

**Charlene & Kai thought  
they'd never own a home.**

**WE CHANGED THAT.**



**Leeds Building Society**



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Our purpose:

# PUTTING HOME OWNERSHIP WITHIN REACH OF MORE PEOPLE, GENERATION AFTER GENERATION.

This isn't just an activity report.

**It's about setting the agenda for change.**

In 2022 we refined our purpose to bring into sharp focus the part we play in wider society. With the current market stacked against aspiring home owners, we've taken action to ensure we can continue to help thousands of people onto, up, and stay on the property ladder each year. We've made a commitment to act responsibly – for our members, our colleagues and our communities.

By focussing everything we do around our purpose, we've strengthened our position to support people in response to the UK housing crisis.

**This is what we're doing about it.**



# THE BIG PICTURE

## Richard Fearon, CEO

It's not unusual these days for successful businesses to say their reason for existing is more than just financial, for them to say they're led by a purpose beyond profit.

The difference for us at Leeds Building Society is that unlike many other companies, **we have always been led by a purpose.**

As a mutual, the very reason we were founded in Leeds almost 150 years ago was to help people own their own home and save for their future.

**"As a mutual, the very reason we were founded in Leeds almost 150 years ago was to help people own their own home and save for their future. "**

And we've been living up to that ever since – it's what drives us forward every day.

But over time the ability to own your own home has become harder and for more and more people across the UK it's a dream that will sadly never become a reality. House prices have quadrupled since the turn of the century. **The average UK home costs nearly ten times the average wage.<sup>1</sup>** Housing is less affordable than ever, which has brought into sharp focus the role we need to play as a business.

We can and should do more to increase our efforts to be part of the solution to today's housing crisis, which is why we spent last year honing our purpose into a clear commitment to put home ownership within reach of more people generation after generation.

<sup>1</sup>ONS, 'Housing affordability in England and Wales: 2021', March 2022



## PUTTING HOME OWNERSHIP WITHIN REACH OF MORE PEOPLE, GENERATION AFTER GENERATION.



## Richard Fearon, CEO

### The Big Picture

Continued

As we lay out our strategy, we know this is not something we can do alone; the system is broken. Last year we shared a clear set of seven public policy proposals. These proposals are designed to guide both the government and the housing industry in their support of first time buyers and to tackle the UK's home ownership crisis. It is going to take **all the key players in the housing industry** to work collectively to solve the ever-deepening housing crisis in the UK and **we are determined to inspire others to act.**

But we're not just looking to wider industry, we need to lead the charge for change. **We have a target of helping 65,000 first time buyers onto the property ladder by 2025,**

"As we lay out our strategy, we know this is not something we can do alone; **the system is broken.**"



and I'm proud that we are on track to deliver this despite such huge market uncertainty. The end of last year saw the market moving daily, rates were changing rapidly and banks and building societies were pulling out of the market all the time. I was really pleased that we were able to keep products out there for first time buyers all the way through that disruption and that one in three mortgages from Leeds Building Society support a first time buyer onto the housing ladder.

Our purpose is the guiding light for our organisation and will be the north

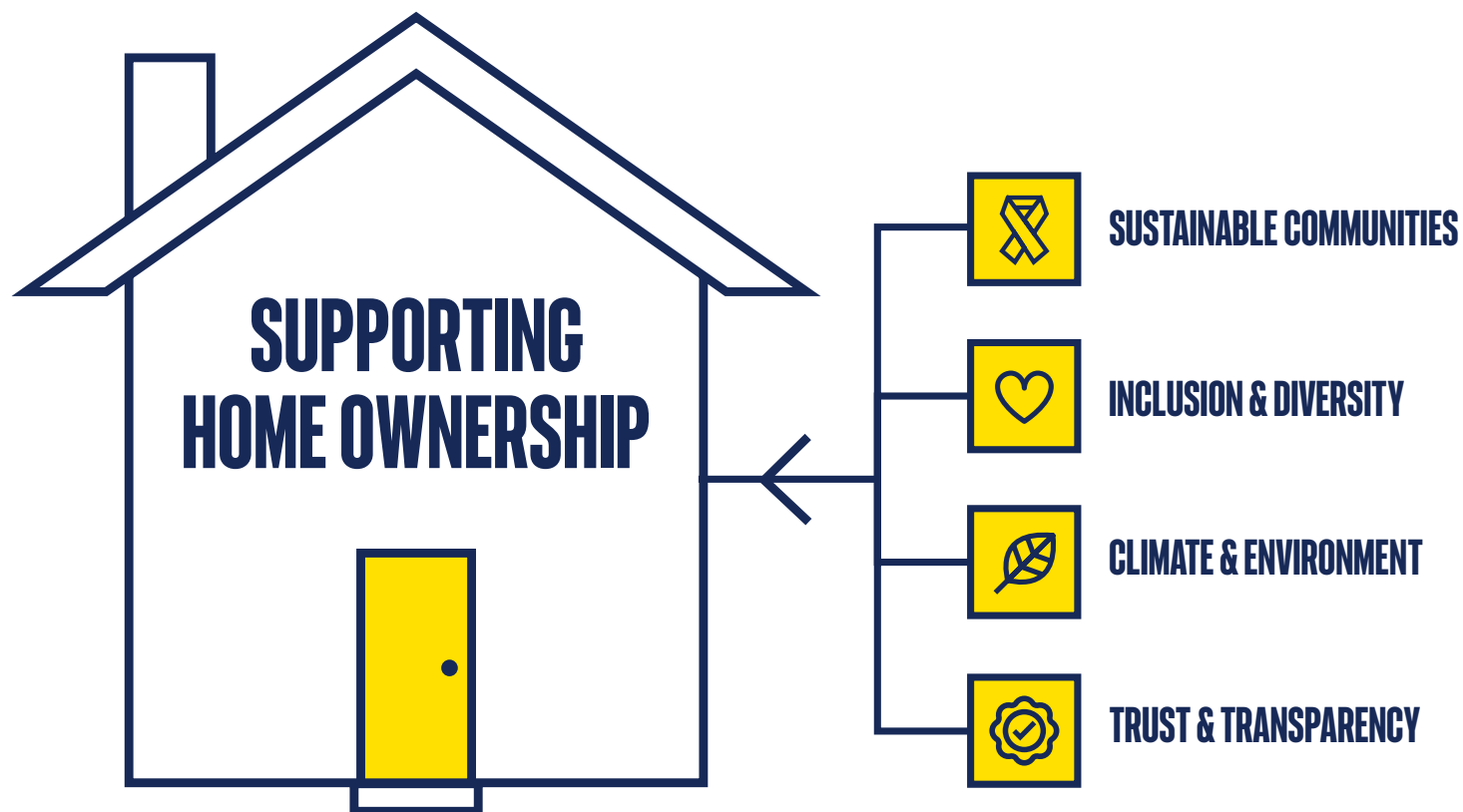
star for our decision making moving forward, but we must not forget we are here to serve our members - and we always will be. Our purpose needs to represent their best interests and support the things that matter to them.

This report lays out the first steps we have taken to deliver against our purpose and the actions we have taken in the other areas our members have told us they care about – Communities, Climate and Environment, Inclusion and Diversity and Trust and Transparency. I'm proud we've explained so clearly in these

pages the strides we've taken in each of these areas over the last year. This is just the beginning and we are on a journey to understand the role these areas can play in the support of our purpose.

The last couple of years have been difficult for many people and the ongoing cost of living crisis and an environment of rising interest rates won't make things easier in the short term. I believe the action we have taken, and will continue to take, shows we stand not only on the side of our members but of all aspiring home owners.

# DELIVERING AGAINST WHAT MATTERS TO OUR MEMBERS



**Our purpose is our north star, but as a mutual we are here to serve our members - and we always will be.**

**We represent their best interests and support the things that matter to them most.**

In 2021 we carried out extensive research with our members, our board, senior leadership team, colleagues and partners to understand what matters most to everyone involved with the Society. The areas identified have informed our priority areas of focus ever since. As we further develop our purpose, our role within these will continue to evolve, but what is clear is that each of these areas have a part to play in supporting the delivery of our purpose.

# We've set responsible business targets against our areas of focus.



<sup>1</sup> Broker and member satisfaction figures are taken from a rolling 12 month average.  
<sup>2</sup> CACI's CSDB, Stock, January 2022 to December 2022, latest data available. CACI is an independent company that provides financial benchmarking data for the retail cash savings market.  
<sup>3</sup> Based on bank and building society UK business count data, Office for National Statistics  
<sup>4</sup> From a 2021 base year. For more explanation and a glossary of terms, see pages 46 to 49 and page 60.  
<sup>5</sup> In accordance with Climate Impact Partner's CarbonNeutral Protocol, this includes emissions from our business travel, fuel and energy related activities, waste generated in operations, and home working.  
<sup>6</sup> In 2022 we moved to a new provider for our Employee Engagement Survey (Peakon) in order to align with our purpose and enable us to benchmark our colleague experience more confidently against other organisations.  
<sup>7</sup> Overall customer satisfaction in a survey of 3,387 members from January to December 2022.  
<sup>8</sup> Subject to independent verification which will be completed during 2023. Any additional carbon offset credits that need to be purchased as a result of verification / final emissions calculations will be bought during 2023.



The opportunity to

# OWN A HOME.

## Supporting Home Ownership

From focused support for first time buyers, to leading the way in Shared Ownership, we remain steadfast in our commitment to help people onto, up, and stay on the property ladder. This section covers the issues the market faces, our focus on buyers, our plea to government and our support for everyone to have a safe and secure home.



# THE PROBLEM IS CLEAR:

A crippling lack of homes to meet demand fuels rising house prices, drives ever higher deposits and makes repayments less affordable.

# 49%

of prospective first time buyers fear they may **never be able to buy a property.**<sup>1</sup>

**We're on a mission to change that.**

Home ownership amongst 25 to 35 year olds has

# FALLEN BY 1/3

in just two decades.<sup>2</sup>

# 81%

of first time buyers say that it has become harder to save for a deposit because of increases in the day-to-day cost of living.<sup>1</sup>

And **68%** are now worried that – even if they were able to get the deposit together – they would now struggle to meet the higher mortgage repayments.<sup>1</sup>

House prices have

# RISEN BY 974%

in the past 40 years.<sup>3</sup>

<sup>1</sup>Leeds Building Society, 'Homeownership dream in tatters as first-time buyers buffeted by cost-of-living storm', November 2022

<sup>2</sup>English Housing Survey, '2021 to 2022: headline report' (Section 1: households annex tables AT1.4), December 2022

<sup>3</sup>Halifax House Price Index, December 2022

# BIG CHANGES ARE NEEDED BY GOVERNMENT AND INDUSTRY

**That's why we've created a clear set of seven public policy proposals**

**Our proposals guide both the government and the housing industry in their support of first time buyers and in tackling the UK's home ownership crisis.**



## 1 Build more homes

There's a backlog of new housing of around 4.75 million homes.<sup>1</sup> We wrote to Prime Ministerial candidates in July asking them to reaffirm their commitment to the Conservatives' manifesto target of building 300,000 homes a year.<sup>2</sup>

## 2 Tackle the skills gap in construction

It's estimated that building over 300,000 homes a year would generate £14.2 billion in economic output.<sup>3</sup> The benefit to the country is clear and yet a shortage of skills at technical, supervisory and managerial levels is holding construction back.

## 3 Maximise the potential in existing properties

Fixing the home ownership crisis is not just about building more homes, it's also about ensuring existing properties are properly used. The number of empty homes across the country stands at over 650,000.<sup>4</sup> A plan to re-purpose and retrofit these properties would unlock additional supply at lower cost.

## 4 Build sustainability into our housing market

The UK has the oldest and least energy efficient homes in Europe contributing 16% of the UK's carbon emissions.<sup>5</sup> A bold and coherent plan to invest in retrofitting these homes would make sure they remain fit for the future and is crucial to avoiding longer-term housing pressures.

<sup>1</sup> Bramley, G 2019, 'Housing supply requirements across Great Britain for low-income households and homeless people: Research for Crisis and the National Housing Federation; Main Technical Report'. Heriot Watt University, Edinburgh

<sup>2</sup> Conservative Party Manifesto 2019

<sup>3</sup> Home Builders Federation, 'The Economic Footprint of UK House Building', July 2018

<sup>4</sup> Action on Empty Homes, 'In Empty Homes Week 2022 we call for action and investment', March 2022

<sup>5</sup> Dept for Business, Energy & Industrial Strategy, '2021 UK Greenhouse Gas Emissions, Final Figures, February 2023

## 5 Increase routes to home ownership

A healthy housing mix which includes affordable options to buy and rent is critical to supporting more people into home ownership. We're proud to be Britain's largest lender of Shared Ownership homes and call on the government to ensure 145,000 of the homes built annually are affordable by local standards.

## 6 Help people save for a deposit

The government's Lifetime ISA is one way to support saving, but its potential is yet to be recognised. We encourage the government to work with building societies and banks to repackage the scheme so it has the confidence of the full market with its benefits clearly communicated to savers.

