

Annual General Meeting

# AGM 2024

frequently  
asked  
questions

[leedsbuildingsociety.co.uk/agm](https://leedsbuildingsociety.co.uk/agm)



We've put together answers to commonly asked questions to help you vote in AGM 2024. Our member magazine also contains more information and updates on our performance in 2023.

### Got a question?

If after reading the Q&As below you still have a question you'd like to ask, you can do this ahead of the AGM by email or post.

Email: [agm@leedsbuildingsociety.co.uk](mailto:agm@leedsbuildingsociety.co.uk)

Post: **Secretary, Leeds Building Society, 26 Sovereign Street, Leeds, LS1 4BJ**

You can also submit a question in any of our branches.

Members who attend the AGM will have the opportunity to ask questions during the meeting, and we'll respond to all other questions directly, including questions received after the AGM.

For the quickest response, it's best to email your question.

For everything you need to know about AGM 2024, visit our [AGM Hub](#).

## 1. What are the Society's key focus areas for 2024?

Our purpose is the reason we were founded almost 150 years ago, and we've been living up to it ever since.

In 2022 we renewed how we articulate our purpose. It's something that the original founders would recognise: "Putting home ownership in reach of more people – generation after generation".

We'll help members achieve home ownership through innovative mortgage products, offering competitive savings products to fund lending, and striving for sustained profitability to support financial strength.

Our purpose drove us forward in 2023, and will continue to do so in 2024, to help us create long-term success for the Society and benefit all our members.

We'll continue to respond appropriately to economic and market conditions, and we'll do everything we can to help members onto and up the property ladder, working to become part of the solution to today's housing crisis.

We'll continue to develop partnerships, innovating to make it easier for members and brokers to do business with us. We're also taking action to reduce our impact on the environment.

For our valued savings members we'll respond to what they need from us – creating experiences that are straightforward and human no matter the channel, and making sure when people save with us, they save with purpose.

This strategy will ensure that we can deliver real value to members for years to come.

## 2. Will there be further changes to savings and mortgage rates for members in 2024?

As a building society we always consider the interests of our membership, both savers and borrowers, when setting our rates.

We strive to use our financial strength to pay above the market average to our savings members. In 2023 the average rate we paid to savers was 3.05% compared to a market average of 2.46%. This meant our savers had an extra £110 million\* in interest in their pockets.

### Savers

Most of our savers hold fixed rate accounts and they'll continue to receive that rate until their product matures. For those with variable rate accounts, further changes in the base rate during 2024 will be factored into any changes to our variable rates. Our minimum member rate as of February 2024 is a competitive 2.45%.

## Mortgages

In response to the 14 base rate increases since 2021, we've only increased our Standard Variable Rate (SVR) eight times. We sent all affected customers a letter letting them know about the changes.

If further changes to the Bank of England base rate are announced throughout 2024, we'll update members on what this means for them. Most Leeds Building Society borrowers are on fixed rate products and rates for those members will remain the same until their fixed periods end. Members' mortgages that track the Bank of England rate will change automatically in accordance with the terms and conditions of the account.

In addition to any change in SVR, we contact all mortgage members annually via their mortgage statement. For those with a fixed term mortgage, we get in touch 42 days before the end of that mortgage deal to let them know about switching their mortgage to a new deal. We have a broad range of competitive products available to existing customers, with different options for mortgage terms and loan to value.

\*The Society paid an average of 3.05% to our savers compared to the rest of market average of 2.46%, which equates to an annual benefit to our savers of £110m. Source: CACI's CSDB, Stock, January 2023 to December 2023, latest data available. CACI is an independent company that provides financial benchmarking data of the retail cash savings market.

### 3. What's your Losthaven campaign about?

Our Losthaven campaign aims to raise awareness of the challenges for home ownership, specifically first time buyers.

Losthaven is a fictional city we've created to highlight the upcoming generation of 'lost' first time buyers. Our research predicts that by 2027, 426,000 would-be first time buyers will be priced out of getting onto the housing ladder due to current market conditions. This is greater than the current population of Coventry.

We're on a mission to change this prediction, as we believe every generation deserves a place to call home. We have a number of proposals that could help reform the housing market, plus we've been urging those in power to make the right changes to help first time buyers.

### 4. Any changes planned for the branch network in 2024?

We know that well over half our members use our branches and we remain committed to a sustainable branch network.

