

**EXECUTIVE COMMITTEE (EC)
TERMS OF REFERENCE**

Purpose

The purpose of the Executive is to manage the day-to-day activities of the Society mainly through:

- Developing and implementing strategy, operational plans, policies, procedures and budgets
- Driving and monitoring operating and financial performance;
- Assessing and controlling risk and;
- Prioritising and allocating resources.

In fulfilling its purpose the Executive Committee shall give due consideration to:

- Balancing the interests of various stakeholders (employees, Members, regulators and the public at large);
- Upholding the integrity, brand and reputation of Chorley and District Building Society and;
- Planning the firm's future development.

Constitution

The EC is a first line Management Committee reporting to the Board of Directors (Board)

Authority

The Committee is authorised by the Chief Executive to investigate any activity within its terms of reference.

The Committee is authorised to obtain external legal or other professional advice and to secure the attendance of anyone it considers has relevant experience expertise or knowledge.

Actions from each meeting are logged on an Action Monitoring Report and tracked monthly.

The Executive Committee shall remain accountable to the Board, and may at its own discretion or at the request of the Board, promptly give or make available to the Board such information, reports and other documents to enable the Board to carry out its duties.

The Committee will relinquish all authority to the Crisis Management Committee (CMC) in the event that Committee is invoked.

The Committee acknowledges the Prescribed Responsibilities and Senior Management Functions as detailed in the Society's Corporate Governance Policy and ensures these are not compromised when conducting its business.

Membership

Chief Executive (Chair)
Customer Services Director
Finance Director

Attendees

Head of Finance
Chief Risk Officer
Assistant Company Secretary

Other staff members may be requested to attend and report as necessary.

Attendance at Meetings

In absence of the Chair, remaining Committee members shall elect one of them to be Chair for that meeting, taking into account any member(s) with conflicts of interest.

The quorum necessary for the transaction of business of the Committee shall be two (2) Committee members.

All matters shall be decided by a majority of votes. Every Member present, including the Chair, shall have one vote. In the event of a tie, the Chair shall have a second and casting vote.

Frequency of Meetings

The Committee shall meet formally on a monthly basis.
Additional meetings are called as required by any member of the Committee.

Duties

- Operationalising the Society's values and ensuring these are widely understood and consistently adhered to by all stakeholders.
- Ensuring the Society's employees act with integrity, which is aligned to and promotes the Society's vision of becoming the provider of choice for savings and residential mortgages whilst remaining true to our mutual values.
- Driving inclusion and diversity and ensuring the composition of the Society's workforce is representative of the communities in which we operate.
- Holding the business to account through an effective organisational, performance and accountability structure.

Strategic Risk Matters

- Review and recommend to the Board, the Corporate Plan including strategies in relation to:
 - Funding
 - Lending
 - Marketing
 - People
 - IT
 - Climate Change
- Development and implementation of financial and operational plans, policies, procedures and budgets to execute the Corporate Plan and associated strategies.
- Ensuring the active liaison, co-ordination and co-operation between different parts of the business to support execution of the Corporate Plan and associated strategies.
- Review and monitor the achievement of the Corporate Plan including budgets, forecasts and projects.

<ul style="list-style-type: none"> Review and monitor the operational and financial performance of the business against targets, objectives and Key Performance Indicators including reviewing the adequacy of interventions and monitoring the effectiveness of management actions.
Nominations and Remuneration Matters
<ul style="list-style-type: none"> Review and recommend to the Nominations and Remunerations Committee (NRC), the Annual Pay Awards for Remuneration Code Staff.
<ul style="list-style-type: none"> Review and approve the Annual Pay Awards for Non-Remuneration Code Staff.
<ul style="list-style-type: none"> Review and approve the Annual Pension Governance Report
<ul style="list-style-type: none"> Review and recommend to the NRC, the Remuneration Policy.
<ul style="list-style-type: none"> Review and recommend to the NRC, the Recruitment and Selection Policy.
<ul style="list-style-type: none"> Review and recommend to the NRC, the Strengthening Accountability Framework.
<ul style="list-style-type: none"> Review and approve the Contracts of Employment/Contracts for Services.
<ul style="list-style-type: none"> Review and approve the Employee Handbook.
<ul style="list-style-type: none"> Review and approve the Expenses Policy for Non-Executive Directors (NEDs).
External Audit Matters
<ul style="list-style-type: none"> Review and recommend for approval to the Audit, Risk and Compliance Committee (ARCC), the Society's: <ul style="list-style-type: none"> Annual Report and Accounts Summary Financial Statement Going Concern assessment Pillar 3 Disclosure Section 68/69 Statement Representation Letters
<ul style="list-style-type: none"> Review and recommend to the ARCC, the External Audit Findings Report.
Internal Audit Matters
<ul style="list-style-type: none"> Review and recommend for approval to the ARCC, the Internal Audit Plan and Charter.
<ul style="list-style-type: none"> Review and review, the Internal Controls Annual Report.
Regulatory & Legal Risk Matters
<ul style="list-style-type: none"> Review and recommend to the NRC, the Whistleblowing Policy.
<ul style="list-style-type: none"> Receive and review, the Health & Safety Annual Report.
<ul style="list-style-type: none"> Review and approve the Competition Law Policy.
<ul style="list-style-type: none"> Review and approve the Dawn Raid Policy.
Conduct Risk Matters
<ul style="list-style-type: none"> Review and approve the Vulnerable Customers Policy.
<ul style="list-style-type: none"> Receive, review and approve, the Social Media Policy.

- Review and approve the Conflicts of Interest Policy.

Reports Received

- Review and approve the Purchasing Policy.
- Review and monitor the Society's operations via Monthly departmental Operations Reports.
- Review and recommend to the Board, the Society's Insurances.
- Review and recommend to the Board, the Terms of Reference of the Exec.

Other Matters

Consider other topics as defined by the Board

Delegate all other HR matters to the Executive