## 7 Provide meaningful support for borrowers

Alongside support for first time buyers, we need to ensure existing home owners have adequate protection in the face of rising interest rates and an uncertain economic environment. Support for Mortgage Interest (SMI) provided a lifeline to many following the financial crisis over ten years ago, but unnecessary reforms have put this support out of reach of many home owners. We called on the government to widen the eligibility and reduce the point at which SMI can be claimed. We're pleased to see that this action will be taken.

You can read more about each of our policy proposals [here](#)

# MARKET UNCERTAINTY

**We're also taking robust actions to respond to market uncertainty.**

It's vital we move quickly and adapt to support both aspiring and existing home owners. When faced with challenging economic conditions, we've committed to **helping more people by:**

**Honouring any mortgage offers** (including the offered rate) to new customers for six months from the date of issue.<sup>1</sup>

**No arrears fees** if borrowers fall behind on their mortgage repayments until at least 1 January 2024 - extending suspension of these fees since the start of the pandemic.

**Offering a choice of other mortgages** to existing members who are up to date with their mortgage repayments, and who are within three months of the end of their fixed rate deal, that they can transfer to.

**Tailored support** to all members who are struggling, or may struggle, with repayments or are in arrears.

<sup>1</sup> We may withdraw an offer in limited circumstances, which include fraud, misrepresentation, or non-disclosure of material information. Full terms and conditions are outlined in the mortgage offer.



## Standing up for **FIRST TIME BUYERS**

**We're proud to say one in three new mortgages at Leeds Building Society helps a first time buyer take their first step onto the housing ladder.**

**In 2022 we took the bold decision to stop offering mortgages on second homes.**

Second homes reduce the number of properties available for people to live in, at a time when there's a wide consensus that housing supply in the UK is inadequate to meet demand and needs to be increased.

Any home other than a main residence usually lies empty most of the time, which does not serve the local community or contribute to the local economy.

We've also strengthened our support for first time buyers through our award winning Shared Ownership proposition, participation in various affordable housing schemes including First Homes, Low-cost Initiative for First Time Buyers and Help to Buy and by offering standard low deposit mortgages.



# Leading the way for SHARED OWNERSHIP

In a market where average property prices and monthly living costs outstrip rises in income, we need government to increase the supply of affordable housing, so more people can get on the property ladder.

Shared Ownership is a government scheme that lowers the deposit required to buy a home – meaning people effectively buy part and rent part of their home; giving them the opportunity to grow their equity over time.

It's clear that if we can help people onto the housing ladder sooner, they can invest in their futures, and enjoy more stability and independence.

What helps to make us a commended Shared Ownership lender is that we provide up to 95% of the agreed share, which helps home buyers take advantage of the full benefit of the scheme.

We've developed strong relationships with brokers who work with housing associations, which has created an avenue for Shared Ownership home buyers to use our mortgages.



Best Shared Ownership  
Mortgage Lender

**We've won the What Mortgage Best Shared Ownership Mortgage Lender award for seven years in a row.**

## SOFIA'S STORY



**"You could tell helping people onto the ladder is something that they're passionate about."**

Sofia has lived in London for three years. Having always house shared with friends, the thought of buying a house was daunting. But when she found out about Shared Ownership, the dream of owning her own place became a reality.

"I wanted a place of my own, but I couldn't afford to buy it outright. I was never going to out-save rising house prices so Shared Ownership made a lot of sense.

I haven't dealt with a building society before, but Leeds Building Society was really accommodating and willing to help single buyers like me. Right from when I got my offer, you could tell helping people onto the ladder is something that they're passionate about.

I was terrified of making the jump and buying my own place, but **it's the best decision I've ever made."**



# CHARLENE & KAI'S STORY

Charlene Fisher, 22, and partner Kai, 21, were stuck renting a tiny one-bedroom flat and struggling to save for a house deposit.

That all changed when they were told about the Shared Ownership scheme. In July 2022, the couple got the keys to their two-bedroom new build home.

**'We're over the moon.** We're on the property ladder and not wasting money on rent. We have so much more space and a garden and are investing in our future. We're buying a 50% share of the house to start with and plan to push ourselves to own it 100%," says Charlene from Greater Manchester. Charlene and Kai were paying £650 a month in rent but have now managed to cut their outgoings. The house cost £185,000 and their half was £92,500. They paid £4,625 deposit and got a mortgage for £87,875 with us.

**"We have so much more space and a garden and are investing in our future."**

They now pay £374 in mortgage repayments and £211 rent, saving more than £70 a month. **"It was all pretty straightforward** and we are really happy to be out of the renting rut," Charlene adds.



# SUPPORTING PEOPLE IN NEED OF A SAFE AND SECURE HOME

## Leeds Building Society Charitable Foundation

Our purpose is to put home ownership within reach of more people, generation after generation. But for some people, owning their home is never going to be a viable option.

For the most vulnerable in society, we focus on helping them into a safe and secure home. This might be moving from the streets into temporary accommodation, from temporary accommodation into permanent rented accommodation or helping people at risk of losing their home to stay where they are. This is where our support for charity and community partners comes in.

We set up a Charitable Foundation in 1999 to support local communities by providing funding to charities through small grants. It was founded on the principles of people helping people and is run by an independent board of trustees. Since then, more than £2 million has been donated to 3,000 good causes across the UK.

The cost of living crisis is putting people and charities under increasing pressure. That's why we've more than tripled the donation to the Charitable Foundation from £90,000 to £300,000 a year (pro-rated for 2022) and launched new large grants to support charities in a more impactful way.

# 63%

Around **63%** of households placed in temporary accommodation at the end of June 2021 contained dependent children. That's **124,290** children without a permanent home.<sup>1</sup>

# 1.6m

households are on the social housing waiting list.<sup>2</sup>

# 95,000

households are in temporary housing in England.<sup>1</sup>



### Gary Hetherington

Chair of Leeds Building Society Charitable Foundation

"From providing beds for children who don't have a safe place to sleep, to supporting young people with emergency accommodation and refuge for people who quite literally have nowhere else to turn - the charities we're supporting with funding really are **providing a lifeline for some of the most vulnerable.**"

<sup>1</sup> House of Commons Library, 'Households in temporary accommodation (England)', January 2023

<sup>2</sup> National Housing Federation, 'People in housing need 2021', December 2021

## In 2022, the Charitable Foundation awarded

5 large grants, totalling:

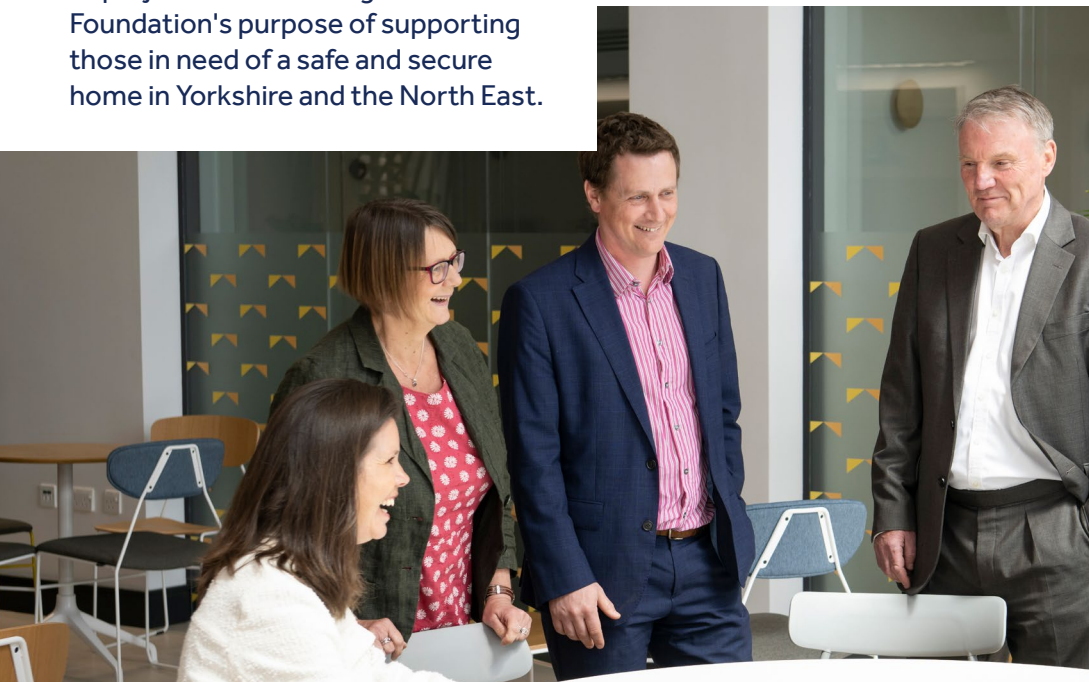
**£131,924**

102 small grants, totalling:

**£96,867**

Registered charities can apply for large grants of between £25,000 to £100,000 to fund core, capital or project costs that align with the Foundation's purpose of supporting those in need of a safe and secure home in Yorkshire and the North East.

The Charitable Foundation also provides small grants of up to £1,000 to charities across the UK.



# ZARACH

Leeds

Awarded

**£54,667**

over two years

Zarach was founded by a Leeds primary school teacher, who was shocked to learn that an 11-year-old pupil was sleeping on a bed bug infested cushion he shared with his brother. This spurred her to set up a charity that ensures every child in the city has their most basic needs met – a bed and enough food to eat – so that they get a good night's sleep and an equal opportunity to learn.

Zarach partners with local schools to identify children in need of a bed, emergency food or basic items. Through their work, they've discovered not only are children without a bed, many homes are empty, cold and damp which affects both the physical and mental wellbeing of families. Funding from the Leeds Building Society Charitable Foundation will cover the costs of a member of staff who will work directly with families to help them source furniture, fit carpets, provide emergency food and family support to make every house a home.



Apply for support, or find out more about the Charitable Foundation [here](#)



**Everything we do is about putting home ownership within reach of more people, generation after generation.**

**We know there are big challenges ahead. But we're here to take them on.**



# COMMUNITY.

## Sustainable Communities

Some people struggle more than others to own or remain in a home of their own. We've identified vulnerable groups who need that extra bit of support to put home ownership within reach.

We're exploring how to reach those people that we can have the biggest impact on - from helping them with money management to funding grassroots projects that empower communities. And we've already started to make a difference to people's lives.

# WHO DO WE WANT TO REACH?

We are exploring working with the following groups of people:

## People with learning disabilities

4%

Adults with **severe or specific learning difficulties** are the least likely to own their own home (of all impairment types) with just **4% owning their own home**, compared with 42% of disabled people overall.<sup>1</sup>



## People at risk of homelessness

1 in 12 private renters in England - equivalent to

941,000

people - are currently under threat of eviction.<sup>2</sup>



## Single parent families

2/3

Two-thirds of homeless families with children are single parents.<sup>3</sup>

10%

The percentage of UK women who are single holding down mortgages is just 10 per cent, almost half the number of single men (17 per cent).<sup>4</sup>

## Young care leavers

1 IN 4

young care leavers find themselves homeless once they turn 18...

...with 14% sleeping on the streets.

These are children who have been removed from their families precisely because they have suffered significant harm or are deemed to be at risk. And yet, when many turn 18 they still have nowhere to call home.<sup>5</sup>

<sup>1</sup> ONS, 'Disability and housing, UK: 2019', December 2019

<sup>2</sup> Shelter, 'Almost a million private renters are under threat of eviction', November 2022

<sup>3</sup> National Housing Federation, 'New homeless families outnumber new social homes by 8 to 1', July 2019

<sup>4</sup> Real Homes, 'Single women excluded from home ownership', March 2019

<sup>5</sup> The Guardian, 'We are failing children in care - and they are dying on our streets', November 2019



# SUPPORTING OUR LOCAL COMMUNITIES

**The energy crisis, soaring rents and increasing interest rates are stretching household budgets to breaking point.**

**We understand that money worries can be debilitating so we partner with organisations like Holbeck Together and Step Change to help ease the pressure of financial concerns.**

From housing and debt management advice to hot meals, community anchor organisation Holbeck Together supports local residents in one of the most deprived areas of Leeds, using part of our building as office space free of charge.

As the need for their service grows, so does our support. Colleagues recently provided toiletries and created care packages to be delivered to people who need them the most. We've also supported their lunch club, ensuring that vulnerable people receive a nutritious hot meal in a warm space every week and sponsored their 'pop-up shop' to help raise vital funds in the run up to Christmas.



**"Food, personal hygiene and utility costs have increased significantly as a result of the cost of living crisis. Leeds Building Society, in providing Holbeck Together with food and toiletries, enables us to reach out and support the local community at this very challenging time."**

**Elissa Newman**

Chief Officer, Holbeck Together



# FINANCIAL EDUCATION

**Preparing young minds to make important financial decisions.**



**We're exploring growing our tailored support for vulnerable young people from 2023 onwards.**

**Children as young as ten are growing more and more concerned about the cost of living crisis<sup>1</sup>. It's vital that children and young people develop essential financial life skills so that they can be confident when making decisions that impact their futures.**

We've worked with social enterprise Ahead Partnership and disability charity Mencap to deliver financial education sessions for children and young people in the North.

**81%**

of young people now feel worried about their financial situation<sup>1</sup>

We prioritise schools in West Yorkshire that have a higher than average number of pupils eligible for free school meals or speak English as an additional language.