As part of our climate strategy, we're carrying out a significant programme of investment into our branch network. An ambitious refurbishment programme is underway across our branches and offices to improve the energy efficiency of the buildings and reduce energy consumption in line with the latest net zero standards. This includes improving the fabric of the buildings (glazing and insulation) and efficiency of heating and lighting systems, as well as adding on-site renewables such as solar panels where possible or practical. We'll disclose progress against these plans and targets on an annual basis.

We also teamed up with accessibility information provider AccessAble to help our members with disabilities find the information they need to know before visiting any of our branches. We produced a Detailed Access Guide for each branch, [available on our website](#).

### 5. How did you support members in 2023 and what are your plans for 2024?

2023 was a challenging year for many people, with a cost of living crisis and rising inflation. But we've been able to deliver excellent results and support our members as we pushed forward on our purpose of putting more people in reach of home ownership.

## **Our members are at the heart of every decision we make. In 2023 we supported them in a range of ways, including:**

- Paying above average market rate to our savers members – equating to an extra £110m in our savers' pockets\*
- Supporting first time buyers by remaining committed to the Shared Ownership and 90% LTV market
- Introducing new purpose-led savings accounts, the Home Deposit Saver and Shared Ownership Saver, designed to help people get onto and move up the housing ladder
- Waiving mortgage arrears fees in 2023 (and through 2024) for members affected financially by the cost of living crisis
- Becoming one of the first lenders to sign the Mortgage Charter, promising to help members struggling with their mortgage payments by offering a temporary switch to an interest only basis or an extension to their mortgage term
- Taking energy efficient new build properties into account in our lending decisions, and working with the Energy Saving Trust to launch a tool that helps our members assess the energy performance of their properties
- Continuing to support good causes and communities - including raising over £260,000 in our final year supporting Dementia UK and donating £340,000 to community projects that help people have a safe and secure home through the Leeds Building Society Foundation

In 2024 we'll continue putting our members' interests first, innovating to put our purpose at the heart of everything we do, while investing in our branch network.

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## **6. How did the Society support colleagues in 2023?**

Since 2019, we've been a Real Living Wage employer, paying colleagues at least the Real Living Wage. Our minimum salary from April 2024 is £12.57 per hour, which is £1.13 above the Real Living Wage of £11.44 per hour.

In recognition of the challenges posed by the cost of living crisis, we brought forward our April 2023 pay review to January 2023. This provided support to colleagues, and included a minimum increase of 6% to eligible colleagues and 14.6% to colleagues on our minimum salary.

In 2023, we surveyed our colleagues to understand which benefits are most important to them to inform our Reward Strategy. Based on the survey results we've made some improvements to our benefits offering to support colleague wellbeing. We've also created parity for some colleagues with improved holiday entitlement and matched pension contributions.

## **7. What's your directors' remuneration policy and is it changing for 2024?**

The Remuneration Policy is designed to support members by:

- Being clearly linked to business objectives
- Driving behaviours consistent with our purpose, culture, behaviours and strategy
- Being structured to attract and retain appropriately skilled colleagues to support the Society's long-term interests and to promote a healthy culture

All our remuneration decisions are based on:

- Objectives which are linked to our business strategy, behaviours and the long-term interests, environmental, social and governance (ESG) related objectives and the security of the Society and our members
- Procedures and practices that are consistent with, and promote, sound and effective risk management

- Basic salary and total remuneration which are set at a competitive level to attract, retain and motivate colleagues of the required calibre

There are no changes proposed to the Remuneration Policy this year.

## 8. What are your views on inclusion and diversity?

We want to build a society for everyone. This means we want everyone to be on equal footing when it comes to their home ownership chances, regardless of their sex, ethnicity, sexual orientation, disability or social background.

Currently some groups of people need more help than others to get onto the housing ladder, which is why we work closely with relevant charities that support them on this journey.

Inclusion and diversity also applies to our workplace, ensuring everyone feels safe and valued at work. We actively seek out diverse perspectives and the voices of those with different lived experiences. This not only creates an inclusive culture in the workplace, but provides fresh ideas that drive us forward as a business. We're incredibly proud that our commitment to creating an inclusive workplace is already being recognised, and we're the first building society to be awarded the prestigious Gold Standard by Inclusive Employers.

## 9. What action are you taking to develop a more diverse board?

We recognise that being diverse and inclusive, both at board level and more widely, helps deliver better outcomes for our members. It also positions us strongly as an employer of choice – able to attract, retain and provide opportunities for a team of exceptionally talented colleagues.

During 2023 we continued implementing our new inclusion and diversity strategy 'Being You, Transforming Us'. This is helping us build a culture where 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, making sure we're 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. As well as striving for increasing demographic diversity, which is about differences in people's demographic characteristics, we recognise the importance of cognitive diversity and lived experience across the Society.

