of governance matters, including:

- Approved the 2023 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 the 2023 external Board evaluation process
- Approved the Committee's annual plan for 2024

Each Director is required to seek election or re-election, as appropriate, at each year's Annual General Meeting. As part of this election and re-election process, the Committee has assessed each Non Executive Director's independence and is satisfied that five of the seven Non Executive Directors 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 he became Chair of the Board.

Irene Dorner, having stepped down from the role of Chair of the Board in 2023, is now considered a non-independent Non Executive Director. 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 2023 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 2024 Annual General Meeting each Director, irrespective of their appointment date, will be submitted for re-election. More information can be found on page 229.

Governance documents

The below governance related documents can be found on our website.

- Articles of Association
- Matters Reserved for the Board
- Division of Responsibilities
- Terms of Reference for the Board Committees
- Board mandated policies

Board balance and skills

During 2023, 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 2023, of the Chair, two Executive Directors and six Non Executive Directors remains appropriate. This balance will be kept under review during 2024. In addition, the skills of each member of the Board, as set out on pages 92 to 94, 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.



Nomination and Governance Committee report continued

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 no new appointments made to the Board during 2023; Humphrey Singer was appointed the Senior Independent Director and Mark Castle, the Board's Employee Champion.

i More information on the Board changes during 2023 can be found on **pages 99, 102, and 108**

Succession planning

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 and therefore is mindful of the tenure of each Non Executive Director. When reviewing its annual agenda plan, the Committee is aware of any likely upcoming Board changes as a result of this, and is therefore in a position to begin the succession and recruitment process at an early stage. To this end, the Committee will begin, in early 2024, to make arrangements for the succession and recruitment of a new Non Executive Director as Humphrey Singer finishes a nine year term.

During 2023, the Committee considered the succession planning for both the Group Management Team 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 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 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. During 2023, actions taken to support succession plans included Senior Management development and engagement, the discussion of aspirational diversity targets, and early talent capability levelling.

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 2023, a number of individuals were invited to present to the Board on topics including customer service, sales and marketing, production, supply chain, employee engagement, and land.

Contingency planning

During 2023, 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.





Nomination and Governance Committee report continued

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 2023 Board evaluation being externally facilitated by Manchester Square Partners (MSP). MSP also carried out the 2017 and 2020 externally facilitated evaluations and it was considered that their insight into the significant evolution of the Board since 2017 (which has included two Chair changes, a new Chief Executive, various Non Executive Director changes and Group General Counsel and Company Secretary changes) would be invaluable. The Committee noted that MSP have no other connection to the Company and were chosen for their constructive and direct evaluation style.



→ Stage 1 May 2023

The Nomination and Governance Committee reviewed and approved the proposal to appoint MSP to conduct the 2023 externally facilitated Board evaluation.



→ Stage 2 June 2023

The Chair and MSP agreed the scope of the Board evaluation and developed an outline framework to ensure that the specific objectives of the Board evaluation were met. MSP were provided access to the Board and Committee papers for the prior 12 months. MSP observed the June Board meeting.



← Stage 5 September 2023

MSP prepared a summary paper of key findings and themes for an initial discussion with the Chair.



← Stage 4 August 2023

Individual interviews were conducted with each of the Board members and the Group General Counsel and Company Secretary.



← Stage 3 July 2023

MSP observed the July Board and Audit Committee meetings.



→ Stage 6 October 2023

MSP produced a report to the Board on their findings and recommendations and attended the October Board meeting to discuss the report.



→ Stage 7 December 2023

The Board agreed a set of actions to be implemented during 2024 which will address the points raised in the evaluation report.



Nomination and Governance Committee report continued

MSP concluded that the Board functions well and governance is strong at Taylor Wimpey. There is a good degree of trust, confidence and healthy respect between the Directors; with all Directors being aligned in respect of the role of the Board over the next few years. MSP confirmed that the

relationship between the Chair and Chief Executive is developing well with regular open dialogue. The Committees are functioning effectively with praise for the work and rigour the respective Committee Chairs bring. The Non Executive Directors are committed, knowledgeable and well prepared; and bring strong diverse perspectives and experiences.

Some areas for further enhancements were identified and the Board developed an action plan designed to address the findings of the evaluation, which will be actioned during 2024. In addition, the Committee reviewed progress made against the agreed 2022 Board evaluation actions. Further information can be found in the tables below.

2022 recommendations

Actions taken in 2023

Increase exposure to members of Senior Management

The Group Management Team and Heads of Functions met with the Board on a more frequent basis during 2023, through a mixture of additional meetings and dinners.

Increase reporting on succession and development plans

The Committee received regular updates on talent and succession planning at all levels of the business, from early entry to the GMT. As part of these updates, the Committee were provided with overviews of the development plans in place to strengthen our succession pipeline.

Ensure progress against ESG initiatives are clear

An ESG balanced scorecard has been developed during 2023 which the Board reviews at least on a quarterly basis. The scorecard captures key areas of importance to Taylor Wimpey and increases visibility of progress. There is also a standing ESG item at each Board meeting which provides key ESG updates since the last meeting. More information can be found on pages 98 and 104.

2023 recommendations

Additional external input on key topics to provoke collective discussion and hear opposing views

Additional items will be included on Board agendas throughout the year for one or two external speakers to present on key topics.

Further enhance discussions at Board and Committee meetings

All papers submitted to the Board to include an executive summary which note any particular questions Management would like the Non Executive Directors to consider in advance of the meetings. A brief biography of all presenters to be included in the Board packs.

Development of an Employee Value Proposition

The Board to contribute to the development of an Employee Value Proposition throughout 2024 to ensure an interconnection between purpose, values and culture.

Proposals planned for 2024

