

# **Leeds Building Society**

## **Board Terms of Reference**

### **1. Membership**

1.1 All the Statutory Directors of Leeds Building Society (Executive and Non-Executive) shall be members of the Board and the Board shall comply with the Society's Rules (Rules) and Memorandum, as in force from time to time.

1.2 The Board shall comprise at least seven Directors (Rule 12), at least half of which shall be independent Non-Executive Directors<sup>1</sup> (not including the Chair).

1.3 Appointments to the Board, including the terms of such appointments, shall be approved by the Board on the recommendation of the Nominations Committee, provided the Director meets the criteria for membership of the Board during the period of their appointment (Rule 13). Any removal of a Director shall also fall within the scope of the Board's authority.

1.4 Each Director shall hold, in their own right, a Shareholding to the value of not less than £1,000 at all times (Rule 14).

### **2. Chair / Vice-Chair**

2.1 In accordance with the Rules, at the first meeting following each Annual General Meeting (AGM) the Board shall elect, from the Non-Executive Directors, a Chair and a Vice-Chair to hold office until the first Meeting of the Board held after the next AGM (Rule 15).

2.2 The Chair of the Board or, in his/her absence, the Vice-Chair of the Board shall preside at every Meeting of the Society. If there is no such Chair or Vice-Chair or if neither the Chair nor the Vice-Chair is present within fifteen minutes after the time appointed for the Meeting the Directors present shall elect one of their number to be Chair of the Meeting.

### **3. Secretary**

3.1 The Society Secretary or their nominee shall be appointed by the Board and shall act as the secretary of the Board. The removal of the Society's Secretary shall also vest within the authority of the Board.

### **4. Attendees**

4.1 All Statutory Directors of the Society have the right to attend Board meetings. However, other individuals may be invited to attend for all or part of the meeting, as and when appropriate, such as Chief Officers, who are not otherwise Executive Directors, members of the Senior Leadership Team and external advisors.

### **5. Quorum**

5.1 The quorum necessary for the transaction of business shall be 4 Directors (Rule 16(1)), present in person or by telephone/video conference facility (Rule 16.6).

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<sup>1</sup> PRA SS5/16 Corporate Governance – Board Responsibilities

5.2 All questions arising at a meeting shall be resolved by a majority of votes and, in the case of an equality of votes, the Chair of the meeting shall have a second or casting vote (Rule 16(2)).

## **6. Frequency & Notice of Meetings**

6.1 The Board shall meet for the despatch of business as often as it shall find necessary.

6.2 Meetings of the Board will be called by the Secretary of the Board at the request of any of its members.

6.3 Unless otherwise agreed, notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the Board and any other person required to attend no later than 5 working days before the date of the Meeting. Supporting papers shall be sent to Board members and to other attendees, as appropriate, at the same time.

## **7. Minutes of Meetings**

7.1 The Society's Secretary, or their nominee, shall minute the proceedings and resolutions of all Meetings of the Board, including recording the names of those present and in attendance.

7.2 The Secretary shall record any declarations of interest (including conflicts) notified at any relevant Board Meeting.

## **8. Written Resolutions**

8.1 Written Resolutions must be undertaken in accordance with the requirements set out in the Society's Rules, with written consent required from all the Directors of the Board.

## **9. Mandate**

9.1 The Board is required to act in accordance with:

- (a) all applicable laws and regulations (including rules and guidance issued by the Society's Regulators);
- (b) the Society's constitutional documents, the Rules and Memorandum as approved by members from time to time. This includes referring specific matters to members for approval pursuant to relevant legislation and the Society's Rules; and
- (c) the UK Corporate Governance Code, where appropriate and where the requirements are relevant to a building society.

## **10. Responsibilities**

10.1 The Board is collectively responsible for:

- (a) safeguarding members' interests (both current and future);
- (b) having regard for stakeholders, including colleagues;
- (c) monitoring progress by management in delivering the Society's strategy and business performance;

- (d) the success (including in the long term) of the Society and having regard to the interests of other key stakeholders;
- (e) ensuring robust risk management systems and robust financial and internal controls are in place;
- (f) the Society's risk appetite;
- (g) ensuring that the Society operates within its Rules, the rules and guidance issued the Society's Regulators from time to time; and
- (h) leading, developing and overseeing the Society's culture.

10.2 The Board may, acting in its ultimate discretion, delegate any of its powers, duties, discretions and authorities relating to the business of the Society in accordance with its Rules, including without limitation to:

- (a) one or more Directors, other Officer or Officers and/or employee or employees; and/or
- (b) any Committees consisting of such Director or Directors, other Officer or Officers and/or employee or employees; and/or
- (c) Board Committees, the responsibilities of which are documented within the Terms of Reference of each relevant Board Committee.

10.3 The Board shall maintain specific matters for its approval which are set out within the Schedule of Matters Reserved for Decision by the Full Board.

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