Thanks to our amazing colleagues who volunteer their time, we've delivered financial education sessions including money management talks to 3,943 pupils from 29 schools in 2022.

Through our sponsorship of the Money Talks exhibition at Leeds City Museum we delivered sessions to over 120 Year 3 and 4 pupils from Harehills and Pontefract, and colleagues spoke at careers events attended by 510 young people.

<sup>1</sup>[Young Persons' Money Index 2021-22, compiled by The London Institute of Banking and Finance, March 2022](#)



# SUPPORTED INTERNSHIPS WITH MENCAP

In 2022 we delivered financial education sessions to 14 young people with learning disabilities as part of Mencap's Supported Internships. The programme is designed to provide the skills needed to gain and maintain a job, as well as helping to secure employment at the end of it.

One such visitor, 18 year old Lily, was intrigued to learn more about Leeds Building Society. To support this, Lily visited our Head Office in Leeds where she met our team to learn more about our work.

We're delighted that Lily joined us for work experience in early 2023. This experience has helped her to gain skills and knowledge about our work in communities and has helped develop her confidence working in a larger organisation.

## Did you know?

Just 4% of adults with severe or specific learning difficulties own their own home. Compared to 53% of non-disabled people.<sup>1</sup>

<sup>1</sup>ONS, 'Disability and housing, UK: 2019', December 2019

"One of our learners gave us some amazing feedback about how you demonstrated the values and work ethics of Leeds Building Society. It was clear that you have a **passion for working with the community and supporting inclusivity.**"

### Morgan Morley

Supported Internships Caseworker  
Mencap Bradford

"Leeds Building Society has opened my eyes to a **multitude of different roles** that I did not know existed and I was impressed by the **supportive ethos.**"

### Lily

Mencap supported intern





# WE STAND WITH UKRAINE

It's important that we stand up and support those most in need of safe accommodation.



In 2022 we ran an emergency campaign to support people affected by the conflict in Ukraine. It's estimated that seven million people are now internally displaced and more than six million have fled across the border becoming refugees.

When the extent of the crisis became clear, the Society quickly donated £25,000 to the Disasters Emergency Committee's appeal and £10,000 to the Leeds Together Ukrainian refugees' appeal.

We matched 50% of donations made online and in-branch by members and colleagues, raising a tremendous £73,283. In total, the Society, our

colleagues, and members have helped raise over £100,000 to directly support people affected by the crisis.

Our support continues beyond fundraising. We have converted the space above our Peterborough branch into accommodation that can house up to seven families - providing safe accommodation for those fleeing the conflict.

Peterborough based charity H.E.L.P. are working in conjunction with the city council to look after the welfare of Ukrainian refugees and have found families who have now moved into the space above our branch, which is managed by Oasis Housing.



"H.E.L.P. was established to **support refugees and people in need.** By donating this great building to us, you've provided safe and warm accommodation for people fleeing the crisis in Ukraine. **You're helping them to live with dignity and pride, and I think this is the best thing you could offer someone in this crisis.** Thank you."

**Engy Morsy**

Befriending manager  
& Co-founder  
H.E.L.P. Charity

# COLLEAGUES PITCH FOR CHARITY FUNDS

Help Bristol's Homeless and Smart Works Leeds are just two of the 23 colleague-nominated charities, that shared over £250,000 in funding in 2022.

## HELP BRISTOL'S HOMELESS

Awarded:

# £62,900

Help Bristol's Homeless have taken an innovative approach to homelessness by converting shipping containers into fully functioning micro flats. The site



now holds 22 flats, a kitchen diner, office, shower block, support room and a laundry.

After overcoming many challenges to get the charity to this point, Help Bristol's Homeless are now facing the cost of living crisis with a large rise in their electricity bill. Colleagues pitched for funds to purchase and install solar panels to provide electricity to the site, reducing their carbon emissions and their energy bills.

## SMART WORKS LEEDS

Smart Works Leeds supports unemployed women in the most economically deprived areas of Leeds into employment, changing the trajectory of their lives.

Awarded:

# £55,000

This project will provide 400 women with career coaching and interview support, and colleagues have donated smart clothing for people to wear to interviews.

"As a charity that supports women into employment, securing our biggest grant to date will enable us to **support even more women in Leeds in securing economic independence** for years to come."

**Tracy Fletcher**  
Smart Works Leeds Trustee





## Our charity partner: **DEMENTIA UK**

**Almost all of us know someone living with dementia – whether it’s a family member or a friend. With the numbers of people affected by dementia expected to rise sharply in the coming years, Dementia UK urgently needs to grow the number of specialist dementia nurses, known as Admiral Nurses, so they can offer a lifeline to more families when they need it most.**

Our partnership aims to bring vital dementia support closer to home by funding virtual clinics with specialist Admiral Nurses and in 2023, running free face-to-face clinics in some of our branches. Everyone’s circumstances are different, but this kind of support could help people affected by dementia and their families to live as well as possible, for as long as possible.

**“It’s only with the help of wonderful partners like Leeds Building Society that our nurses can **continue giving people the specialist support that we would all want for ourselves and our loved ones.** Thank you once again to everyone for your continued support – because of you, we can **support more families** in their local area through our Closer to Home clinics in branches.”**

### **Dr Hilda Hayo**

Chief Admiral Nurse and  
Chief Executive at Dementia UK



#### **Did you know?**

**By 2025 it’s estimated there will be more than 1 million people living with dementia across the UK.<sup>1</sup>**

<sup>1</sup> NHS, 'About Dementia', accessed February 2023

# Our charity partner: DEMENTIA UK

Continued

Year	Total funds raised
2020	£152,000
2021	£380,000
2022	£500,000 TARGET REACHED!
2023	We'll continue to raise funds
2024	Partnership ends

We pledged to raise £500,000 for Dementia UK by 2024 and we're delighted to say that we've reached our fundraising goal over a year early, thanks to the amazing efforts of our members and colleagues.

Our funding supports the innovative Closer to Home project, which provides access to advice and support from dementia specialist Admiral Nurses. Over 3,300 families living with dementia have accessed personalised support by phone or video call since the service began in June 2021.

We're delighted that face-to-face sessions will be rolled out in selected branches in 2023. By raising the profile of the life-changing support provided by Admiral Nurses, through hosting accessible free clinics in high street branches, we're bringing this support closer to home.

So many of our colleagues have been touched by dementia and they have taken up the fundraising challenge with great enthusiasm – running, trekking, cycling, sky diving, baking and organising raffles and events to raise funds for Dementia UK, which have been matched by the Society.

We also launched new products, including fixed rate Savings Bonds in support of Dementia UK. We made a donation on behalf of members who took out this product, helping them save money and support the charity at the same time. We also made a donation on behalf of members who voted in our AGM.

Thank you to everyone who has helped us reach this fundraising milestone.



Brother and sister Aqib and Shahbanu from Surrey turned to Closer to Home virtual clinics for much needed advice and support after their mother's dementia diagnosis.

"In our virtual call with Admiral Nurse Ruby we found a sympathetic and patient expert who carefully listened, empathised, counselled, and explained to us some of the basic issues about Alzheimer's disease. It's helped us to understand what to expect in our new role as carers and has given us the confidence to continue looking after our mother in her family home."

# OUR 2022 CHARITY AND COMMUNITY HIGHLIGHTS

We support charities, organisations and community groups who help people facing some incredibly challenging circumstances – including helping people with dementia to continue to live independently for longer, providing safe refuge for those fleeing the conflict in Ukraine and supporting people hardest hit by the cost of living crisis.

“We’ve doubled our initial target and now aim to distribute **£3 million to communities through donations, grants, fundraising, volunteering and awareness raising** between 2021 and 2025.”

**Vanessa Roberts**

Head of Strategy & Responsible Business

## £100,000+

Donated to the Ukraine crisis

## £500,000

Raised for Dementia UK since 2020

## £974,000

Donated to support vitally important causes and vulnerable groups across the UK

## 3,300

Families accessed vital dementia support through Closer To Home virtual clinics since 2021

## 2,200

Hours of volunteering by colleagues

## 3,943

Pupils took part in financial education sessions across 29 schools



**Times are tough, but we're encouraged by the commitment and passion of our members, colleagues, and partner organisations who time after time, give so much of themselves to help others.**





# OUR INCLUSION & DIVERSITY AND CLIMATE PLEDGES

I'm the director responsible for making sure the Society is a diverse and inclusive organisation and I also lead on managing our climate-related risks. These two priorities are vital for making sure we continue to be a sustainable business. I'm proud of the progress we've made over the last year and the following two sections bring to life the huge amount of work that's taken place across these areas.

We've set a new inclusion and diversity strategy to help us build a truly diverse workforce, with all colleagues feeling valued and included for who they are. This will help us build the right foundations and culture for collaboration and innovation.

**"We've set a new inclusion and diversity strategy to help us build a truly diverse workforce, with all colleagues feeling valued and included for who they are. "**

**Giving people equal opportunity to own their own home** is just as important. **We're focused on removing the barriers to home ownership for those who are disadvantaged in society** and find it more difficult to get on the property ladder.

In terms of climate, we're in the early stages of our net zero journey. We published our first set of TCFD disclosures (Task Force on Climate-related Financial Disclosures) in 2021. During the last year we've learnt more about our greenhouse gas emissions, and taken action to reduce them further. We've also continued to learn about climate risks and opportunities as well as further develop our strategic targets and response plans.



Given the cost of living crisis, **it's vital we support members and other stakeholders in reducing energy and other costs, as well as reducing our own carbon footprint.** One way we've done this is through our updated green affordability mortgage assessment. This allows members to borrow more against the most energy efficient properties, making their mortgage more affordable on a home with lower energy costs and a smaller carbon footprint.

We've also set ambitious targets for our operational emissions. We want to reduce these by 90% and 60% (see page 46) by 2030. This is just the beginning as we support the orderly transition to a greener, net zero economy.

We're at the start of our journey in these two areas, but we're determined to keep making progress to help us deliver on the purpose that drives everything we do.

# LISTEN. REPRESENT. UNDERSTAND.

## **Inclusion & Diversity**

Home ownership in the UK is neither inclusive nor diverse. We are working to understand this disparity and to define the actions we can take to help make home ownership more accessible to all. The first step we are taking is to ensure Leeds Building Society listens to, represents and understands all those that we support.

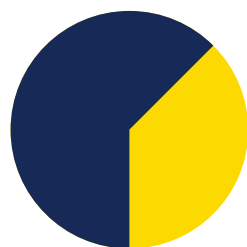
This section introduces our new strategy Being You: Transforming Us which will enable our ambition of **building a truly diverse workforce.**



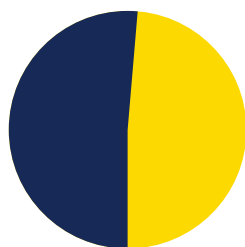
# HOME OWNERSHIP IN THE UK IS NOT EQUAL OR DIVERSE

We are exploring how to support the following groups of people:

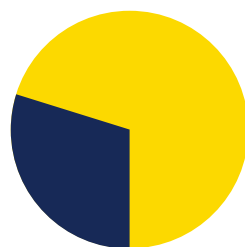
## Sexual Orientation



40% of gay or lesbian (287,000) people, and



49% of bisexual people (201,000) are impacted by the housing emergency,



compared with 32% of heterosexual people.<sup>1</sup>

## Gender

AVERAGE BRITISH MALE



AVERAGE BRITISH FEMALE

3.7 YEARS



Time to get on the property ladder

It takes women on average **3.7 years longer** to get on the property ladder than their male counterparts. A British male on average requires **8 times their annual salary** to cover the current average property price, whereas a British female requires on average **12 times her average annual income for the same property cost.**<sup>3</sup>

## Race

**Black and Minority Ethnic households are less likely to be able to access or inherit family wealth to buy a home.** 68% of White British households are home owners, compared to only 20% of Black African households, 40% of Black Caribbean households, 46% of Bangladeshi households and 58% of Pakistani households.<sup>2</sup>

WHITE BRITISH - 68%

PAKISTANI - 58%

BANGLADESHI - 46%

BLACK CARIBBEAN - 40%

BLACK AFRICAN - 20%

## Disability

54%

of people with a significant disability (1.8m adults) **do not have a safe or secure home**, compared with 30% of people without a disability.<sup>4</sup>

<sup>1</sup> Shelter, '17.5 million people impacted by the housing emergency', May 2021

<sup>2</sup> Joseph Rowntree Foundation, 'New research highlights 'shameful' racial disparities in housing system', September 2021

<sup>3</sup> Women's Budget Group, 'A Home of Her Own: Housing and women', July 2019

<sup>4</sup> Shelter England, 'Denied the Right to a Safe Home', May 2021

**Our people make Leeds Building Society a great place to work and we strive to enable every colleague to be their best.**

**In May 2022, we launched Being You: Transforming Us, our new inclusion and diversity (I&D) strategy that will ensure we remain a safe and open Society for everyone.**

**Our ambition is to build a truly diverse workforce, ensuring all colleagues feel valued and included for who they are.** The unique perspectives held by our colleagues help us respond to the needs of our members and foster greater innovation, ensuring we are fit for the future.

By creating a culture where lived experience is shared, and diverse thought celebrated, we'll be in a better position to support more people on the journey to home ownership.

