

Annual General Meeting

AGM 2025

frequently
asked
questions

leedsbuildingsociety.co.uk/agm



We've put together answers to commonly asked questions to help you vote in our AGM 2025. Your yearly member update also contains information on our highlights and financial performance in 2024.

Got a question?

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

Email: agm@leedsbuildingsociety.co.uk (this is the quickest way to get a response).

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 everything you need to know about our AGM 2025, visit our [AGM Hub](#).

Savings and mortgages

1. Will there be further changes to savings and mortgage rates for members in 2025?

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 savings rate to our savings members. Between January 2024 and December 2024, the average rate we paid to savers was 4.13%*, compared to a market average of 3.34%.

This meant we generated the equivalent of £175m in extra interest for members.

Savings

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 Bank of England base rate during 2025 will be factored into any changes to our variable rates. Our minimum member rate, as of February 2025, is a competitive 2.00%^.

Mortgages

If further changes to the Bank of England base rate are announced throughout 2025, we'll update members on what this means for them. Most of our 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 line with the terms and conditions of the account. In addition to any change in Standard Variable Rate (SVR), we contact all mortgage members annually via their mortgage statement. For those with a fixed term mortgage, we'll get in touch 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 (LTV).

* The Society paid an average of 4.13% to our savers compared to the rest of market average of 3.34%, which equates to an annual benefit to our savers of £175.0m. Source: CACI's CSDB, Stock, January 2024 to December 2024, latest data available. CACI is an independent company that provides financial benchmarking data of the retail cash savings market.

^ For example, on 25 February 2025, our E-Saver (Issue 9) offered a rate of 2.00% Gross p.a./AER Variable. Gross means the rate of interest payable before the deduction of income tax at the rate specified by law. AER stands for Annual Equivalent Rate and illustrates what the interest rate would be if interest was paid and added each year.

2. How are you supporting first time buyers?

With your support, we helped 17,600 people buy their first home in 2024.

We're standing up for first time buyers and home ownership – because everyone deserves the security of a place to call home.

Our new **Income Plus mortgages** make it easier for people buying their first home to borrow more, without the need to save a larger deposit – or stretch themselves too far when making repayments.

Our new range of residential **Reach Mortgages** helps put home ownership in reach of people who may otherwise be frozen out of buying a home. The range allows us to give mortgage options to customers whose credit score means they might not qualify for a standard mortgage.

In addition, our innovative partnership with Experian allowing people to potentially 'boost' their credit scores continues to support aspiring home owners. Experian Boost uses open banking to assess the last 12 months of payments, such as council tax and subscriptions to streaming services, incorporating them into a free 'boosted' credit score. Over 4,100 mortgage applications received a boosted Experian credit score in 2024, 64% of which were first time buyers.

We were also the first lender to use a property's Energy Performance Certificate (EPC) rating in affordability calculations, offering energy efficient new build properties, with an A or B EPC rating, an increase in the maximum loan amount.

Supporting our members

3. What are the Society's key focus areas for 2025?

We exist to put home ownership in reach of more people – generation after generation. It's the reason we were founded 150 years ago, and we've been living up to it ever since. This purpose drove us forward in 2024, and will continue to do so in 2025, to help us create long-term success for the Society to benefit all our members. This year we'll help members achieve home ownership through:

- Continuing to provide innovative mortgage products, which help members overcome barriers to getting on the housing ladder
- Offering competitive savings products to grow our membership, support aspiring home owners to save a deposit, and help to support our mortgage lending
- Further improving the service we provide members, both in-person at our high street branches and online, including our continued investment in technology

We'll continue to respond appropriately to economic and market conditions, and we'll do everything we can to become part of the solution to today's housing crisis. We'll continue to develop existing 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 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.

4. How did you support members in 2024 and what are your plans for 2025?

2024 was a challenging year for many people, with continued cost of living pressures. Despite this we've been able to deliver excellent results and support you as we pushed forward on our purpose of putting more people in reach of home ownership.

Whether you save or have a mortgage with us, as a member, you're at the heart of every decision we make. In 2024 we supported you in a range of ways, including:

- Paying above average market rate to our savers members – equating to an annual member benefit of £175m for our savers*
- Supporting first time buyers by remaining committed to the Shared Ownership and 95% LTV market
- Offering 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
- Introducing new first time buyer mortgages – Income Plus and Reach Mortgages – designed to help people get onto the housing ladder
- Continuing to waive mortgage arrears fees in 2024 (and through 2025) for members facing financial difficulties
- Taking energy efficient new build properties into account in our lending decisions
- Continuing to support good causes by donating over £1 million to communities, including raising over £130,000 in our first year supporting our charity partner, Barnardo's. We also donated over £340,000 to charities that help people in need of a safe and secure home through the Leeds Building Society Foundation

In 2025 we'll continue putting your interests first, innovating to put our purpose at the heart of everything we do, while continuing to invest in our branch network.

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5. Any changes planned for the branch network in 2025?

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

During 2024, we relocated and refurbished our Gloucester and Stevenage branches to provide fresh, modern and accessible spaces. We also opened our 51st branch – a new home for your savings in Solihull, in the West Midlands.

Wherever they are, our branches provide a friendly, welcoming service. They're also an important link with communities, and help high streets thrive. That's why we're committed to investing in them through 2025 and beyond.

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.

6. What are you doing to improve the online journey for members?

Whether you're a savings or mortgage member with us, we want to make it easier to manage your money online.

During 2024 we listened to our members' feedback to make our digital services faster and smoother, including:

- Making it easier for new savers to apply online
- Improving the process for people to apply for a new mortgage
- Making it possible for savers and mortgage members to choose their maturity option online

We're also making significant investment to transform our core IT systems – to help us support our members now and in the future.

