

Matters reserved to the Board - approved by the Board 24 November 2020

		Board Committee delegation	How often Board considers e.g. annual/ad hoc
A	Setting the right culture and values for the Society including appropriate governance arrangements and ensuring that the Society operates within its Rules, regulatory rules and guidance and all applicable laws		
1.	Responsibility for the overall leadership and oversight of the Society	No delegation	Catch all provision
2.	Setting the Society's purpose and values, ensuring that they are aligned with Society's culture	No delegation	Annual and ad hoc as required
3.	Responsibility for monitoring and assessing the development of the Society's culture	No delegation	Annual and ad hoc as required
4.	Receiving reports on the views of the Society's members	No delegation	Twice annually
5.	Review of the Society's overall corporate governance arrangements including whether its Rules are fit for purpose	N&G	Annual
6.	Approval of any material changes to structure, size and composition of the Board following a recommendation from the Nominations and Governance Committee (Society Rules 12)	N&G	Ad hoc
7.	Ensuring adequate succession planning for the Board and Executives so as to maintain an appropriate balance of skills and experience within the Society. The Board will ensure such succession plans promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths.	N&G	Annual
8.	<p>Approving the appointment of the:</p> <ul style="list-style-type: none"> • Chair of the Board (Rule 15); • Deputy Chair (Rule 15); • Senior Independent Director; • the Chief Executive (Rule 22(1)); • Directors, including the suspension or termination of service of an executive director (Society Rules 13 and 25 (appointment), 24 (removal)); • Executives (Rule 22); • the Secretary (Rule 22(1)); • the Chief Internal Auditor; and • the Chief Risk Officer <p>following a recommendation from the Nominations and Governance Committee (and the Audit Committee in the case of the Chief Internal Auditor) and confirmation that the proposed candidate has complied with the Society's policies regarding compliance with the Senior Managers' and Certification Regime ("SMCR") together with any rules or other applicable provisions.</p>	N&G/sub-committee for Chair	Ad hoc

		Board Committee delegation	How often Board considers e.g. annual/ad hoc
9.	Approving the dismissal of any individual undertaking any of the roles set out in Paragraph A8 and receiving such documentation as required by the Society's Senior Managers' Regime Handover Policy	No delegation	Ad hoc
10.	Continuance in office of directors at the end of their term of office, when they are due to be re-elected by members at the AGM (Society Rules 13 and 25 (appointment), 24 (removal)) subject to the requirements of the Senior Manager Fit and Proper Policy	N&G	Annual
11.	Oversight of ongoing compliance by each member of the Board (i) with the FCA/PRA conduct rules issued under sections 64A and 64B of the Financial Services and Markets Act 2000 (the Rules of Conduct) (ii) the Society's Fit and Proper Policy (iii) performing the responsibilities set out in Statements of Responsibility (where applicable)	N&G	Annual
12.	Authorising conflicts of interest when permitted by the Society's Rules	N&G	Ad hoc
13.	Establishing Board Committees and approving their terms of reference and approving material changes to such terms of reference (Society Rule 12(4)(g))	N&G	Ad hoc /Annual
14.	Approval of membership and chairing of Board Committees, ensuring an appropriate balance of skills and experience within the Society's Board Committees.	N&G	Annual
15.	Appointments to boards of subsidiary companies following recommendation by the Chief Executive	No delegation	Ad hoc
16.	Undertaking on an annual basis a review of its own performance, that of its committees and individual directors	N&G	Annual
17.	Determining the independence of directors	N&G	Annual
18.	Approval of major changes to the rules of the Society's pension schemes	N&G	Ad hoc
19.	Approving this schedule of matters reserved to the Board after review by Nominations & Governance Committee.	N&G	Annual
20.	Appointment, reappointment or removal of the external auditor to be put to the members for approval, following the recommendation of the Board Audit Committee	BAC	Annual
21.	Approval of any material change to the Society's principal policies not listed elsewhere in this document, such as: <ul style="list-style-type: none"> • Modern Slavery Act Statement • Health and Safety Policy • Financial Crime Risk Management Policy (after review by the Board Risk Committee) • Anti-Money Laundering Risk Management Policy (after review by the Board Risk Committee) • Anti-Bribery and Inducements Policy 	See previous column	Annual