**Our strategy is focused around four pillars:**

## 1. LISTENING

Amplifying colleague voices, taking action against non-inclusive behaviours and supporting each other to embed inclusion into our day-to-day. It's about having the right conversation.

## 2. LEARNING

Taking time to learn from each other, understanding the different challenges certain individuals might face and how we can support each other. It's about being curious.

## 3. LEADING

Ensuring everyone regardless of role is championing I&D within teams. It's about continually pushing forward.

## 4. LEVERAGING INSIGHT

Understanding our people, knowing where opportunities are and how we can make a difference. It's about focusing on what matters.

# LISTENING

**Having the right conversation is not always easy. We're all guilty of shying away from sensitive topics for fear of saying the wrong thing.**

Everyone has the right to feel heard, which is why we're dedicated to amplifying colleague voices and facing into non-inclusive behaviours. It's important that we understand the needs of our colleagues so we are in a better position to support our members.

## This is Me

Our This is Me campaign provided a platform where colleagues can share a little bit more about themselves. It gave colleagues a chance to raise awareness of a certain topic and create a moment for conversation and reflection.

Ultimately it's about lowering the corporate mask and allowing people to be their true selves. Our lived experiences shape who we are. By sharing these stories we can create a culture that supports everyone to thrive.

## Mental Health First Aiders

Over 40 colleagues are trained Mental Health First Aiders. They're available for reassuring conversations and can signpost to appropriate support for both colleagues and line managers.

## Employee Assistance Programme

All colleagues have access to support and advice from trained professionals through our Employee Assistance Programme.



**"I'm so proud to be a Mental Health First Aider thanks to the training, I feel confident approaching conversations with colleagues who appear to be struggling or feeling overwhelmed.**

I believe people are more likely to open up about how they're feeling, knowing **the Society takes our mental health seriously**. Knowing you have someone else to talk to can feel reassuring and take some undue pressure off the situation. It allows people to be authentic and speak freely."

**Karen Duffitt**  
Case Underwriter



# LEARNING

**We're constantly learning how we can better support each other. We all face different challenges, but if we can understand and relieve some of those pressures within the Society, we'll be in a stronger position to tackle them in the wider world too.**

Our leaders have a critical role to play in enabling our I&D strategy. This year, all 141 leaders took part in a programme facilitated by Steps, a training organisation specialising in creating long lasting behavioural change.

With workshops built around anonymous feedback from colleagues, the programme provided an understanding of how to spot and

challenge non-inclusive behaviours as well as an opportunity to reflect on where we could have done things differently in the past.

By learning from each other's experiences and committing to change, we'll not only be supporting our colleagues to be their best, but we'll have a better understanding of our members and the communities we serve.

**"The Inclusive Leadership programme has been a great success. It helped to focus our thoughts and created the space to have the right discussions on this important topic. Personally, testing myself in situations that do not happen every day and working with a group such as Steps was powerful, and I feel much better equipped to deal with situations around this topic moving forwards."**

**Jon Bailey**

Director of Financial Planning



## Our five colleague-led forums

aim to educate and engage our colleagues on ways we can be more inclusive and be better allies.

**DISABILITY  
GENDER DIVERSITY  
LGBTQ+  
RACE EQUALITY  
WELLBEING**

Each forum promotes colleague awareness and considers opportunities and initiatives to attract, nurture and develop a diverse talent pool. Our forums come together regularly to take an intersectional approach to our activity.







# LGBTQ+ FORUM SPOTLIGHT

**Supporting the LGBTQ+ community is more than just celebrating Pride Month. We have an active LGBTQ+ forum who work with our inclusion and diversity team to drive real change for our colleagues and members.**

We've added the gender neutral title Mx to product applications to support our non-binary members. This may seem like a small change, but it ensures everyone feels acknowledged and valid.

Training is available for colleagues to offer better support to members who are undergoing gender reassignment or have transitioned.

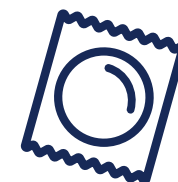
These principles can also be applied in relation to how we interact with each other as colleagues. For instance, we don't make assumptions on gender and pronouns, and we encourage the use of gender neutral terminology in all our interactions.

**2022 premium sponsor of Leeds Pride**



**Launched our first ever internal podcast discussing LGBTQ+ experiences**

**Supported MESMAC safe sex initiatives by distributing condoms to LGBTQ+ venues across Leeds**



**Shared colleague stories to raise awareness of the daily challenges faced by the community**

**Hosted an external speaker who shared their experience of supporting a family member transitioning and the importance of being a trans ally**



**Our LGBTQ+ Forum Lead attended the Diversity and Inclusivity Finance Forum to talk about their experience**



# LEADING

Everyone, regardless of their role at the Society, has a responsibility to engage in the inclusion and diversity conversation. To maintain the safe and open culture we promote, we must rise to challenges and lead by example.

## Focused Mentoring

We have targeted programmes to support our colleagues' development, including cross company mentoring. Delivered through Mission Include, our colleagues are invited to receive mentoring by external leaders. This programme is focused on developing our diverse talent to be ready for future roles whilst also broadening our networks. Our senior leaders also take part as mentors for individuals from other organisations.

Alongside our external programme, we also facilitate an internal mentoring scheme for women as part of our Gender Diversity Forum.

We're committed to increasing women in leadership across the Society and support colleagues' ambitions by providing opportunities for career growth.

## Race Reverse Mentoring

After the success of last year's pilot programme, we were quick to partner with School of CEOs again to deliver the race reverse mentoring programme. Six senior leaders were paired with six colleagues from different ethnic backgrounds to share their lived experiences of working at the Society. The scheme focused on understanding the challenges that surround ethnic diversity in the workplace and in broader society.

USMA  
IQBAL



"It was a great opportunity to give a member of the senior leadership my perspective and share some of the challenges I have faced and continue to face daily. **If we want to implement change then people need to hear the lived experiences and share different perspectives.** It was really rewarding; I grew my confidence around speaking about race and understanding the difference I can make by sharing my story."

**Usma Iqbal**

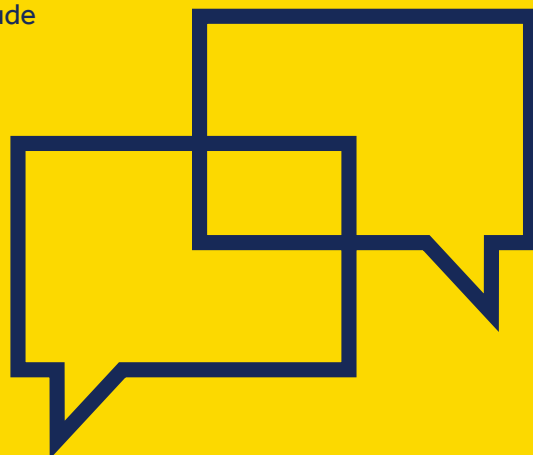
Financial Planning and Analysis Lead

# LEVERAGING INSIGHT

We're dedicated to creating a safe, flexible and friendly place of work for all colleagues. By understanding our people and their unique challenges, we can create opportunities for change that make a positive and lasting difference. This ensures that members experience the same positivity in all interactions.

We've explored ways in which the Society supports colleagues across all divisions, through various mediums such as championing inclusive technology and encouraging colleague support programs. We expanded the data we collect on colleagues to include aspects of social mobility and caring responsibilities.

This data will help us spot opportunities to improve and ensure we have the right support and guidance in place.



## Your Voice

We want to equip our colleagues to take a proactive approach to supporting their own and their teams' wellbeing. The launch of initiatives like A Day For You have supported our colleagues to take time to invest in what matters to them.



It's important that **our colleagues feel heard** which is why we have an open engagement platform, the Your Voice survey.

**1,350** colleagues (87%) took part in the annual survey, providing **12,257** comments to questions that will help shape our culture in the Society.



**AccessAble**  
Your Accessibility Guide

We pride ourselves on the service our members receive but acknowledge that there is so much more that can be done to improve their experience.

That's why we've teamed up with accessibility information provider **AccessAble**, to help people with disabilities find the information they need before they take a trip to any of our branches. For more information see [our website](#).

We're striving to become a welcoming, inclusive and disability-friendly workplace. We continue to work together to make improvements, with ambitions to achieve Disability Confident Level 3 over the next 18 months.

**Everyone has a responsibility to continue the inclusion and diversity conversation. We're focusing on what matters.**

**This is just the beginning.**



L-R: **Karen Duffitt** - Mental health first aider, **Usma Iqbal** - Race Equality Forum member, **Victoria Kenny** - Chair of the LGBTQ+ Forum





# ACT NOW.

**So the next generation has somewhere to call home.**

## Climate & Environment

We have a responsibility to consider the wider impact of all our actions. This section is a call to arms and proof of our commitment to a greener, net zero economy by 2050.

**Climate change is arguably one of the biggest challenges of the 21st century and a code red for the future of humanity, the environment and nature.**

Catastrophic effects from climate change are happening now, with extreme weather events occurring more frequently all over the world. Without urgent collective action to address the causes of climate change, including greenhouse gas emissions from businesses and homes, those effects are only set to get worse and are likely to become irreversible.

We know our business doesn't operate in a vacuum. In addition to calling for more sustainable house building, we are taking sustainable action in everything we do – from products and operations, to education – encouraging home owners to make better choices for today and tomorrow.

**NOW, MORE THAN EVER, WE NEED TO WORK TOGETHER TO MAKE REAL AND LASTING CHANGE.**



**2 MILLION  
HOMES AFFECTED**



**1,600 DEATHS  
12,000 INJURIES**



**£25,000  
DONATED**

## **PAKISTAN FLOODS EMERGENCY**

Torrential monsoon rains in September 2022 devastated Pakistan, leaving millions in need of urgent help. We donated £25,000 to the Disasters Emergency Committee's appeal to support those affected by the floods which has seen over 2 million homes destroyed or badly damaged and at least 1,700 deaths and 12,000 people injured.<sup>1</sup>

**Find out how DEC are using the donations**

<sup>1</sup>Disaster Emergency Committee (DEC)'s Pakistan Floods Appeal

# NET ZERO

**The UK has the oldest and least energy efficient homes in Europe, contributing 16%<sup>1</sup> of the UK’s carbon emissions. The financial sector therefore has an important role to play in helping home owners transition to net zero.**

To avoid the most severe impacts of climate change, global greenhouse gas emissions need to be roughly halved over the remainder of the decade and reach net zero by no later than 2050 to keep temperature increases below 1.5°C.

That means eliminating greenhouse gas emissions as much as possible, with remaining emissions that can’t be avoided being re-absorbed naturally by oceans and forests or captured through carbon removal technologies.

The financial sector has an important role to play in supporting the global aim to become net zero by 2050, and this is fundamental to us delivering our purpose of supporting sustainable and long-term home ownership, generation after generation. But we can’t do this alone.

A comprehensive and joined up approach is required across government, industry, and our suppliers, with appropriate mechanisms and meaningful support in place to ensure nobody is unfairly disadvantaged or left behind.



Global temperature increases must be kept below this level to avoid the worst impacts of climate change.<sup>2</sup>



Global greenhouse gas emissions need to be roughly halved by 2030<sup>3</sup> and reach net zero by 2050 to keep the 1.5°C target alive.

<sup>1</sup> Dept for Business, Energy & Industrial Strategy, '2021 UK Greenhouse Gas Emissions, Final Figures, February 2023

<sup>2</sup> UNEFCC, 'Paris Agreement', December 2015

<sup>3</sup> IPCC, 'The evidence is clear: the time for action is now. We can halve emissions by 2030', April 2022



# WE'RE ALL RESPONSIBLE FOR CLIMATE CHANGE

Everyone can take steps to understand their carbon footprint and make positive changes to reduce it. We're here to help people on the journey to greener living.

## Green Mortgages



We were one of the first lenders to join the Green Finance Institute's (GFI) Coalition for the Energy Efficiency of Buildings, and have since launched pilots for a range of new green mortgages which adhere to the GFI's Green Home Finance Principles.

All members have access to information on improving home energy efficiency. We recognise the need for increased consumer awareness and education in this space, and support UK Finance's call for a collaborative large-scale education and communication campaign.

## Green Mortgage Affordability

In 2022, we enhanced affordability for mortgages on the most energy efficient new homes, to benefit buyers of greener homes.

We're now able to use more detailed data about projected fuel bill savings for new build homes with an A or B EPC rating, enabling members to borrow more than on an equivalent, less energy efficient property.

We're also working closely with some major house builders around the government's upcoming Future Homes Standard – supporting the move to build homes that are significantly more energy efficient, utilising new technology and building methods, including focusing on reducing carbon from their supply chain.

**A couple with a household income of £50,000 and monthly commitments of £350, purchasing a property rated EPC A or B...<sup>1</sup>**

Could previously borrow £199,000

Can now borrow £210,000

for a 20-year term

<sup>1</sup> based on calculation performed in February 2023.





# NICK & ADAM'S STORY

Interior designer to the stars Nick Snow, and lettings manager Adam Pullinger had been living together since the start of their relationship 13 years ago. As they both worked tirelessly to grow their businesses, they saved enough to put down a deposit on their dream home.

