



Leeds Building Society

SCHEDULE OF MATTERS RESERVED FOR DECISION BY THE FULL BOARD

Overall Functions

1. Monitor progress by Management in delivering the Society's strategy.
2. Review business performance.
3. Monitor and review all emerging and principal risks to the business of the Society.
4. Ensure that the Society operates within its Rules (as amended from time to time), rules and guidance from the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA) and all applicable laws.

Strategy

5. Establishment of and changes to the Society's Strategy.
6. Approval of the Corporate Plan and forecast updates.
7. Approval of particularly significant communications with members and the resolutions to be put to members at general meetings.

Governance Issues

8. Leading the assessment and monitoring of the Society's culture to ensure that policy, practices and / or behaviour throughout the business are aligned with the Society's purpose, Strategy and Values
9. Proposals for the appointment, reappointment or removal of external auditors after recommendation of the Audit Committee.
10. Annual review and oversight of the Society's operations ensuring: maintenance of adequate systems of sound management and internal control, prudent management; proper accounting and other records; and, compliance with laws and regulations.
11. Approval on the recommendation of the Nominations Committee of all appointments to the Board including the appointment or removal of the Society Secretary.
12. Continuation in office of Directors at the end of their term of office following recommendations from the Nominations Committee
13. Appointment of the Senior Independent Director to provide a sounding board for the Chairman and to serve as intermediary for the other Directors when necessary.
14. Approval of the division of responsibilities between the Chairman and the Chief Executive Officer which should be clearly established, include the primary responsibilities of the Senior Independent Director, be set out in writing and agreed by the Board.
15. Approval of changes to the size (in accordance with the Society's Rules) and composition of the Board on the recommendation of the Nominations Committee and oversee the development of a diverse pipeline for succession.
16. Approval of a Non-Executive Director to be appointed as the designated representative of the workforce.
17. Establishment of the framework for Directors' remuneration and the fees paid to Non-Executive Directors.
18. Identify, manage and approve any potential, perceived or actual conflict of interest of any Director, which could include being appointed as a Director of a third party company or other incorporated or unincorporated entity and ensure that third party

influence does not compromise or override independent judgement. An annual review of declared conflicts to be considered by the Board to determine if they remain appropriate.

19. Manage actual or potential conflicts which may arise between short-term interests and decisions and the longer-term impacts of those decisions.
20. Authorisation of any benefits or loans offered to any Director.
21. Establishment of the pension policy for the Society, including new pension arrangements and major changes to the contribution and benefit structures of existing pension arrangements on the recommendation of the Remuneration Committee.
22. Appointment of any Committees of the Board and their terms of reference (including any subsequent substantial changes).
23. Approval of any changes to the corporate governance framework for the Society as recommended by the Nominations Committee.
24. Undertaking a rigorous and formal review annually of its own performance, that of its Committees and individual Directors
25. Annual review and approval of this Schedule of Matters Reserved for Decision by the Full Board.
26. Annual approval of appropriate level one policies in accordance with the agreed Level 1 Policy and Governance Map.
27. Annual approval of the Society's Whistleblowing (Speak Up) arrangements.

Financial Reporting

28. Material and/or sensitive departures from the Corporate Plan.
29. Any transaction that has the potential to impact adversely by £5,000,000 or more on the Society's regulatory capital or which would cause the Group's capital adequacy ratio to fall below the minimum level agreed with the PRA.
30. Approval of the Group's annual (or more frequent if necessary) ICAAP, ILAAP and RRP.
31. Prior approval of any capital expenditure in aggregate in excess of that authorised in the Corporate Plan.
32. Approval of capital projects, including computer projects, whose total development cost including development hardware and software exceeds £3,000,000.
33. Approval of any significant changes to accounting policy or practice.
34. Approval and final sign off of the Society's annual report and accounts and the interim financial report and approval of the announcement of the results.
35. Annual approval of the Society's risk appetite.
36. Approval of Capital Requirements Pillar 3 disclosure.
37. Approval of the levels of Directors and Officers cover.
38. Approval of the Group's wholesale funding programmes and planned issuance.

Authority for large projects

39. Acquisitions or disposals by the Society of any entity (including another Building Society).
40. Acquisitions and disposals of mortgage portfolios in excess of £100m, or outside Board approved risk appetite.
41. Acquisitions and disposals of premises with a value in excess of £1,000,000.
42. Approval for contract expenditure where the consideration (or aggregate consideration over the contract term) exceeds £3,000,000. (This excludes provision of standard services required to fulfil, operational requirements, individual lending, savings or financial crime decisions, specifically postal or printing services, credit bureau,

valuation services (including Alternative Valuation Models), electronic customer ID, conveyancing services (including legal / panel appointments)).

Approved by the Nominations Committee: July 2020