



YOU CAN DEPEND ON US 2020

Business Review & Summary Financial Statement
Notice of Annual General Meeting & Voting Details



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RACHEL
COURT
CHAIR



Chair's Statement

I am pleased to introduce the Society's Annual Report and Accounts for 2020, an extraordinary year that will be mostly remembered for one thing – the scourge of the Covid-19 pandemic. In this modern, technologically and medically advanced world, who would have believed that virtually every country, city, town and village across the globe could be impacted so severely by a previously unknown disease?

My first thoughts are of course with our members who succumbed to this dreadful disease or who lost loved ones. We have all been impacted and in some ways, it feels inappropriate to be focusing on financial and business performance in this report. However, I hope you will find that in seeking to give you a thorough assessment of the status of the Society, we have done so in a compassionate and considered manner.

The pandemic's initial impact in the United Kingdom was a national lockdown in the spring which included a seven-week period when the housing market was essentially closed. Government guidance was that no one should leave home unless it was essential to do so and while our branches stayed open, our central customer service teams had to quickly

adjust to home working. This, to their immense credit, they very quickly did due to a combination of their tremendous flexibility and the strength of the Society's technology which allowed us to leverage the benefits of our investment over the course of the prior year.

Among many other things, the pandemic has demonstrated in a very practical way the effectiveness of our business continuity planning and operational resilience. We were well prepared and sufficiently agile to be able to keep service levels to members high throughout the year. As a Board, we also adapted well, with Board meetings conducted remotely and more frequently during the year.

It is very encouraging to report that our key business results for 2020 were very close to the targets we had set for ourselves prior to the year and of course in advance of the pandemic. A number of adjustments were required over the course of the year to deliver this outcome but I hope you will agree that it represents quite an achievement in such remarkable circumstances.

It is particularly pleasing to report that our financial strength at year end provides the confidence to continue our programme of prudent investment in the Society's future technology, processes and branch network.

Economic and Market Conditions

The Bank of England reacted promptly to the pandemic through extensive quantitative easing coupled with a reduction in base rate from 0.75% to 0.25% and subsequently to 0.10%, a historic low. Government intervention has been significant also, with support provided for individuals, businesses and charities in order to protect income and support the economy. A temporary reduction in property stamp duty has helped the housing market and the Society warmly and proactively supported the granting of payment holidays to borrowers affected by the Covid-19 outbreak in line with the instructions of the Financial Conduct Authority.

Despite all of the steps taken, the domestic economy has suffered a material contraction. The fragile initial recovery was set back by subsequent national lockdowns and the emergence towards the end of the year of new more contagious strains of Covid-19. Furthermore, while the UK has successfully completed its withdrawal from the European Union, the resultant economic impact is difficult to predict.

The housing market has so far shown remarkable resilience but house price growth has slowed and prices are widely predicted to fall in the short term, in significant part due to higher unemployment which can also be expected to impact negatively on mortgage affordability.

There is an expectation that interest rates will remain at their present historic low for some time, with even the possibility of rates falling to below zero. The financial services market continues to experience increased competition and technological advances which in addition to the low interest rate environment, will place pressure on the Society's margins. However, we see a competitive market for savings and

mortgages as being positive for members and it very much remains our intention to continue to offer fair-priced savings and mortgage products, to lend responsibly and to support borrowers to achieve their housing aspirations.

In summary, the Board considers that economic and market conditions will remain extremely challenging in 2021. However, the Society is considered to be robustly positioned to deal with any headwinds it may face.

Our Board

In March 2020, Non-Executive Director Colin Kersley stepped down from the Board. I am sure you will join me in thanking Colin for his extremely valuable contribution to the Society since he joined us in 2016 and in wishing him well for the future. The Board has concluded that its overall composition is appropriate to meet business needs for the time being and that there remains a satisfactory blend of skills on the Board. We have therefore reduced the number of Non-Executive Directors from six to five, pending the recruitment of a Chair of Board Risk Committee Designate during 2021 in readiness for Richard Goddard's scheduled departure from the Board in 2022.