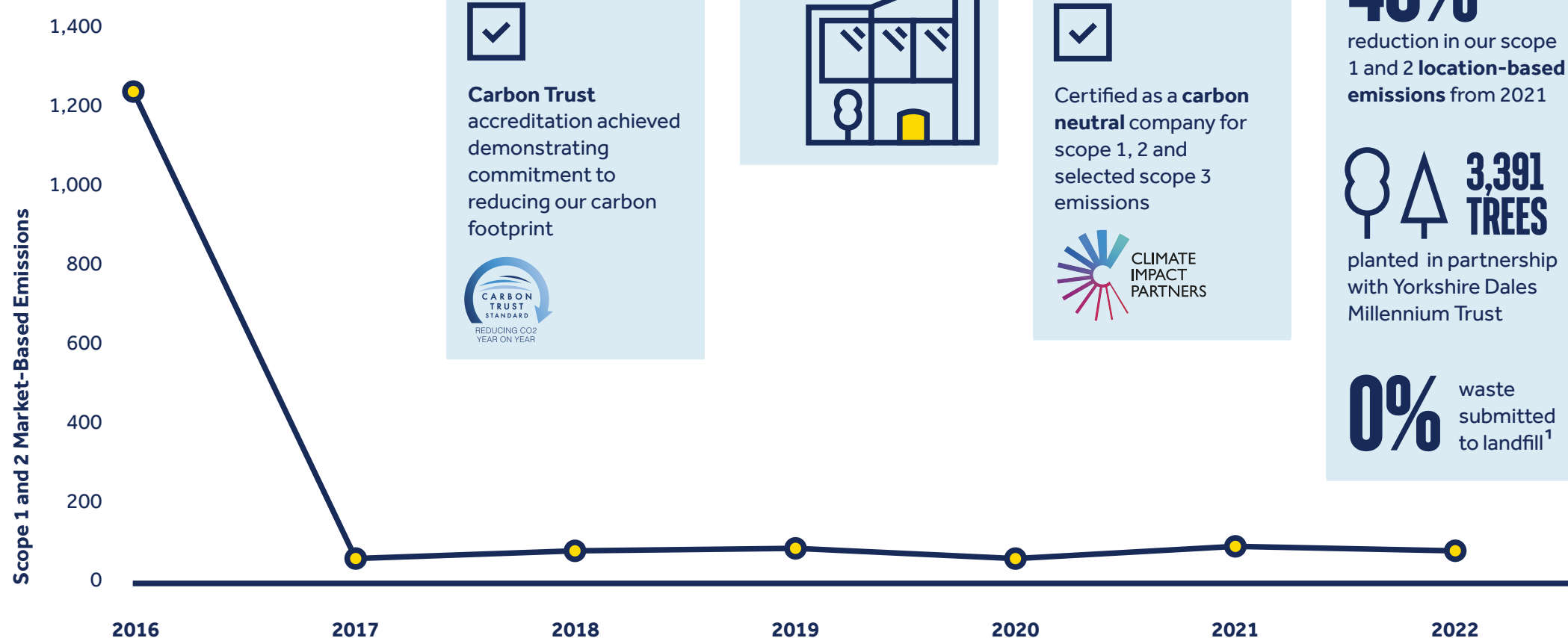
In September 2022 they moved into their property in Fair Oak near Southampton – a beautifully presented 3-bedroom semi-detached new build, which is part of a small development.

As they are self employed, Nick and Adam needed to get their accounts in order along with their 10% deposit before applying for a mortgage. They worked with a broker who found them some fantastic deals with Leeds Building Society. Ultimately, their passion for sustainability led them to select a Green Product.

“Adam and I have spent years helping people to find and renovate their dream homes, so it’s a joy to be able to do it for ourselves now.”

Nick said: “It’s so wonderful to finally have the keys to our own home. Adam and I have spent years helping people to find and renovate their dream homes, so it’s a joy to be able to do it for ourselves now. It’s taken 13 years of renting to allow us to focus on growing our businesses and to get to this point. We’re over the moon to be on the property ladder and to be able to put our own stamp on the house.”

# OUR CLIMATE ACTION HIGHLIGHTS



Full glossary of terms available on page 60 (appendix)

<sup>1</sup>Includes waste arising from core business activities conducted through our head office and branch sites, which excludes items such as redundant IT equipment. The numbers disclosed also exclude waste from three of our branches that are part of a shared building.



# CLIMATE STRATEGY & TARGETS

## Our pledge:

We're committed to the orderly transition to a greener, net zero economy by 2050.

In our inaugural Climate-Related Financial Disclosures (TCFD) in 2021, we recognised the need to develop further targets to minimise and reduce our emissions in line with the principles of the Science Based Targets initiative (SBTi), the international gold standard for the development of climate targets.

During 2022, in collaboration with Carbon Intelligence, a sustainability data and consulting firm, we baselined our full carbon footprint (referred to as scope 1, 2 and 3 emissions) and built an inventory of emission sources to understand what our overall environmental impact is. This has enabled us to enhance our longer-term climate targets, guided by the principles of the SBTi methodology.

**You can find further details and explanation of our carbon footprint within our Annual Report & Accounts (on pages 69-78)**

## Reducing our carbon footprint

Operational emissions (referred to as scope 1 and 2 emissions) stem from the heating, cooling and lighting of our buildings. We've set a target to reach net zero operations by 2030 through a 90% reduction in scope 1 and 2 emissions (using a market-based methodology<sup>1</sup>) and purchase of high-quality carbon offsets to remove the residual 10% of operational emissions that we are unable to reduce.

We've also set a second ambitious target to reduce our scope 1 and 2 location-based emissions<sup>2</sup> by 60% by 2030, which aligns with the UK government's net zero commitments<sup>3</sup> and significantly exceeds an SBTi net zero pathway for these emissions.<sup>4</sup>

In tandem, these two targets will ensure we're playing our part in the transition to net zero, limiting future temperature increases to below 1.5°C and reducing the most harmful impacts of climate change.

**90%**

reduction of our absolute scope 1 & 2 emissions by 2030 from a 2021 base year using a market-based approach

**60%**

reduction of our absolute scope 1 & 2 emissions by 2030 from a 2021 base year using a location-based approach

Full glossary of terms available on page 60 (appendix)

<sup>1</sup> A market-based methodology reflects emissions calculated on the electricity purposely purchased by the Society (e.g. renewable electricity)

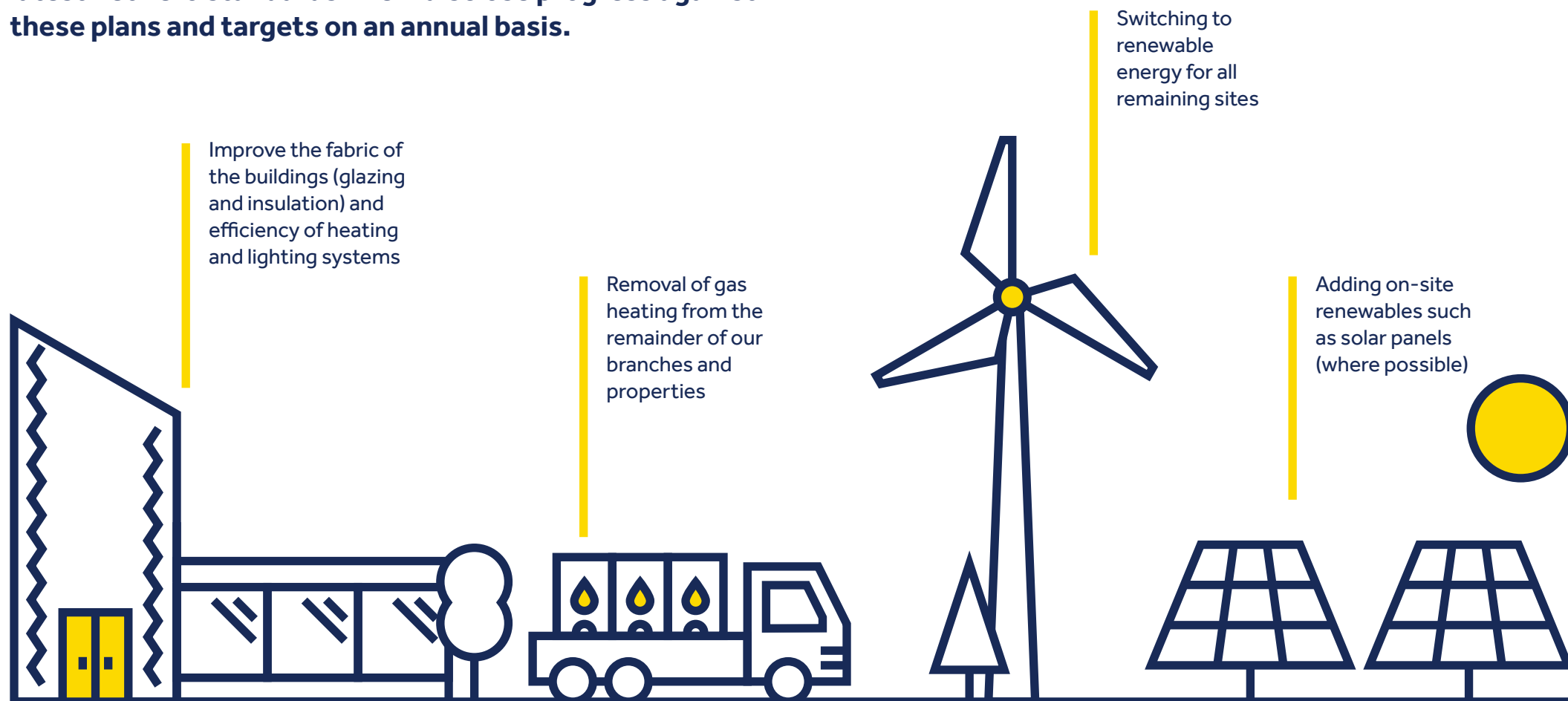
<sup>2</sup> A location-based methodology reflects emissions calculated based on the average emissions intensity of the local power grid.

<sup>3</sup> The UK government has committed to reducing total emissions 68% below 1990 levels by 2030.

<sup>4</sup> The SBTi's methodology requires reductions of 38% by 2030 to align with an emissions pathway that limits future temperature increases to 1.5°C on the route to net-zero by 2050.

## Achieving our targets

We'll complete an ambitious refurbishment programme across all our branches and offices to improve the energy efficiency and reduce energy consumption in line with the latest net zero standards. We'll disclose progress against these plans and targets on an annual basis.



## Scope 3 emissions

**We're just at the start of the journey to tackle the indirect scope 3 emissions from our wider value chain (including emissions from our supply chain, mortgaged properties, and employees).**

Whilst there are inherent challenges around measuring and reducing scope 3 emissions, many of which are outside the direct control of the Society (including a lack of co-ordinated government policy and support to drive the transition,

barriers limiting the supply and demand for green finance, and the availability and quality of data), we recognise the potential size of these emissions and importance of transparent reporting to support the net zero agenda.

**We're committed to our longer-term aim of aligning our scope 3 emissions with a net zero pathway.<sup>1</sup> Key actions that we will progress in 2023 include:**

- Engage and work collaboratively with our key suppliers to understand and reduce the emissions linked to the goods and services that we purchase.
- Continue to develop our range of green products and engage our members to help reduce the emissions linked to the mortgaged properties that we finance.
- Engage and influence government and other industry stakeholders to ensure appropriate net zero policy and support measures are in place so that the transition is equitable and does not create unintended consequences for vulnerable homeowners.
- Engage and support our colleagues to consider greener choices when commuting, travelling, or working from home.

**There are three categories of greenhouse gas emissions:**

### SCOPE 1

Emissions from sources owned or controlled by the Society

### SCOPE 2

Emissions from purchased energy

### SCOPE 3

Emissions from the Society's wider value chain

**Examples include:**



Offices



Branches



Purchased electricity



Suppliers



Mortgaged properties



Employee commuting

**You can find our scope 3 disclosures within our Annual Report & Accounts (on pages 74-78)**

Alignment of these emissions with net zero is largely outside of the Society's direct control and will be subject to the government delivering on its net zero commitments and improvements in the energy efficiency of UK homes. A careful balance is also required to ensure an orderly and just transition is achieved, without creating negative unintended consequences (such as climate mortgage prisoners). For this reason, the Society has not yet set targets for our scope 3 emissions, but we remain committed to playing our part in resolving the challenges to enable alignment with net zero.



# MAKING THE CHANGE CLOSER TO HOME

**Our head office staff moved into our new EPC A rated head office building in May 2021, which reduced our three Leeds sites to one. Across our property estate, our energy consumption has reduced by 39% between 2021 and 2022.**

## Waste

We divert 100% of our generated waste<sup>1</sup> from landfill, with 85% recycled and the remainder sent to a waste-to-energy facility to generate Refuse Derived Fuel.

(We also partnered with an IT asset disposal company in 2022, who take our redundant IT equipment and reuse, repurpose or recycle the components.



## Carbon offsetting

We're committed to maintaining a carbon neutral status through the purchase of high-quality carbon credits to compensate for current emissions, until we have implemented actions to reduce them.