In 2022 we voluntarily opted into targets listed by the FCA on board diversity, we have two board members from an ethnic minority background, which is against an FCA target of at least one. Our gender representation at board is currently 33%, against an FCA target of 40%. When recruiting for board positions we use external recruiters to support us in identifying potential candidates and we require a diverse longlist.

More broadly, the FCA has highlighted the challenges of firms focusing in isolation on improving representation at senior levels. To help deliver lasting change, we are committed to improve diverse representation at all levels in the Society and to grow strong diverse talent pipelines. We've expanded the diversity data set we collect to help us monitor broader diversity across all levels in the Society. We have also focused interventions to support our talent development. For example, our Ignite programme, which supports colleagues in new line manager roles, had 15% representation of colleagues from an ethnic minority background and 70% female representation.

[Read more information on our diversity commitments and high-level targets.](#)

You can also read more about the Being You: Transforming Us strategy by downloading our [Purpose Impact Report](#).

## 10. What's the Society's approach to responsible business?

It's important to us that we do the right thing for members and communities. We're committed to supporting numerous charities, including our charity partner.

Colleagues and members voted for Dementia UK to be our charity partner in 2020, and since then we've raised over £800,000 to fund their Admiral Nurses and Closer to Home service. In 2024 we'll be welcoming a brand new charity partner that we'll be fundraising for over the next three years.

In 2023, several of our colleagues pitched for a share of £250,000 to support a community project of their choice. As a result, six worthy causes now have vital funding for projects ranging from an affordable LGBTQ+ housing project, to energy saving courses for South Asian households.

We also have our own Leeds Building Society Foundation, funded by members' donations of the pence amount earned as part of their savings interest and a donation from the Society. The focus of our Foundation is to help those in need of a safe and secure home, and nearly £3 million has been donated to local projects since 1999.

## 11. What's the Society doing to help combat the effects of climate change?

As part of our climate strategy, we're committed to the orderly transition to a greener, net zero economy by 2050.

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) and purchase of high-quality carbon offsets to remove the residual 10% of operational emissions that we're unable to reduce.

We've also set a second ambitious target to reduce our Scope 1 and 2 location-based emissions by 60% by 2030, which will ensure we further reduce our energy consumption rather than just relying on purchasing renewable energy.

This will be achieved through a refurbishment programme across our branch network to make all our buildings more energy efficient.

We're also targeting a 25% reduction in our Scope 3 operational emissions linked to the goods and services we buy, and from colleague business travel, commuting and home working, by 2030. We also have an ambition to reduce Scope 3 emissions from our residential mortgage portfolio by 45% per square metre of property financed, by 2030.

Colleagues have also been rolling up their sleeves to help the environment. They've helped maintain a mile of waterway habitat with Canal & River Trust, cleaned beaches with Yorkshire Wildlife Trust and planted 13,711 trees with Yorkshire Dales Millennium Trust, offsetting around 2,285 tonnes of carbon over the next 50 years.

We also want to help our members take positive steps towards greener living. For current homeowners, we've partnered with the Energy Savings Trust to launch an online tool that helps members assess and improve the energy performance of their properties. Keeping future homeowners in mind, we're also partnering with Keepmoat to support the first large scale development of houses built to the Future Homes Standard. All new homes will need to align with this proposed standard by 2025.

## 12. Where will the AGM be held in 2024?

This year's AGM will take place at 11am on Thursday 18 April 2024 at Leeds Marriott Hotel, 4 Trevelyan Square, Boar Lane, Leeds LS1 6ET. We'd love to see you there if you can make it.

All members who attend will be able to ask questions to the board of directors. Or feel free to send in a question by post or email, or even drop in to a branch with it. We'll make sure to answer all questions, but the fastest responses will be over email.

Email: [agm@leedsbuildingsociety.co.uk](mailto:agm@leedsbuildingsociety.co.uk)

Post: **Secretary, Leeds Building Society, 26 Sovereign Street, Leeds LS1 4BJ**

You can find everything you need to know about AGM 2024 at our [AGM Hub](#).

### 13. Why's voting in the AGM important?

Voting at our AGM is not only easy, but also very important. You can have your say on who represents you on our board of directors and other important decisions we make.

Your vote also helps others. We donate 25p for every vote we get, and you can decide where it goes – the Leeds Building Society Foundation or Dementia UK.

So please take a moment to vote online, in branch, by post or in person so we can make sure we're doing right by our members.

Take a look at our [member magazine](#) for more information on how to vote at this year's AGM.