Thank You

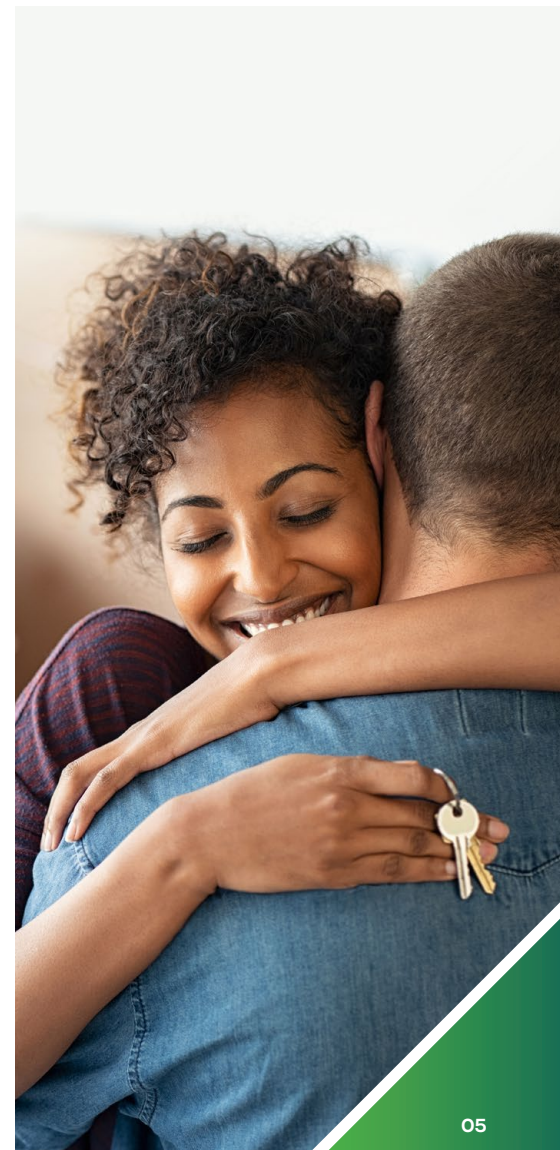
The past year has tested us in ways that none of us could possibly have envisaged. I would like to thank my fellow Board members for their immense support and dedication throughout the year. I am also enormously grateful to our management team and staff for their passion, focus and commitment to maintain the Society's performance and high standards in the face of incredible personal and business challenges.

Finally and most importantly, I would like to extend my sincere thanks to you, our members, for your continued loyalty which I assure you we never take for granted. I very much appreciate your understanding and support as we adjusted our ways of working over the course of the year. As the situation

with Covid-19 continues to evolve, one thing that remains constant is our commitment to supporting you. I hope you will stay safe and healthy and that as many of you as possible will be able to attend our Annual General Meeting which will be held virtually on Wednesday, 28th April.

Rachel Court
Chair
24 February 2021

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**ANDREW
HEALY**
CHIEF
EXECUTIVE

Chief Executive's Review

As I look back on 2020, I am extremely proud that the Society not only navigated safely through an incredibly challenging year but that we continued our journey of progress in terms of modernisation and strengthening our financial and operational platform for the future.

In the face of an unprecedented pandemic, our entire team of staff had to dig deep like never before in order to continue to provide members with high levels of service and I simply cannot praise their efforts enough. The extent to which they individually and collectively responded to the onset of Covid-19 restrictions, changed working practices and reached out to support members was quite magnificent. Indeed it has been heartwarming to receive so many wonderful tributes from members regarding our staff during the year.

Robust Financial Platform

As a mutual building society, we do not seek to maximise profits but to achieve a level of profitability that is sufficient to balance member value with the need to have a robust capital position to fund future investment in our business. The Society delivered a resilient operational and capital performance in 2020 despite

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difficult market conditions, maintaining strong service levels and making significant progress with our investment programme while continuing to grow both our mortgage and savings books. However, as with many organisations, our short term financial performance was impacted by the economic environment and profitability is lower year on year driven by the impact of the Bank of England base rate reductions which served to compress net interest margins and an increase in provisions for

credit losses in our mortgage portfolio arising from the challenging economic environment. Against this backdrop, we have strived to improve the efficiency of our operations with our management expenses ratio improving year on year.