To maintain our carbon neutral status, we're working with Climate Impact Partners, a specialist in carbon market solutions for climate action.

Our offsetting program delivers finance to projects which are reducing and removing emissions now, supporting the transition to a low carbon global economy.

All the projects are independently verified to assure emission reductions or removals are occurring. This ensures the highest environmental integrity in our commitment to have an immediate, positive impact on the climate.



<sup>1</sup> Includes waste arising from core business activities conducted through our head office and branch sites, which excludes items such as redundant IT equipment. The numbers disclosed also exclude waste from three of our branches that are part of a shared building.

# OUR ENVIRONMENTAL CHARITY PARTNERS

Supporting our communities and looking after the planet are two things we're passionate about, and our partnership with Yorkshire Dales Millennium Trust ensures members can support a stable financial and environmental future for generations to come.


Since launching our Dedicate a Tree children's savings account, we've planted 5,891 trees across seven woodlands, offsetting an estimated 982 tonnes of emissions over the next 50 years. This year, 110 colleagues took part in four volunteering days to plant and maintain the new saplings. The partnership has been so successful that we aim to plant at least 2,500 trees every year.



110 VOLUNTEERS



5,891 TREES PLANTED since 2021



982 TONNES OF EMISSIONS OFFSET over the next 50 years



"Yorkshire Dales Millennium Trust is delighted to be a strategic partner of Leeds Building Society, working together to achieve multiple goals, from **improving the biodiversity of the Yorkshire Dales and tackling climate change to inspiring Leeds Building Society members and colleagues about the vital need to create new woodlands and connect with nature to improve wellbeing.** To work with a well-known and respected building society has such a big impact on what we can achieve as a small charity."

**Michael Devlin**, Development Manager & Deputy Chief Executive at Yorkshire Dales Millennium Trust



**We still have a long way to go to reach net zero carbon emissions, but we're determined in our efforts to reaching our goal and thank our colleagues, members, and suppliers for engaging in the climate conversation.**



 **79 VOLUNTEERS**  
**447 HOURS**

We sponsor a mile of the waterway behind our new energy efficient Head Office in Leeds. 79 colleagues have volunteered 447 hours with Canal & River Trust to help maintain the locks, litter pick and improve conditions for wildlife in 2022.





# OUR RESPONSIBILITY.

## Trust & Transparency

People need the reassurance of a dependable partner they can trust to always do the right thing, therefore we must hold ourselves to account.

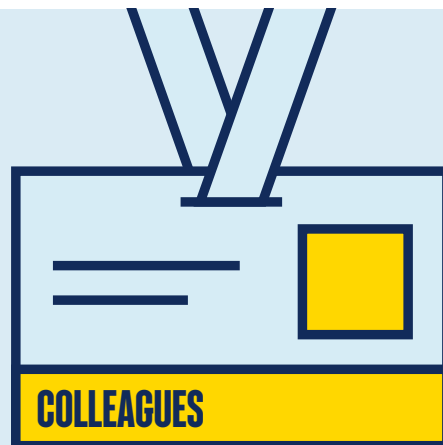
This section sets out the reasons why people trust us. From governance and policies to awards and accreditations. This is how we do business.

# HOW WE DO BUSINESS

We've made a commitment to act responsibly – for our members, our colleagues and our communities.



We know our **members** expect us to look after their long-term interests, so they're at the heart of our decision making. We have a zero-tolerance approach to bribery, fraud and corruption.



**Colleagues** make our business successful. We foster a diverse, inclusive and equal workplace which promotes health, safety and wellbeing. Offering fair pay and employment opportunities.



We've made a commitment to reducing our environmental impact and supporting local **communities**. We pay our fair share of tax and ensure we're operating in a straightforward way.

**Being a purpose-led business means we operate in a responsible and transparent way.**

**We pride ourselves on doing the right thing. That means making decisions and acting in ways which protect the long-term interests of our members, communities and the environment we all live in and rely on.**

**We understand that the level of trust in a brand can be a deciding factor when considering financial services providers and purchasing a product.**

We're committed to providing the best experience possible for our members and brokers, and here are awards and accreditations we received in 2022 which demonstrate this:

**Financial Adviser Service Awards**  
5 stars for Mortgages and Cash Investment 2022



**Fairer Finance**  
Gold Ribbon for Savings



**Institute of Customer Service**  
ServiceMark accreditation





# FAIR PAY CHARTER

Our colleagues are vital to the success of the Society and to making sure our members receive the best possible service. We think it is only right they share in the Society’s successes, we’ve always strived to make sure they’re fairly rewarded.

We’ve published our Fair Pay Charter, which commits us to:

- Paying at least the Real Living Wage, as set by Living Wage Foundation, to colleagues and contractors.
- Helping colleagues understand how they’re rewarded, including clear performance standards and feedback.
- Aligning executive director and colleague pension contributions.
- Competitive total reward packages for all colleagues, including a range of health and wellbeing options.
- Fair salaries based on role, skills, performance and external benchmarks.
- Equal opportunities for all, so everyone can progress in their career.
- Objective pay decisions made regardless of gender, age, ethnicity, disability, sexual orientation or any other protected characteristics.
- Supporting colleagues to work flexibly to balance both personal and business needs.
- Listening to colleagues, through our Colleague Association, about salary and reward decisions.
- Providing time for colleagues to focus on career development.
- Pay which is accurate and on time.



## EASING THE COST OF LIVING CRISIS

“It was only right that we took appropriate action in response to the changing economic climate, just like we’ve done throughout our history, to find ways to help colleagues during difficult times. As Covid-19 concerns were overtaken by worries about the rising cost of living, it was essential we took steps to support our colleagues. Therefore, we introduced a **one off discretionary award** for our colleagues, paid in two instalments in August and November to help **ease financial concerns**.

We will continue to share resources and information to colleagues and members around the cost of living to **support them in the best way we can.**”

**Michael Turner**  
Reward Lead

# FAIR TAX MARK

**Paying our fair share of tax is one of the principal ways we contribute to society, helping to fund the public services we all rely on.**

We're delighted to have retained the Fair Tax Mark in 2022 for the fifth year running. We continue to be one of the only high street financial services providers to attain this accolade. We pay the right of amount of corporation tax and report our tax affairs transparently to stakeholders, as outlined in our [Tax Strategy](#).

**"Fair tax represents a mutually beneficial outcome, with communities seeing the value in the tax we pay and the country benefitting from businesses like ours thriving, supporting jobs and home ownership."**

**Caroline Dale**

Director of Finance Operations  
Leeds Building Society



**"Leeds Building Society has long been a champion of fair tax practices, and we're so pleased they've secured the Fair Tax Mark for a milestone fifth year."**

**Graham Drummond**

Head of Communications  
Fair Tax Foundation



# GOVERNANCE & POLICIES

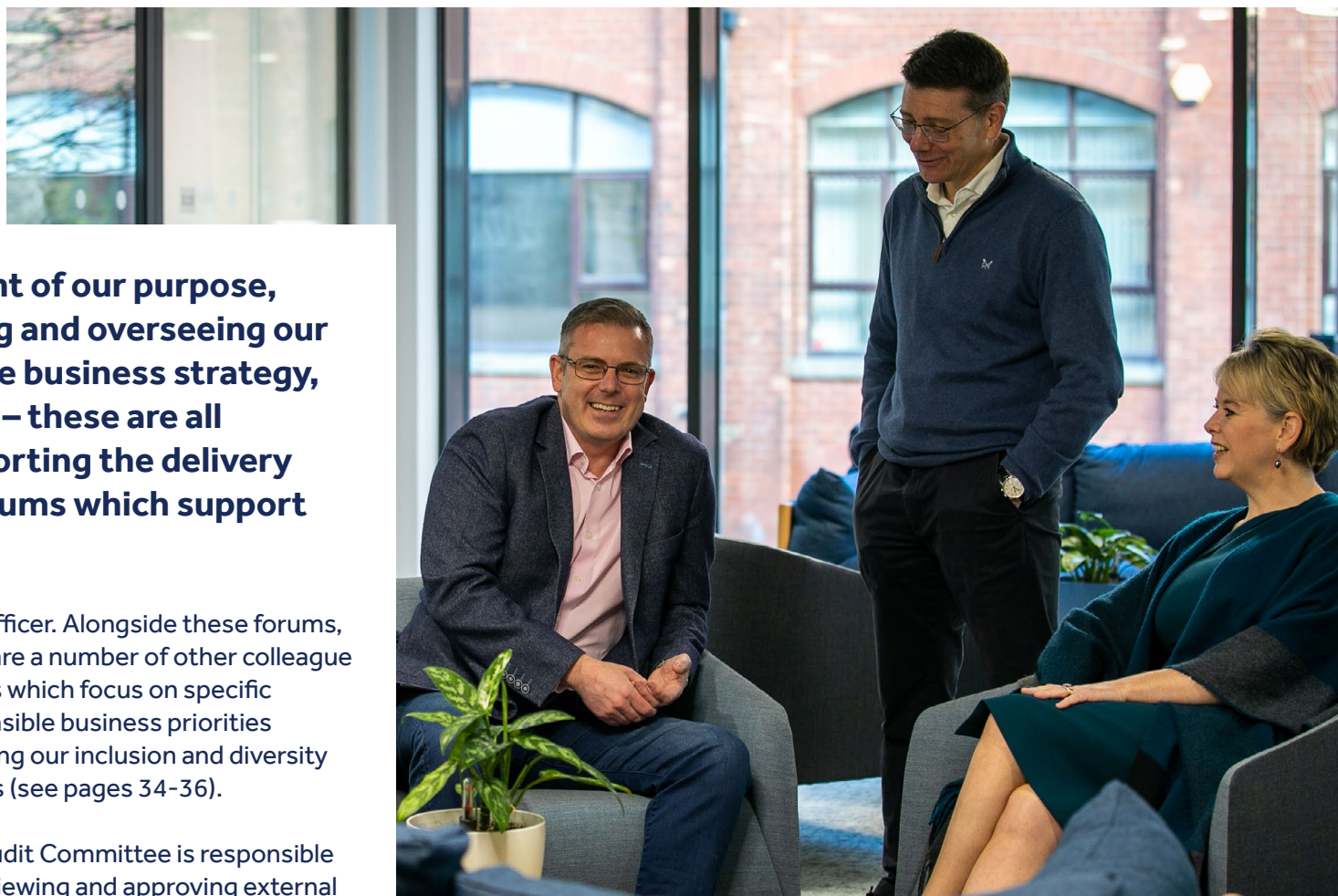
**The Board has guided the refinement of our purpose, and is also responsible for approving and overseeing our strategies; including our responsible business strategy, green strategy and people strategy – these are all closely linked, with a focus on supporting the delivery of our purpose. We have various forums which support in doing this.**

Our Responsible Business Forum supports the Executive Committee and the Board in overseeing the delivery of our responsible business strategy – this is made up of a group of colleagues who represent business areas which are involved in the delivery of the strategy, with the Chief Strategy & Insights Officer as Chair of the forum. The targets we have set, which support the measurement of our responsible business activities, and our progress against these can be seen on page 7.

Similarly, our Climate Forum supports and oversees the delivery of our green strategy, chaired by our Chief

Risk Officer. Alongside these forums, there are a number of other colleague groups which focus on specific responsible business priorities including our inclusion and diversity forums (see pages 34-36).

The Audit Committee is responsible for reviewing and approving external reporting on sustainability, including this Purpose Impact Report. We have not sought external assurance on this report as it is our first year reporting, however we're working towards seeking external assurance in future years.





## Doing the right thing

### Policies and standards underpin our strategy and activities, setting out how our colleagues are expected to behave and how we make decisions.

These include our [How We Do Business Statement](#), [Tax Strategy](#), our [Board Diversity Policy](#) and our internal Environmental, Social and Governance (ESG) policy. Additionally, our [Modern Slavery Statement](#) can be found on our website.

Our [Supplier Code of Conduct](#) sets out how we expect suppliers to behave, and how we ensure that those standards are upheld during our relationship. ESG factors are also considered when assessing the creditworthiness of our counterparties for liquidity investments – if a counterparty was judged not to meet the criteria then the limit may be rescinded.

More information on governance within the Society can be found in the Corporate Governance Report and the Strategic Report within the [Annual Report & Accounts \(ARA\)](#). It details how we ensure the needs of all stakeholders are considered in a balanced way as part of our decision making as a business, and how we ensure our culture is healthy and positive.

The Remuneration Report sets out how our remuneration policy and practices are designed to promote our sustainable success, with executive remuneration aligned to our purpose and behaviours and linked to the delivery of our long term strategy. This can also be found within the ARA.

## ESG Audits

Sustainalytics and Vigeo Eiris are global leaders in ESG. They are corporate governance research and ratings firms who assess our ESG performance. As a result of our continued progress and proactive engagement from colleagues, we were awarded strong ratings from these audit firms in our latest audit in 2021.

Sustainalytics gave us an overall risk rating of Low in 2021 (score 18/20), which placed us in the top 10% among our lending peers. Vigeo Eiris scored our assurance as Robust which placed us in the top 15% among our industry peers.