		Board Committee delegation	How often Board considers e.g. annual/ad hoc
B	Challenging and approving the long-term strategy of the Society and its subsidiary companies, including the legal status of the Society; reviewing the Strategic Plan and annual budget and acting as the senior decision-making body in the Society		
1.	Any changes to the Society's status as a building society	No delegation	Ad hoc
2.	Agreement and recommendation to members of the Society of any proposed change to the name of the Society	No delegation	Ad hoc
3.	Changes relating to the share structure of the Society, including all issues and redemptions of capital instruments except those that are in the ICAAP or a later Board-approved plan and do not breach a Board risk appetite trigger.	No delegation	Ad hoc
4.	Approval of extension of the Society's activities into new product, business or geographic areas	No delegation	Ad hoc
5.	Any decision to cease to operate all or any material part of the Society's business	No delegation	Ad hoc
6.	The acquisition or disposal of interests in any business or the making of any takeover, transfer or merger offer	No delegation	Ad hoc
7.	Approval of the Society's Strategic Plan	No delegation	Annual
8.	Approval of such other strategies as required by applicable law or regulation, after review by Board Risk Committee or Board Audit Committee (when required)	BRC/BAC	Annual
9.	Approval of the annual operating and capital expenditure budgets and any material changes to them	No delegation	Annual
10.	Declaring and recommending the payment of distributions to the members including periodic investment returns on Core Capital Deferred Shares	No delegation	Annual
11.	Approval of: <ul style="list-style-type: none"> - Any single issuance of wholesale debt, including senior non preferred issuance, above £1bn or sterling equivalent (any issuance below this amount may be approved by two Executive Directors) - Any single tier 1 qualifying debt capital instruments - An annual renewal of any programme of long-term debt by the Society or any of its subsidiaries (provided that any supplement to any such programme for the purpose of updating the disclosure on the Society following the release of annual accounts may be approved by two executive directors). 	No delegation	Ad hoc
12.	Mandating counter-signatories to the affixing of the Society's seal to documents (Rule 42)	N&G	Twice yearly
13.	Approval of: <ul style="list-style-type: none"> • Significant third party commitments with a total value, over a minimum of three years of: <ul style="list-style-type: none"> i. £5 million or more (incl VAT) if budgeted; or 	No delegation	Ad hoc

		Board Committee delegation	How often Board considers e.g. annual/ad hoc
	<p>ii. £2 million or more (incl VAT) if unbudgeted.</p> <p>This includes contracts for goods, services and asset acquisition or disposal (including freehold and leasehold of property) but excludes employment or HR service contracts.</p> <ul style="list-style-type: none"> • Framework agreements where it is envisaged that the annual expenditure: <ul style="list-style-type: none"> i. is over £5 million (incl VAT); or ii. exceeds £2 million (and Board approval has not previously been granted). • Initial Gateway 0 approval for projects and programmes with a lifetime spend over £5 million (Tier 1 project or programme). Subsequently the Board will approve Tier 1 projects or programmes to move to each delivery tranche and will ratify drawdown of funding for on-track Tier 1 projects and programmes. It will also act as the escalation point should a Tier 1 project or programme fall outside agreed tolerances for cost, quality or timeliness. • Arrangements for delegation to management of authority for any other financial commitment entered into by the Society. 		
14.	Approval of any borrowing/facility agreements that fall outside the usual course of business	No delegation	Ad hoc
15.	Acquisition of any external loan portfolio with a value in excess of £3 million	No delegation	Ad hoc
16.	Receiving an annual update on the activities of the Charitable Foundation and approval of annual donation to Charitable Foundation	No delegation	Annual
17.	Approval of pension contributions by the Society or any subsidiary to its pension scheme over a total of £1 million. (see also Society Rule 29)	No delegation	Ad hoc
18.	Approval of the distribution policy for periodic investment returns on Core Capital Deferred Shares	No delegation	Annual
19.	Approval of Treasury counterparty exposures in excess of approved limits	BRC	Ad hoc
20.	Approval of the initiation of and response to any litigation or proceedings in respect of the Society or any subsidiary company's business in relation to potential claims over £250,000, or where there is reasonable expectation of significant reputational or financial impact	No delegation	Ad hoc
21.	Approval of any significant changes in accounting policies or practice, after review by Board Audit Committee	BAC	Ad hoc

