Terms of Reference
Board
September 2025

Newbury Building Society

1 Membership and quorum

1.1 The Board comprises all Statutory Directors - Executive and Non-Executive.

1.2 The Board shall comprise between seven and twelve Directors (Rule 12), at least half of which shall be independent Non-Executive Directors (not including the Chair).

1.3 Appointments to the Board shall be approved by the Board on the recommendation of the Nomination Committee, provided the Director meets the criteria for membership (Rule 13). Any removal of a Director also falls within the scope of the Board authority.

1.4 At its first meeting following each Annual General Meeting (AGM), in accordance with the Society's Rules, the Board shall elect, from the Non-Executive Directors, a Chair to hold office until the first meeting of the Board held after the next AGM.

1.5 In the absence of the Chair, or any Vice Chair appointed in accordance with the Rules, the remaining Directors present shall elect one of their number to Chair the meeting.

1.6 A quorum comprises four Board members, of which at least two must be Non-Executive Directors. In the event of a split decision, the Chair has the deciding vote.

2 Attendees

2.1 In addition to the Board members the following are in attendance

- Director of Data & Governance (Company Secretary)

2.2 In the event of the Company Secretary being unavailable, the Chair will ask one of the attendees to be the Secretary for the meeting.

2.3 Other persons may attend all, or part, of any meeting at the invitation of the Board Chair.

3 Frequency of meetings

3.1 The Board shall meet as often as it deems necessary for the effective discharge of its responsibilities. At present this is monthly, with the exception of August.

3.2 The Chair can convene additional meetings if considered necessary.

3.3 At least once a year, the Non- Executive Directors meet without the Executive Directors present.

3.4 At least once a year, led by the Senior Independent Director, the Non-Executive Directors meet without the Chair present.

4 Notice of meetings

4.1 Meetings shall be scheduled annually in advance.

4.2 Ad hoc meetings shall be convened by the Company Secretary at the request of the Chair.

4.3 Supporting papers shall normally be circulated, by the Executive Assistant, one week in advance of the meeting.

5 Minutes

5.1 The Secretary will take the minutes of the meeting.

5.2 Draft minutes will be provided to the Chair via the CEO, and once approved will be circulated to the Board.

6 Authority

6.1 The Board may exercise all the powers of the Society, subject to acting in accordance with:

- Applicable laws and regulations (including rules and guidance issued by the Society's regulators).
- The Society's constitutional documents, the Rules and Memorandum, as approved by members.
- The UK Corporate Governance Code, where appropriate and where the requirements are relevant to a building society.

7 Responsibilities

7.1 The Board is collectively responsible for the duties below:

- Accountability to the members of the Society.
- The success, including the long term sustainable success, of the Society and for acting in the best interests of its members as a whole (both current and future) and having regard to the interests of other key stakeholders. Other key stakeholders can include, but is not limited to, colleagues, suppliers, investors, community, regulators and the environment.
- Overall management of the Society within a framework of risk management and internal control systems that supports and directs financial security, fair outcomes and trust.
- Establishing the purpose, values, and strategy of the Society, and ensuring a sustainable business model.
- Leading, developing and overseeing the Society's culture and setting a 'tone from the top' to ensure that the desired values and behaviours are Board led.
- Oversight of the Society's operations to ensure:
    i. Competent and prudent management
    ii. Sound planning and risk management
    iii. Adequate and effective systems of internal control
    iv. Adequate accounting and other records
    v. Compliance with statutory, regulatory, and other legal obligations
    vi. Adequate financial resources
    vii. The fair treatment of, and ensuring good outcomes for, members.
    viii. Appropriate risk aligned remuneration systems.
- Reviewing the performance of the Society, in light of the strategy and Corporate Plan, and ensuring any necessary corrective action is taken.
- Delegating implementation of the strategy and Corporate Plan, and the management of the Society, to the Executive team which is led by the Chief Executive.
- The Board may delegate any of its powers, duties, discretions or authorities relating to Society business to one or more Directors or a Committee consisting of one or more Directors in accordance with the Society's Rules. In particular, certain responsibilities are delegated to the Board Committees.
- Retaining specific matters for its approval, as set out in the Board Retained Powers (Appendix 2)