Mortgages

While market conditions fluctuated over the course of the year, new mortgage lending was overall quite strong and we finished the year with mortgage balances of £864m (2019: £849m). The Society's lending proposition has remained focused on providing a range of competitive fixed and discounted mortgages to owner occupiers as well as, to a lesser extent, to Buy to Let landlords.

As the pandemic began to take hold in Spring 2020, it became apparent that a number of our borrowers would need assistance to overcome reductions to their usual income and in accordance with Financial Conduct Authority pronouncements, we provided payment deferrals of three or six months to such members. In total, deferrals were granted to more than 850 members, equivalent to approximately 12% of our borrowers. Our Mortgage Collections and Operations teams, backed up by support from their branch colleagues, worked tirelessly to support these members in the caring manner on which we pride ourselves. Fortunately, over 98% of borrowers who took temporary deferrals were able to resume payments after their deferral period ended but we of course continue to be willing to give assistance to anyone needing our help.

Notwithstanding the increased provisions mentioned above, the Society's mortgage book continues to be of high quality with below industry average arrears levels which we are hopeful will continue to be the case. As an additional protection, all lending over 80% LTV at inception continues to be covered by mortgage indemnity insurance against losses incurred if a property were to be taken into possession in the first seven years.

It is important to underline that at Leek United, we do not use automatic credit

scoring to make our mortgage decisions. In line with our commitment to personal service and values, all our mortgages are individually reviewed and underwritten by our experienced credit team. This bespoke and focused approach, coupled with our commitment to responsible lending, represents the key to the excellent quality of our mortgage book and also contributes to our high customer satisfaction ratings.

Our commitment, competitiveness and high standards were recognised during 2020 with a number of industry-level mortgage awards. For the third consecutive year, the Society was awarded Best Variable Rate Mortgage Lender at the national Personal Finance Awards and highly commended in the MoneyNet Best First Time Buyer Mortgage Provider category. We also won Best Variable Rate Lender and were highly commended for Best Regional Building Society in the prestigious What Mortgage Awards.

Savings

The Society continues to be very strongly funded by our members through a broad range of savings products, with member balances growing by £53m during the year despite the unprecedented low interest rate environment. We responded to the reductions in Bank base rate in a balanced manner and offered competitive savings and mortgage rates throughout the year. However, we took the difficult decision to lower the interest rate on a selection of savings accounts in December having held off reducing these rates for as long as possible. As a regional building society, we are unable to shape market rates but we are committed to providing fair and sustainable rates to our loyal customer base and we continue to offer preferential loyalty products for existing members.

Investment Programme

2020 saw the Society's investment programme pick up pace as we selected third party vendors in a number of areas

and advanced the development of the organisation's technology, processes and branch network. During 2021 this programme will progress to deliver full online and mobile access to savings accounts for members. We will also start to invest in modernising our branch estate to meet members' advisory needs more effectively, commencing with a major refurbishment of our flagship branch in Derby Street, Leek.



In progressing plans to invest in our branch network, it unfortunately became apparent that it would be necessary to end the Society's relationship with our two remaining agencies in Wirksworth and Stone in January 2021. These agencies and their committed staff have served the Society's members diligently for many years, and I am extremely grateful for their excellent work on our behalf throughout this time. However, agencies are quite different to branches in that they are by their nature run by a third party yet we retain responsibility for their management and compliance with regulatory requirements, a model which presents additional risks to the Society. In addition, our agencies can only offer transaction services whereas we believe our outlets should offer a much broader range of services to meet the needs of our members and to be cost effective. As a mutual, we have a responsibility to our overall member base to take action where it is needed but we fully recognise that the closure of these agencies has impacted our loyal members in these local communities. We have communicated directly with all such members to offer support and to explain how they may continue to operate their Leek United accounts.