Top  
10%

(among our lending peers)



Assessment of risk of financial loss due to ESG factors

Top  
15%

(among our industry peers)



Assessment of ESG performance, strategy and governance



# APPENDIX

This report complements our [Annual Report & Accounts \(ARA\)](#) by providing a more in depth and transparent view of our purposeful and responsible business activities, for the benefit of our stakeholders.

It sets out what we've been doing during 2022 to ensure that we put home ownership within reach of more people, generation after generation.

This report is prepared with reference to the Global Reporting Initiative (GRI) Standards 2021 – internationally recognised standards for sustainability disclosures. The use of these standards ensure that we report on the topics which are most material to our stakeholders, in a way that is consistent and comparable with other businesses.

The GRI index can be found within this Appendix.

- [Climate Glossary](#)
- [Global Reporting Initiative Index](#)
- [ESG data tables](#)

# Climate Glossary

Term/Acronym	Description
<b>Greenhouse Gas (GHG) Emissions</b>	Atmospheric gases that contribute to global warming. Predominantly carbon dioxide (CO <sub>2</sub> ) but also includes methane, nitrous oxide, fluorinated gases (F-gases), sulphur and nitrogen.
<b>Net Zero</b>	Cutting greenhouse gas emissions to as close to zero as possible (standards commonly require >=90% reduction) and removal of any residual emissions from the atmosphere.
<b>Carbon Neutral</b>	Balancing out / neutralising greenhouse gas emissions through the purchase of carbon offsets. Key difference to net zero is that no reduction in emissions is required to claim carbon neutral status.
<b>Carbon Offset – Reduction</b>	Voluntary purchase of carbon credits that lead to a reduction / avoidance of carbon emissions. Credits represent a firm’s investment in a project (e.g. renewable energy) that allows the firm to counterbalance their own emissions through equivalent reductions elsewhere in the world.
<b>Carbon Offset – Removal</b>	Mandatory purchase of carbon credits that lead to the permanent removal of emissions from the atmosphere (e.g. carbon capture technology or planting of trees) to counter-balance a firm’s residual net-zero emissions.
<b>Scope 1 Emissions</b>	Direct emissions from sources that are owned or controlled by the Society (e.g. burning of gas to heat a building)
<b>Scope 2 Emissions</b>	Indirect emissions from the generation of energy purchased by the Society (e.g. burning of fossil fuels to generate electricity used for heating / cooling or lighting of a building)

Term/Acronym	Description
<b>Scope 2 – Market-based</b>	Emissions generated from the electricity purposely purchased by the Society (e.g. renewable / green electricity)
<b>Scope 2 – Location-based</b>	Emissions generated from electricity purchased based on the average intensity of the national grid
<b>Scope 3 Emissions</b>	Emissions from sources that are not owned or controlled by the Society. Divided into 15 different categories
<b>Financed Emissions</b>	Emissions linked to the Society’s investments (scope 3 category 15) e.g. emissions from the mortgaged properties that we finance.
<b>Science-Based Targets (SBTs)</b>	Targets that lead to de-carbonisation that keeps global temperature increase to well below 2°C or 1.5°C by 2050.
<b>De-carbonisation Plan</b>	Outlines the action needed in order to reduce greenhouse gas emissions.



# GLOBAL REPORTING INITIATIVE INDEX

The Global Reporting Initiative (GRI) Standards are comprehensive and internationally recognised, allowing consistent reporting of sustainability impact and activity across industries. In our first Purpose Impact Report we are reporting with reference to the following GRI Standards, which are based on the areas which are most material to our business and stakeholders. We're also working towards reporting additional GRI Standards topics and aim to provide a more comprehensive view of our activities in the future.

## Statement of Use

Leeds Building Society has reported the information cited in this GRI content index for the period 1 January 2022 to 31 December 2022 with reference to the GRI Standards (GRI 1: Foundation 2021). This report will be published annually in line with our [Annual Report & Accounts](#).

The following policies provide additional supporting information:  
[Annual Report & Accounts](#), [Modern Slavery Statement](#), [Tax Strategy](#)

## We have reported on the following material topics:

- GRI 1: Foundation 2021
- GRI 2: General Disclosures 2021
- GRI 3: Material Topics 2021:
  - GRI 201: Economic Performance 2016
  - GRI 204: Procurement Practices 2016
  - GRI 205: Anti-Corruption 2016
  - GRI 207: Tax 2019
  - GRI 302: Energy 2016
  - GRI 305: Emissions 2016
  - GRI 306: Waste 2020
  - GRI 401: Employment 2016
  - GRI 402: Labour 2016
  - GRI 403: Occupational Health and Safety 2018
  - GRI 404: Training and Education 2016
  - GRI 405: Diversity and Equal Opportunity 2016
  - GRI 406: Non-discrimination 2016
  - GRI 407: Freedom of Association and Collective Bargaining 2016
  - GRI 413: Local Communities 2016
  - GRI 415: Public Policy 2016

## We are working on being able to report on these topics in future:

- GRI 308: Supplier Environmental Assessment 2016
- GRI 414: Supplier Social Assessment 2016
- GRI 417: Marketing and Labelling 2016
- GRI 418: Customer Privacy 2016

## We acknowledge that the below topics are important, however they are not material or are not applicable to our business:

- GRI 202: Market Presence 2016
- GRI 203: Indirect Economic Impacts 2016
- GRI 206: Anti-competitive Behaviour 2016
- GRI 301: Materials 2016
- GRI 303: Water and Effluents 2018
- GRI 304: Biodiversity 2016
- GRI 408: Child Labour 2016
- GRI 409: Forced or Compulsory Labour 2016
- GRI 410: Security Practices 2016
- GRI 411: Rights of Indigenous Peoples 2016
- GRI 416: Customer Health and Safety 2016

# GRI Index

GRI Standard	Disclosure		Location
<b>GRI 2: General Disclosures 2021</b>	2-1	Organisational details	<b>Legal name:</b> Leeds Building Society <b>Location:</b> Leeds, United Kingdom <a href="#">ARA</a> , P244
	2-2	Entities included in the organisation's sustainability reporting	<a href="#">ARA</a> , P215
	2-3	Reporting period, frequency and contact point	<b>Appendix - Global Reporting Initiative Index</b> , P61 and <b>Appendix P68</b>
	2-4	Restatements of information	<i>Not applicable - first Purpose Impact Report</i>
	2-5	External assurance	<b>Trust &amp; Transparency</b> , P57
	2-6	Activities, value chain and other business relationships	<a href="#">ARA</a> , P11-13, 26-32 <a href="#">Modern Slavery Statement</a>
	2-7	Employees	<b>ESG Data Tables</b> , P64
	2-8	Workers who are not employees	<b>ESG Data Tables</b> , P64
	2-9	Governance structure and composition	<b>Trust &amp; Transparency</b> , P57 <a href="#">ARA</a> , P118-136
	2-10	Nomination and selection of the highest governance body	<a href="#">ARA</a> , P137-142
	2-11	Chair of the highest governance body	<a href="#">ARA</a> , P110, 118-119
	2-12	Role of the highest governance body in overseeing the management of impacts	<b>Trust &amp; Transparency</b> , P57
	2-13	Delegation of responsibility for managing impacts	<b>Trust &amp; Transparency</b> , P57
	2-14	Role of the highest governance body in sustainability reporting	<b>Trust &amp; Transparency</b> , P57
	2-15	Conflicts of interest	<a href="#">ARA</a> , P127-128, 141
	2-16	Communication of critical concerns	<a href="#">ARA</a> , P123, 150
	2-17	Collective knowledge of the highest governance body	<a href="#">ARA</a> , P128-131
	2-18	Evaluation of the performance of the highest governance body	<a href="#">ARA</a> , P128-131
	2-19	Remuneration policies	<a href="#">ARA</a> , P155-168
	2-20	Process to determine remuneration	<a href="#">ARA</a> , P155-168
	2-21	Annual total compensation ratio	<a href="#">ARA</a> , P167 <i>Note: The Chief Executive Officer pay ratio has been calculated using the government's preferred methodology.</i>
	2-22	Statement on sustainable development strategy	<b>Our Purpose</b> , P4 and <b>Our Inclusion &amp; Diversity and Climate Pledges</b> , P29
	2-25	Processes to remediate negative impacts	<a href="#">ARA</a> , P123,150 <a href="#">Complaints</a>

GRI Standard	Disclosure		Location
<b>GRI 2: General Disclosures 2021</b>	2-26	Mechanisms for seeking advice and raising concerns	<a href="#">ARA</a> , P123,150
	2-27	Compliance with laws and regulations	<a href="#">ARA</a> , P174-185
	2-28	Membership associations	UK Finance, Building Societies' Association, Business in the Community <b>Climate &amp; Environment</b> , P43 <a href="#">ARA</a> , P57
	2-29	Approach to stakeholder engagement	<b>Our Purpose</b> , P6 <a href="#">ARA</a> , P26-32
	2-30	Collective bargaining agreements	<b>ESG Data Tables</b> , P64
<b>GRI 3: Material Topics 2021</b>	3-1	Process to determine material topics	<b>Our Purpose</b> , P6
	3-2	List of material topics	<b>Appendix - Global Reporting Initiative Index</b> , P61
<b>GRI 201: Economic Performance 2016</b>	201-1	Direct economic value generated and distributed	<a href="#">ARA</a> , P186-187
	201-2	Financial implications and other risks and opportunities due to climate change	<a href="#">ARA</a> , P48-79
	201-3	Defined benefit plan obligations and other retirement plans	<a href="#">ARA</a> , P221-224
<b>GRI 204: Procurement Practices 2016</b>	204-1	Proportion of spending on local suppliers	<b>ESG Data Tables</b> , P64
<b>GRI 205: Anti-corruption 2016</b>	205-3	Confirmed incidents of corruption and actions taken	<i>There have been no incidences of corruption in 2020, 2021 or 2022.</i>
<b>GRI 207: Tax 2019</b>	207-1	Approach to tax	<b>Trust &amp; Transparency</b> , P56 <a href="#">ARA</a> , P210, 225-226, 244 <a href="#">Tax Strategy</a>
	207-2	Tax governance, control, and risk management	
	207-3	Stakeholder engagement and management of concerns related to tax	
	207-4	Country-by-country reporting	
<b>GRI 302: Energy 2016</b>	302-1	Energy consumption within the organisation	<a href="#">ARA</a> , P70-71
	302-3	Energy intensity	<a href="#">ARA</a> , P70-71
	302-4	Reduction of energy consumption	<a href="#">ARA</a> , P70-71
<b>GRI 305: Emissions 2016</b>	305-1	Direct (Scope 1) GHG emissions	<a href="#">ARA</a> , P70-71
	305-2	Energy indirect (Scope 2) GHG emissions	<a href="#">ARA</a> , P70-71
	305-3	Other indirect (Scope 3) GHG emissions	<a href="#">ARA</a> , P76
	305-4	GHG emissions intensity	<a href="#">ARA</a> , P70-71
	305-5	Reduction of GHG emissions	<a href="#">ARA</a> , P70-71

## GRI Index

GRI Standard	Disclosure	Location
<b>GRI 306: Waste 2020</b>	306-3 Waste generated	ESG Data Tables, P65
	306-4 Waste diverted from disposal	ESG Data Tables, P65
	306-5 Waste directed to disposal	ESG Data Tables, P65
<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	ESG Data Tables, P65
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	<i>Not applicable - we do not discriminate between full time/part time/temporary staff for benefits.</i>
	401-3 Parental leave	ESG Data Tables, P65
<b>GRI 402: Labour/Management Relations 2016</b>	402-1 Minimum notice periods regarding operational changes	<i>We comply with statutory requirements. Notice periods for consultation and negotiation are not specified in our Information and Consultation of Employees agreement.</i>
<b>GRI 403: Labour/Management Relations 2018</b>	403-1 Occupational health and safety management system	ESG Data Tables, P65
	403-2 Hazard identification, risk assessment, and incident investigation	ESG Data Tables, P65
	403-4 Worker participation, consultation, and communication on occupational health and safety	ESG Data Tables, P65
	403-5 Worker training on occupational health and safety	ESG Data Tables, P66
	403-8 Workers covered by an occupational health and safety management system	ESG Data Tables, P66
	403-9 Work-related injuries	ESG Data Tables, P66
	403-10 Work-related ill health	ESG Data Tables, P66

GRI Standard	Disclosure	Location
<b>GRI 404: Training and Education 2016</b>	404-1 Average hours of training per year per employee	ESG Data Tables, P66
	404-3 Percentage of employees receiving regular performance and career development reviews	ESG Data Tables, P66
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	ESG Data Tables, P67
	405-2 Ratio of basic salary and remuneration of women to men	Our <a href="#">Gender Pay Gap Report</a> sets out our gender pay gap across all colleagues, expressed as a percentage.
<b>GRI 406: Non-discrimination 2016</b>	406-1 Incidents of discrimination and corrective actions taken	ESG Data Tables, P67
<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	<a href="#">Supplier code of conduct</a> All colleagues have the opportunity to join the Colleague Association.
<b>GRI 413: Local Communities 2016</b>	413-1 Operations with local community engagement, impact assessments, and development programs	Sustainable Communities, P18-28
<b>GRI 415: Public Policy 2016</b>	415-1 Political contributions	<a href="#">ARA</a> , P169