Your Society

7. What is the Society's approach to responsible business?

It's important to us that we do the right thing for our members and communities. We're committed to supporting numerous charities, including our charity partner. In 2024 we welcomed a brand new charity partner, Barnardo's, that we'll be fundraising for over the next three years. We had a great start to our £300,000 target by raising over £130,000 in 2024, and together we want to build brighter tomorrows for young people leaving the care system.

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.

8. What is 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 2034 through a 90% reduction in scope 1 and 2 emissions (using a market-based methodology) and purchase of high-quality carbon offsets.

We've also set a second ambitious target to reduce our scope 1 and 2 location-based emissions by 42% by 2034. 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 35% reduction in our scope 3 operational emissions linked to the goods and services we buy, and from colleague business travel by 2034. We also have an ambition to reduce scope 3 emissions from our residential mortgage portfolio by 70% per square metre of property financed by 2034.

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.

9. What is 'It's better to belong' about?

In September 2024 we launched **It's better to belong** as a statement of what we want to be known for and how it feels to be a part of the Society.

When you become one of our members, you're not just choosing a financial provider – you're joining a community, all working together for the good of each other.

We know what it means to belong – that's why we're dedicated to helping communities thrive. Whether we're helping members take their first step onto the property ladder or offering competitive savings rates, we strive to make a positive impact.

So, why do we work so hard to make home ownership a reality for more people, year after year? It's because we believe that home ownership creates strong, thriving communities – ones where generations can grow, prosper, and, most importantly, feel they belong.

10. How is the Society contributing to the Philips Trust voluntary financial support scheme?

During 2024, alongside three other building societies, we made the decision to voluntarily offer meaningful financial support to customers impacted by the actions of Philips Trust Corporation (PTC).

Whilst no building society has a legal or regulatory responsibility for what has ultimately happened, we believe that as member-owned businesses we should live by the mutual ethos on which we were founded and stand by these members, whilst also balancing the interest of the wider membership.

Throughout the year, the Society worked with the administrators of PTC to deliver a voluntary financial support scheme and, at the year end, had paid out £6.2m under the support scheme. We know directly from some of those members that this action will make a real difference to them and their families.

Our people

11. What is your policy for Directors' remuneration designed to do? Are any changes being proposed for 2025?

The remuneration policy is designed to support members by:

- Being clearly linked to business objectives
- Driving behaviours consistent with our purpose, culture 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 of 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 aims 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 material changes proposed to the remuneration policy this year.

12. What was your recruitment process for the new Chair?

In 2023, Iain Cornish announced his decision to step down as Chair of the Society in 2025, after six years on the board.

Following this, we held a number of succession planning meetings with members of the Nominations Committee. These meetings were led by Gareth Hoskin, the Senior Independent Director, without Iain Cornish being present.

After an assessment of the skills matrix and detailed discussions over the requirements of the role, a recruitment plan was developed along with a proposed timeline. An executive recruitment agency was appointed to support the recruitment process and to provide a diverse short list of candidates.

At the end of a robust interview process, the Nominations Committee made a recommendation to appoint Brendan McCafferty, which was subsequently approved by the board in May 2024. Brendan was first appointed as an independent non-executive director (commencing September 2024) and subsequently as Chair (commencing 1st March 2025), subject to regulatory approval.

Brendan has extensive experience in financial services, including having worked as CEO for AXA Insurance. He is currently Chair of Nest Corporation (also known as the National Employment Savings Trust) and a non-executive director of Academy Insurance Services and its connected entities.

13. 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.

We've recently asked Business in the Community to carry out a review of our processes to ensure that membership is inclusive and we're not creating any inadvertent barriers for certain groups of people. We also support a range of charities and community groups who support people in need of a safe and secure home to help the most vulnerable in society.

Inclusion and diversity also apply to our workplace, ensuring everyone feels safe and valued at work. We actively seek out a wide range of 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.

During 2024 we continued implementing our inclusion and diversity strategy 'Being You, Transforming Us'. This is helping us to build a culture where all colleagues feel valued and included for who they are. By creating a culture where lived experience is shared, and diverse thought is celebrated, we'll be in a better position to support more people on the journey to home ownership.

14. 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.

As well as striving for increasing demographic diversity, which is about differences in peoples' demographic characteristics, we recognise the importance of cognitive diversity and lived experience across the Society.

We have several targets in place to improve the diversity of our board:

- Gender representation, minimum of 30% by 2030 – currently 31%
- Ethnic minority representation, minimum representation of 1 – currently 2

- At least one senior position on the board to be held by a woman – Annette Barnes is to replace Gareth Hoskin as the Senior Independent Director in April 2025 so we're on track to meet this target this year

We're 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.

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

15. How did the Society support colleagues in 2024?

Since 2019, we've been a Real Living Wage employer, paying colleagues at least the Real Living Wage. Our minimum salary from April 2025 is £13.19 per hour, which is above the Real Living Wage of £12.60 per hour.

Our April 2024 pay review provided support to colleagues, and included a minimum increase of 3% to eligible colleagues and 4.34% to colleagues on our minimum salary. We've also made some improvements to our benefits to support colleague wellbeing.

The AGM

16. Where will the AGM be held in 2025?

This year's AGM will take place at 11am on Thursday 24 April 2025 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

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

You can find everything you need to know about AGM 2025 at our [AGM Hub](#).

17. Why is voting 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 30p for every vote we get, and you can decide where it goes – our charity partner Barnardo's or the Leeds Building Society Foundation.

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 AGM Hub for more information on how to vote at this year's AGM.