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Our Service

We take great pride in the Society in our steadfast focus on our members. The pandemic made it extremely challenging to deliver our normal high level of service, not least as we were forced to reduce opening hours in our branches in order to protect our staff. However, we nimbly amended our procedures and processes and our branch and central teams worked as one to augment our physical service with enhanced telephone services.

In our branches, we dedicated the first hour of each day to supporting elderly and vulnerable customers to conduct their business safely. We also introduced phone and video services for members to help them avoid the need to visit our branches.

While we were not able to hold a 'face-to-face' Annual General Meeting or other physical meetings during 2020 because of the pandemic, we conducted a number of member surveys to obtain your views. We are extremely proud that 93% of members stated they were satisfied with their overall experience of the Society.

Our People

In Leek United, we fully recognise and indeed treasure the pivotal importance

of our people to our excellent customer service, high risk management standards and immensely positive culture. Never before have our staff been more important than in 2020 and as I said at the outset of this review, their efforts throughout the year have been magnificent. They have shown incredible resilience, strength and courage to support our members and to ensure our Society continued to operate in line with our values. Throughout the Covid-19 crisis, our staff have consistently reached out to our members to give every support possible in the most difficult of circumstances. They have provided special assistance to any members who might be struggling, including calling up such members to check on their wellbeing and to provide alternatives to travelling into our branches.

While I know that at times members will have been inconvenienced by changes such as reduced opening hours, I feel sure you will appreciate the exceptional commitment of our staff in putting themselves at risk to support you. I have been consistently uplifted and delighted by the compassion and commitment of all my colleagues and it was a particularly proud moment when the Society won a prestigious national people management award during the year from the renowned Chartered Institute of Personnel and Development.

Our people are naturally key to the successful execution and implementation of the Society's strategy. In recent years, an organisational structure has been put in place which supports the delivery of our strategic plan and this is supported by appropriate succession planning and staff development.

In internal employee surveys during the year, our staff repeatedly advised us that they are proud to work for the Society and that Leek United is a great place to work. At Board and executive level, we are determined to continue to build on the excellent culture that is in place within the Society.

Community

Despite the challenges of an unprecedented year, I am delighted to report that the Society continued to wonderfully support local community groups and charities and

that in total, more than £90,000 was raised for such causes – an exceptional amount in my opinion.

Of course many of these organisations were hit hard by the pandemic as income fell and normal fundraising events had to be cancelled. Through the creativity and determination of our staff, we raised some £26,000 for three local charities following a hugely successful campaign of fundraising events. This campaign saw all of Society's staff, including the executive team and the Board, organise and participate in more than 20 different events such as a virtual quiz, online auction and a 600 miles endurance challenge. These events generated £13,000 which was then matched by the Society pound for pound, leading to the grand total of £26,000 which was split equally between Home-Start Staffordshire Moorlands, Treetops Hospice Care, Derbyshire and East Cheshire Hospice.

The Society's members played a big part also. Our affinity savings account range allowed members to support local communities as they saved, through accounts which paid a percentage of the interest earned to a charity or club. We were delighted to be able to make our largest ever donation of £61,000 from this source to the County Air Ambulance Trust.

“Despite the challenges of an unprecedented year, I am delighted to report that the Society continued to wonderfully support local community groups and charities and that in total, more than £90,000 was raised for such causes.”

During the year, we took steps to establish a Charitable Foundation to provide focus for our charitable and community activities within our heartland counties. We are in the process of incorporating the foundation and establishing appropriate governance and control frameworks to ensure its success.

Corporate and Social Responsibility

It is a key component of the Society's mission and purpose to be socially responsible and to make a positive difference to the lives of our customers, employees and the local community.

During 2020, we undertook an environmental audit and we took a number of actions to actively manage our carbon footprint such as employing a specialist waste management company to ensure the highest possible proportion of our waste is recycled, deploying LED lighting in branches and head office, installing new printers in our offices to improve efficiency and reducing the volume and type of printing activity undertaken.

