

## Nominations Committee report continued

### FY23 Board evaluation

Given that an external evaluation was carried out last year, this year the review was conducted internally. Each Director completed a questionnaire in respect of the Board and each Committee of which they were a member or otherwise attended meetings on a regular basis. The Group General Counsel and Company Secretary collated the responses and shared them with the Chair and each respective Committee Chair. An executive summary with the key findings was then shared, alongside each report, with the Board and each Committee's members for discussion. The key themes and outcomes from the Board review were as follows:

Theme	Outcomes
<b>Succession planning</b>	<ul style="list-style-type: none"> <li>Acknowledgement that the appointment of new NED(s) to the Board, and to the roles of Senior Independent Director and Chair of the Remuneration Committee when William Reeve and Peter Ruis step down in 2024, is a priority.</li> <li>Continue to focus on succession plans and capability development for key senior positions.</li> </ul>
<b>Stakeholder engagement</b>	<ul style="list-style-type: none"> <li>Undertake a more detailed review of supplier relationships and consider increased supplier engagement at Board level to further develop understanding of opportunities and risks.</li> </ul>
<b>ESG-related risks and opportunities</b>	<ul style="list-style-type: none"> <li>Continue to support management in refining our ESG strategy and approach and ensure that it remains relevant to our strategy. Provide feedback on reporting and share wider learnings and experience.</li> </ul>
<b>Testing the Company's strategy and ambitions</b>	<ul style="list-style-type: none"> <li>Include key topics raised by the Board at the Strategy Day in May on the agenda for the forthcoming year.</li> <li>Continue to constructively challenge the Executive Team in order to maintain our focus on driving long-term growth.</li> </ul>

Overall, the results of the FY23 evaluation were very positive, with no major concerns or issues raised. High scores reflected a strong and positive culture and an effective and well-managed Board, and the comments are being used to help shape the Board agenda and its priorities in FY24. It was also confirmed that each Director continues to make an effective contribution to the Board, is well-prepared and demonstrates commitment to their role.

### Diversity & inclusion

#### Policy

Our overriding aim is to ensure that the Board and Company comprise outstanding people and teams who can lead the business effectively in a manner aligned to our purpose, shared values and strategy. We believe that the Group's best interests are served by ensuring that our people represent a range of skills, experiences, backgrounds and perspectives.

This is encapsulated in our 'stronger together' shared value and the inclusion of 'Culture and Identity' (being an ambitious and inclusive brand and organisation) as one of our three strategic drivers to deliver further growth.

In order to achieve this aim, we remain focused on three broad principles:

- refining the way we recruit.
- identifying, supporting and mentoring existing diverse talent in the business.
- increasing diversity amongst senior appointments as they are made, including to our Board and each of its Committees.

In line with this approach, the Committee:

- is committed to ensuring that the Board is at least 40% female, that at least one of the Chair, Senior Independent Director, CEO and CFO positions is held by a woman and at least one Board Director is from an ethnically diverse background.
- receives update on our approach to recruitment at all levels of the business as part of its oversight of colleague policies and practices.
- continues to require that specific effort is made to bring forward diverse candidates for senior management and Board appointments.
- monitors the Group's approach to people development to ensure that it continues to enable talented individuals, regardless of gender, marital status, sexual orientation, disability, race, religion, colour, nationality, ethnic origin, or age to enjoy career progression within Dunelm.

## Board

At a Board level, the Listing Rules prescribe diversity targets, which are met as follows:

Target	Compliance
At least 40% of the Board are women	45% of our Board are women
At least one of the senior Board positions is held by a woman	Alison Brittain is our Chair and Karen Witts is our CFO
At least one member of the Board is from a minority ethnic background	Vijay Talwar joined the Board in October 2021

## Group

At a senior leadership level, we have strong representation of women with 62% of our Executive Team and 41% of our senior leadership roles being held by women. Dunelm published its sixth Gender Pay Gap Report in April 2023, and an overview is provided in our Sustainability Report 2023. Both documents are available to download at [corporate.dunelm.com](https://corporate.dunelm.com).

In order to ensure appropriate focus on ethnic representation and to continue to drive greater ethnic representation in leadership roles, work has continued to collect ethnicity data. In addition, we have introduced an ethnic diversity target of 8% of our role-model leaders into this year's LTIP grant (see page 116 for more detail). The Committee supports management's commitment to achieve this target and will track progress.

**Our equality and diversity policy can be found at: [corporate.dunelm.com](https://corporate.dunelm.com).**

## Committee effectiveness

The effectiveness of the Committee was considered as part of this year's Board evaluation process, more details of which can be found opposite on page 78. The review concluded that the Committee continues to operate effectively and having considered the findings, it was agreed that particular areas of focus during the forthcoming year should be:

1. Continuing to assess the appropriateness and effectiveness of succession plans;
2. Reviewing information provided to the Committee to further enhance visibility of talent management and development; and
3. Reviewing emphasis placed on diversity and inclusion in appointment and succession plans.

## Annual statement on Board and Executive Team diversity targets

Our Board and Executive Team gender and ethnicity data is provided below in accordance with UK Listing Rule 9.8.6R(10) as at 1 July 2023. Diversity data is collected for Executive Team members via the engagement survey. At the end of the financial year, the Board was asked to confirm which ethnicity category they identified with in the table below.

### Gender

	Group Board			Executive Team <sup>1</sup>	
	Number of Board members	Percentage on the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in Executive Team	Percentage of Executive Team
Men	6	55%	2	3	38%
Women	5	45%	2	5	62%
Not specified/prefer not to say	–	–	–	–	–

### Ethnicity

	Group Board			Executive Team <sup>1</sup>	
	Number of Board members	Percentage on the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in Executive Team	Percentage of Executive Team
White British or other white groups (including minority-white groups)	10	91%	4	8	100%
Mixed/multiple ethnic groups	–	–	–	–	–
Asian/Asian British	1	9%	–	–	–
Black/African/Caribbean/Black British	–	–	–	–	–
Other ethnic groups including Arab	–	–	–	–	–
Not specified/prefer not to say	–	–	–	–	–

<sup>1</sup> Both the CEO and CFO are members of the Executive Team.