		Board Committee delegation	How often Board considers e.g. annual/ad hoc
22.	Approval of loans to Directors or Connected Persons (and all other contracts in which a director has a personal interest) provided loans are being made on normal commercial terms, delegated in July 2013 to a sub-committee of the Board consisting of the Chair of the Board and any one Executive Director	No delegation	Ad hoc
C	Determining and reviewing the Society's risk appetite and the principal risks faced by the Society		
1.	Approval of the Enterprise Risk Management Framework and the Board Risk Appetite Statement, both after review by Board Risk Committee	BRC	Annual
2.	Approval of the Society's Internal Capital Adequacy Assessment Process (ICAAP), Internal Liquidity Adequacy Assessment Process (ILAAP) and Recovery Plan after review by Board Risk Committee and prior to submission to the Regulator	BRC	Annual
3.	Approval of the Board Policy on Treasury Risk, after review by Board Risk Committee	BRC	Annual
4.	Approval of the Lending Policy Statement, after review by the Board Risk Committee	BRC	Annual
5.	Approval of the Model Risk Policy Statement, after review by the Board Risk Committee	BRC	Annual
D	Monitoring the performance of the Society and holding the Chief Executive and the Executive team to account on behalf of the members of the Society		
1.	Review of performance in the light of the Society's values, strategic principles, objectives, business plans and budgets and ensuring that any necessary corrective action is taken	No delegation	Monthly
2.	Ensuring maintenance of a sound system of internal control and risk management including: <ul style="list-style-type: none"> receiving reports on, and reviewing the effectiveness of, the Society's risk and control processes to support its strategy and objectives; undertaking an annual assessment of these processes; and approving a statement on control and risk management for inclusion in the Annual Report 	BRC	Annual
3.	Receiving an annual Health and Safety report and ensuring an appropriate Health and Safety culture within the Society and regular confirmation concerning the incidence of any RIDDOR reportable accidents and details of such incidents.	No delegation	Annual/Monthly
4.	Receiving an annual report on the Staff Engagement Survey and ensuring appropriate follow up action is taken	No delegation	Annual
5.	Receiving an annual report on the Society's information technology from the Chief Information Officer	No delegation	Annual
6.	Receiving reports from Board Committees on their activities	All board committees	Ad hoc
7.	Annual review of a report by the Money Laundering Reporting Officer on the Society's compliance with regulatory requirements	No delegation	Annual

		Board Committee delegation	How often Board considers e.g. annual/ad hoc
8.	Receipt of declarations of interests from Directors	No delegation	Monthly
E	Setting the Society's remuneration policy and the remuneration of Directors and Executives		
1.	Approval of the introduction of new incentive plans for executive directors and executives	RemCo	Ad hoc
F	Communications with stakeholders by approving the annual financial statements and communications with members through the annual general meeting		
1.	Approval of resolutions to be put forward to the Society's members at a general meeting. (Society Rules 30, 31 and 33)	Various	Annual
2.	Approval of material submissions to regulatory authorities including all material stock exchange issued circulars (for these purposes, any submissions or announcements made in relation to wholesale debt programmes of the Society shall not be considered material circulars).	No delegation	Ad hoc
3.	Approval of the annual reports and accounts, interim financial report, Summary Financial Statement, and Pillar 3 disclosures	Various	Annual
4.	Approval of announcements relating to the Society's interim and final results	BAC	Annual
G.	Corporate Governance Matters		
1.	Consideration of the balance of interests between various stakeholder groups (members, employees, suppliers, community and the environment.)	No delegation	Ad hoc
2.	Establish and monitor the effectiveness of the Society's arrangements for engagement with and participation from the Society's workforce.	No delegation	Ad hoc
3.	Receive reports on the adequacy and effectiveness of the Society's arrangements for stakeholder engagement	No delegation	Ad hoc