## ESG Data Tables

GRI 2-7	Employee breakdown	2022	2021	2020
Total employees by gender				
405-1	No. female employees	978	883	866
	Percentage of female employees	58.5%	59.2%	59.9%
405-1	No. male employees	693	608	581
	Percentage of male employees	41.5%	40.8%	40.2%
Permanent/Temporary Contract by gender				
No. permanent employees				
1648				
N/A				
N/A				
No. temporary employees				
23				
N/A				
No. permanent - female				
964				
N/A				
No. permanent - male				
684				
N/A				
No. temporary - female				
14				
N/A				
No. temporary - male				
9				
N/A				
Full-time/Part-time by gender				
No. full-time employees				
1396				
1209				
1148				
No. part-time employees				
275				
282				
299				
No. full-time - female				
732				
635				
603				
No. full-time - male				
664				
574				
545				
No. part-time - female				
246				
248				
263				
No. part-time - male				
29				
34				
36				
Headcount - 31st Dec each year. Excludes Contractors, LTHI & Pensioner. Details taken from previously published reporting. Temporary = fixed term contract. Contract details not currently available for previous years.				
N/A indicates unavailable data.				
2-8	Workers who are not employees - breakdown	2022	2021	2020
No. workers who are not employees		16	17	14
Most common types of worker and their contractual relationship with the organisation				
Daily rate contractors engaged through an agency or umbrella company, typically working across Operations, Brand and Risk.				
Type of work performed				
Some business-as-usual work to cover a gap where permanent colleagues are being recruited or project work.				
Notes on basis of preparation and any contextual info required				
Includes daily rate contractors only				

2-30	Collective bargaining agreements	2022	2021	2020
Percentage of total employees covered by collective bargaining agreements		98.6%* N/A	N/A	
204-1	Suppliers	2022	2021	2020
Proportion of spending on suppliers - West Yorkshire		15%	6%	N/A
Proportion of spending on suppliers - rest of UK		85%	94%	N/A
Proportion of spending on suppliers non-UK		N/A	N/A	N/A
Note: The 2018 Global Slavery Index report by Walk Free highlights the risk of slavery/forced labour is low in the UK. <a href="#">LBS' Supplier Code of Conduct</a> sets out standards expected on the topic of modern slavery/forced labour.				
N/A indicates unavailable data.				
* All colleagues except for 23 Directors/Chiefs/NEDs.				

## ESG Data Tables

206-1	Anti-competitive behaviour	2022	2021	2020
	Number of legal actions pending or completed regarding anti-competitive behaviour	0	0	0
306	Waste	2022	2021	2020
306-3	Total weight of waste generated in metric tons	96.02	109.44	N/A
306-4	Waste diverted from disposal			
	Total waste diverted from disposal (weight, in metric tons)	82.85	92.59	N/A
	No data held for January 2021 waste.			
306-5	Waste directed to disposal			
	Total non-hazardous waste directed to disposal - incineration (with energy recovery)	12.99	16.86	N/A
	Total non-hazardous waste directed to disposal - incineration (without energy recovery)	0.19	N/A	N/A
	No data held for January 2021 waste.			
	N/A indicates unavailable data.			

401	Employment - new hires and leavers	2022	2021	2020
401-1	No. of new hires	490	335	220
	Rate of new hires	31.2%	22.8%	15.4%
	No. of new hires - female	277	194	114
	No. of new hires - male	213	141	106
	Rate of new hires - female	30.0%	22.2%	13.3%
	Rate of new hires - male	33.0%	23.6%	18.6%
	No. of new hires – under 30 years old	241	145	108
	No. of new hires – 30-50 years old	202	149	87
	No. of new hires – over 50 years old	47	41	25
	Rate of new hires - under 30 years old	62.4%	38.8%	27.6%
	Rate of new hires - 30-50 years old	22.7%	17.8%	11.0%
	Rate of new hires - over 50 years old	16.0%	15.7%	10.1%
	No. of leavers	281	248	174
	Rate of employee turnover	18.4%	17.5%	12.7%
	No. of leavers - under 30 years old	116	100	64
	No. of leavers - 30-50 years old	122	105	82
	No. of leavers - over 50 years old	43	43	28
	Rate of employee turnover - under 30 years old	30.0%	26.7%	16.4%
	Rate of employee turnover - 30-50 years old	13.7%	12.6%	10.4%
	Rate of employee turnover - over 50 years old	14.6%	16.4%	11.3%

401	Employment - new hires and leavers	2022	2021	2020
401-3	Parental leave			
	Total number of employees that were entitled to parental leave - female	749*	N/A	N/A
	Total number of employees that were entitled to parental leave - male	514*	N/A	N/A
	Total number of employees that took parental leave - female	4	N/A	N/A
	Total number of employees that took parental leave - male	0	N/A	N/A
	*as at 31/12/22 - 1 year's service required. N/A indicates unavailable data.			

403	Occupational health & safety	2022	2021	2020
403-1	Occupational health and safety management system:			
	Leeds Building Society's health and safety policy acts as the health and safety management system. The policy applies to all Society colleagues, including those in Northern Ireland, where the Health & Safety regulatory body has similar functions to those of the Health & Safety Executive (HSE) in Great Britain. It also applies to the Society's members, contractors and visitors, and describes how we will provide a safe environment for all colleagues, members, contractors and third parties who may visit premises under our control.			
403-2	Processes for workers to report work-related hazards and hazardous situations:			
	All accidents and incidents, no matter how minor or major, must be reported immediately via telephone or email to the property department and to the relevant line manager. It is the line managers responsibility to complete the Accident Report Form (available to download from the company's intranet) within 2 days and for this to be sent to the H&S department. All accident report forms are reviewed by the H&S team, and depending on severity, a suitable investigation is arranged.			
	Leeds Building Society encourages employees to raise concerns and have an open discussion where employees can challenge, raise concerns, and allow the Society to take appropriate action to remedy the situation. The 'Speak Up Standard', encourages employees to report hazards, near misses and incidents without fear of retribution, victimisation or detriment.			
403-4	Where formal joint management-worker health and safety committees exist, a description of their responsibilities, meeting frequency, decision-making authority, and whether and, if so, why any workers are not represented by these committees.			
	The Health, Safety & Wellbeing Working Group supports the Society on all matters relating to the Health, Safety and Wellbeing of its colleagues, members and all others who may be affected by its business activities. Member colleagues from different departments at Leeds Building Society attend each session, where individuals' duties (such as policy, procedure, guidelines and codes of practice inc. H&S matters, incidents and wellbeing issues) are discussed. Approved minutes are circulated and the chair produces an annual report. Decision making authority sits with the Chief People Officer. The Working Group will meet up to four times per year and a minimum of two, ad hoc meetings may be requested by any member of the Group, if required.			

## ESG Data Tables

403	Occupational health & safety	2022	2021	2020
403-5	<p>A description of any occupational health and safety training provided to workers, including generic training as well as training on specific work-related hazards, hazardous activities, or hazardous situations.</p> <p><i>i</i>Hasco our external 3rd party provide our essential e-learning which gives colleagues a good grounding in general health and safety at work. On completion colleagues will be able to:</p> <ul style="list-style-type: none"> <li>Identify key health and safety laws and understand how to comply with them</li> <li>Implement a range of risk prevention methods, including those relating to manual handling, fire hazards &amp; display screen equipment</li> <li>Identify safety signage in the workplace</li> <li>List step-by-step procedures to follow in different types of emergency</li> </ul>			
403-8	Occupational health & safety management			
	If the organisation has implemented an occupational health and safety management system based on legal requirements and/or recognised standards/guidelines - does this apply to all colleagues and contractors?	Yes - all colleagues		
	Has the system been internally audited, or externally audited or certified?	Yes - corporate website accreditation evidenced		
403-9	Work-related injuries			
	Employees - number of fatalities as a result of work-related injury	0	0	0
	Employees - number of high-consequence work-related injuries (excluding fatalities)	0	0	0
	Employees - number of recordable work-related injuries	5	6	10
	Employees - main type of work-related injuries			
	2022 - 1. Contact with hot liquids, 2. Struck by object, 3.Slips and trips from same level. 2021 - 1. Struck by object, 2. Slips and trips from same level, 3. Contact with electricity, 4. Contact with hot liquid. 2020 - 1. Slips and trips from same level, 2. Struck by object, 3. Contact with hot liquid.			

403	Occupational health & safety	2022	2021	2020
	Contractors - number and rate of fatalities as a result of work-related injury	0	0	0
	Contractors - number and rate of high-consequence work-related injuries (excluding fatalities)	0	0	0
	Contractors - number and rate of recordable work-related injuries	2	1	0
	Contractors - main types of work-related injury	Struck against	Struck against	No injuries
403-10	Work-related Ill Health			
	The number of fatalities as a result of work-related ill health	0	N/A	N/A
404	Training	2022	2021	2020
404-1	Training by gender			
	Average hours of training undertaken during the reporting period - all employees	24	23	24
	As above - female employees	25	24	27
	As above - male employees	24	22	20
	Training by employee category			
	Average hours of training undertaken - all employees within Audit function	20	16	9
	As above - Brand & Marketing function	5	14	Not appl
	As above - Commercial function	30	15	11
	As above - Customer function	27	31	34
	As above - Digital function	Not appl	Not appl	9
	As above - Finance function	14	14	10
	As above - Operations function	22	12	Not appl
	As above - Risk function	19	18	16
	As above - Strategy & Insights function	16	16	Not appl
	As above - Technology, Resilience & Sourcing function	Not appl	Not appl	9
	As above - Transformation function	Not appl	Not appl	9
404-3	Employee performance & career development reviews			
	Percentage of total employees who received a regular performance and career development review during the reporting period - all employees	121 - 76% PDP - 87%	121 - 84% PDP - 88%	121 - 81% PDP - 89%
	As above - female	121 - 77% PDP - 87%	121 - 84% PDP - 89%	121 - 80% PDP - 91%
	As above - male	121 - 74% PDP - 88%	121 - 83% PDP - 86%	121 - 82% PDP - 85%

\*Not appl = not applicable due to changes in functions.  
N/A indicates unavailable data.



## ESG Data Tables

404	Training	2022	2021	2020
404-3	Training by employee category			
	Percentage of total employees who received a regular performance and career development review during the reporting period - senior management	121 - 50% PDP - 62%	121 - 65% PDP - 29%	121 - 60% PDP - 40%
	all employees within Audit function	121 - 100% PDP - 100%	121 - 78% PDP - 100%	121 - 100% PDP - 100%
	all employees within Brand & Marketing function	Not appl	121 - 68% PDP - 78%	Not appl
	all employees within Commercial function	121 - 72% PDP - 88%	121 - 83% PDP - 73%	121 - 89% PDP - 89%
	all employees within Customer function	121 - 79% PDP - 90%	121 - 88% PDP - 94%	121 - 81% PDP - 94%
	all employees within Digital function	Not appl	Not appl	121 - 72% PDP - 91%
	all employees within Finance function	121 - 89% PDP - 83%	121 - 83% PDP - 90%	121 - 86% PDP - 92%
	all employees within Operations function	121 - 79% PDP - 86%	121 - 88% PDP - 87%	Not appl
	all employees within Risk function	121 - 60% PDP - 82%	121 - 69% PDP - 83%	121 - 69% PDP - 86%
	all employees within Strategy & Insights	121 - 78% PDP - 89%	121 - 78% PDP - 52%	Not appl
	all employees within Technology, Resilience and Sourcing	Not appl	Not appl	121 - 88% PDP - 71%
	all employees within Transformation	Not appl	Not appl	121 - 85% PDP - 89%

PDP = Personal Development Plan, 121 = regular performance review  
\*Not appl = not applicable due to changes in functions.

405	Governance body & employees	2022	2021	2020
405-1	Governance body breakdown			
	Percentage of individuals within the organisation's governance bodies			
	- female	27.3%	27.3%	20.0%
	- male	72.7%	72.7%	80.0%
	Percentage of individuals within the organisation's governance bodies			
	- under 30 years old	0.0%	0.0%	0.0%
	- 30-50 years old	18.2%	16.7%	18.2%
	- over 50 years old	81.8%	83.3%	81.8%

405	Governance body & employees	2022	2021	2020
405-1	Governance body breakdown			
	Percentage of individuals within the organisation's governance bodies			
	- BAME	9.1%	8.3%	0.0%
	Employee breakdown			
	Percentage of employees - under 30 yrs old	25.4%	24.6%	25.9%
	Percentage of employees - 30-50 yrs old	55.8%	56.9%	56.2%
	Percentage of employees - over 50 yrs old	18.9%	18.5%	17.9%
	Percentage of employees - BAME	11.4%	9.3%	9.1%
406-1	Discrimination	2022	2021	2020
	Number of incidents of discrimination	0	N/A	N/A

When everything's stacked against home owners, now more than ever, people need a voice and meaningful action.

By government, by industry, by us.  
**For everyone.**

# THE BEGINNING. NOT THE END.



**Leeds Building Society**

If you have any queries regarding this report please contact the Responsible Business team at [community@leedsbuildingsociety.co.uk](mailto:community@leedsbuildingsociety.co.uk) or write to us at Leeds Building Society, 26 Sovereign Street, Leeds, LS1 4BJ.