During the Covid-19 pandemic, our investment in technology has allowed our staff to work from home and this has provided the opportunity to replace historic paper processes, to reduce printing and to significantly reduce our commuter miles and the associated carbon impacts. As the challenges posed by the pandemic eventually lift, we will seek to retain the best of our new ways of working to ensure we remain as efficient and environmentally responsible as possible.

We also recognise the risks and challenges posed by climate change. Finance Director, Robert Broadbent, is leading our work in this area and a detailed risk assessment has been undertaken to recognise the physical and transitional risks associated with climate change. Physical risks relate to specific weather events such as flooding or longer-term events such as rising sea levels. A key element of this risk is to property, both the Society's own properties and properties held as security for lending. Transition risks can arise from the process of adjustment towards a low-carbon economy. The

Society is increasingly mindful of these risks when making business decisions, including mortgage underwriting decisions.

As mentioned under Community above, we are in the process of establishing a Charitable Foundation and I look forward to sharing details of this once the necessary approvals have been obtained.

Future Outlook

2020 has proven that we have a wonderful team from the front counter right the way through to our Boardroom, a team who consistently live our strong values and who demonstrate an unflinching commitment to the highest standards of service, corporate governance, compliance and risk management. There are of course many challenges ahead as we continue to manage the impacts and uncertainties arising from the Covid-19 crisis which is far from over. However, as you will consistently see throughout this annual report, the Society is in robust shape and is ready to tackle, as we always have throughout our 158-year history, the economic and other headwinds that will come our way. I strongly share the view of our Chair and wider Board that a positive and successful future lies ahead for Leek United as a vibrant, independent building society.

Andrew Healy
Chief Executive
24 February 2021

“There are of course many challenges ahead as we continue to manage the impacts and uncertainties arising from the Covid-19 crisis which is far from over. However, as you will consistently see throughout this annual report, the Society is in robust shape and is ready to tackle, as we always have throughout our 158-year history, the economic and other headwinds that will come our way.”

Our Community Support



Directors' Remuneration Report

The purpose of the Directors' Remuneration Report is to provide details of the basic salary, variable pay and benefits earned by Directors. It includes the key disclosure requirements of the UK Corporate Governance Code and complies with the FCA Remuneration Code. The Board is committed to best practice in its Remuneration Policy for Directors and in the interests of transparency, this report will be the subject of an advisory vote at this year's Annual General Meeting.

The Directors' remuneration for the year is as follows:

Individual Directors' Emoluments

	2020					2019				
	Salary/ Fees £000's	Benefits /Other (iii) (vi) £000's	Sub Total £000's	Pensions £000's	Total £000's	Salary/ Fees £000's	Benefits /Other (iii) £000's	Sub Total £000's	Pensions £000's	Total £000's
Non-Executive Directors (NEDs)										
Rachel Court	45	-	45	-	45	44	1	45	-	45
Richard Goddard	36	-	36	-	36	35	1	36	-	36
John Leveson	31	1	32	-	32	30	3	33	-	33
Keith Abercromby	31	2	33	-	33	30	3	33	-	33
Jane Kimberlin	26	-	26	-	26	25	2	27	-	27
Colin Kersley (i)	6	-	6	-	6	25	1	26	-	26
Executive Directors										
Andrew Healy (ii) (iii) (iv) (from 17/12/2018)	211	16	227	32	259	216	29	245	32	277
John Kelly (iii) (iv)	146	12	158	22	180	146	12	158	22	180
Andrew Morris (v)	-	-	-	-	-	39	3	42	6	48
Robert Broadbent (iii) (iv) (from 25/06/2019)	128	12	140	19	159	67	5	72	10	82
	660	43	703	73	776	657	60	717	70	787

(i) Colin Kersley left the Society on 31 March 2020.

(ii) Andrew Healy made a voluntary decision to reduce his salary during the second half of 2020 in consideration of the impact of the Covid-19 pandemic.

(iii) The Executive Directors waived their bonus entitlement in 2019.

(iv) The Executive Directors waived any increase in salary in 2020.

(v) Andrew Morris left the Society on 24 March 2019.

(vi) Executive remuneration included in the benefits / other column above relates wholly to the provision of a car allowance and private medical insurance.

Loans to Directors

A register containing details of loans and transactions between the Society and its Directors, or persons connected with Directors, is available for inspection by members at the Society's principal office in the period of fifteen days prior to the Society's Annual General Meeting on 28 April 2021. The total loans outstanding at 31 December 2020, in respect of 2 (2019: 2) people amounted to £655k (2019: £709k).

Chair and Non-Executive Fees

Non-Executive Directors receive fees for the provision of their services, including additional fees for the chairing of the Board and Board committees. They do not have service contracts and do not receive any other benefits, bonus or pension entitlement. Relevant expenses are reimbursed.

Fees are set to reflect the time commitment and responsibilities of the roles. The fees payable to the Chair of the Board are determined by the Board Remuneration Committee. The Chair of the Board is a member of the Board Remuneration Committee, however she takes no part in the discussion of her own fees and is not present when this matter is decided. The fees and expenses payable to all other Non-Executive Directors, including additional fees for the chairing of committees, are recommended to the Board by the Board Remuneration Committee for approval by the Board.

Fees are reviewed annually and take account of the fees payable to Non-Executive Directors and Chairs of building societies that are similar in size and complexity to Leek United Building Society. This review also takes into consideration the principles underpinning the annual Society staff salary review. In addition, every three years these fees are formally benchmarked against UK financial services businesses of similar size and complexity which are outside the building society sector. The review of Non-Executive Director fees for 2020 resulted in percentage increases in fees which were

the same as the increase awarded to the Society's staff.

Executive Directors' Remuneration

The policy for Executive Director remuneration is included as part of the overarching Remuneration Policy. Executive remuneration is aligned to the Society's purpose and values and is clearly linked to the successful delivery of the Society's long term strategy. The main elements of each Executive Director's remuneration package are basic salary, pension benefits, private medical insurance and car allowance.

Only basic salary is pensionable. As at 31 December 2020, the Chief Executive and Finance Director are members of the defined contribution pension scheme. No changes to pension contribution rates were made during 2020 for Executive Directors, members of the wider executive team or the wider workforce. The UK Corporate Governance Code recommends the alignment of pension contribution rates for Executive Directors and other staff but recognises that it may not be practical to alter existing contractual commitments. The Board Remuneration Committee has decided that with effect from the beginning of 2021, pension contribution rates for new Executive Directors, members of the wider executive team and staff will be aligned.

The Executive Directors and other members of senior management who comprise the executive team waived their right to be considered for a salary increase in 2020. In addition, the Chief Executive made the voluntary decision to reduce his salary during the second half of the year in consideration of the impact of the Covid-19 pandemic.

The Corporate Governance Code recommends that an Executive Director's notice period should be one year or less. All Executive Directors have a service contract with the Society which is terminable by either party giving six months' notice.

Reward and incentives

The Society's remuneration schemes and policies enable the Board Remuneration Committee to override formulaic outcomes to any element of performance related pay. The performance related pay scheme in place for 2020 had both organisational and individual hurdles in place. Given the impact of the Covid-19 pandemic in this extraordinary year, organisational hurdles could not be fully met and, therefore no performance related payment was made.

The Board Remuneration Committee did not appoint any external consultants during 2020.

John Leveson
Chair of the Board Remuneration Committee
24 February 2021



JOHN LEVESON
CHAIR OF BOARD REMUNERATION COMMITTEE



What our Members say...

“ Thank you very much for your help. I'd give you 11 out of 10.”

“ I'm so grateful for all of your help. Everyone is so friendly and amazing and you've been my life-saver during lockdown.”

“ Wherever you go, or whoever you speak to, you're always welcomed with a smile and the best service.”

Summary Financial Statement

For the year ended 31 December 2020

The Summary Financial Statement is a summary of information in the audited Annual Accounts, Directors' Report and Annual Business Statement, all of which will be available to members and depositors free of charge on demand at every office of Leek United Building Society from or can be downloaded from www.leekunited.co.uk from 29 March 2021.

Summary Directors' Report

Financial Performance

Balance sheet	2020	2019
Total Assets	£1.15bn	£1.09bn
Mortgage Balances	£864m	£849m
Shares and Deposits	£942m	£889m

Operating performance		
Net Interest Margin	1.03%	1.17%
Management Expenses Ratio	0.92%	0.97%
Mortgage Arrears	0.20%	0.20%
Profit After Tax	£0.9m	£1.9m

Financial strength		
Regulatory Capital	£67.3m	£66.8m
Total Capital Ratio	18.0%	17.5%
Liquid Assets	£280m	£240m

Summary Statement

Group results for the year

	2020 £000s	2019 £000s
Interest receivable	18,019	21,483
Interest payable	(6,433)	(8,867)
Net interest receivable	11,586	12,616
Other income and charges	276	496
Net (loss) from derivative financial instruments	(291)	(239)
Administrative expenses and depreciation	(10,316)	(10,499)
Net finance credit on pension scheme	(26)	(12)
Impairment (charge) on loans and advances to customers	(302)	(8)
Provisions - Financial Services Compensation Scheme levy	(2)	20
Profit for the year before taxation	925	2,374
Taxation	(34)	(425)
Profit for the year	891	1,949

Financial position at the end of the year

	2020 £000s	2019 £000s
Assets		
Liquid assets	279,833	239,563
Loans and advances to customers	864,199	848,729
Fixed and other assets	3,857	3,140
Total assets	1,147,889	1,091,432
Liabilities		
Shares	925,248	873,194
Amounts owed to credit institutions	132,033	132,250
Amounts owed to other customers	16,859	16,153
Other liabilities	5,378	2,364
Net pension liabilities	874	911
General Reserve	66,384	65,508
Available for Sale Reserve	101	32
Revaluation Reserve	1,012	1,020
Total liabilities	1,147,889	1,091,432

Summary of key financial ratios

	2020 %	2019 %
1. Gross capital as a percentage of shares and borrowings	6.28	6.52
2. Liquid assets as a percentage of shares and borrowings	26.05	23.45
3. Profit on ordinary activities after taxation as a percentage of year end total assets	0.08	0.18
4. Management expenses as a percentage of mean total assets	0.92	0.97

Gross capital as a percentage of shares and borrowings measures the proportion which the Group's capital bears to the Group's liabilities to holders of shares, depositors and other providers of funds (investors).

The Group's capital consists of profits accumulated over many years in the form of reserves together with the revaluation reserve. Capital provides a financial cushion against any losses which might arise from the Group's activities and therefore protects investors.

The liquid assets ratio measures the proportion that the Group's assets, which are held in the form of cash, short-term deposits and securities readily convertible into cash, bears to the Group's liabilities to investors.

Most of the Group's assets are long-term mortgages, while many of its liabilities to investors are repayable on demand. Liquid assets are generally readily realisable, enabling the Group to meet requests by investors for withdrawals from their accounts, to make new mortgage loans to borrowers and to fund its general business activities.

The profit / assets ratio measures the proportion that the Group's profit after taxation for the year bears to the Group's total assets at the year end.

The Group needs to make a reasonable level of profit each year in order to maintain its capital ratio at a suitable level

to protect investors. However, a building society does not have to pay dividends to equity shareholders as a company does. The Group is therefore able to operate safely with lower margins than a bank.

The management expenses ratio measures the proportion that the Group's administrative expenses bear to the average of the Group's total assets during the year. Management expenses consist mainly of the costs of employing staff and of running the Society's branches. Expenses need to be controlled so that the Group operates as efficiently as possible while providing the service that members require.

Approved by the Board of Directors on 24 February 2021.

Rachel Court
Chair

Andrew Healy
Chief Executive

Robert Broadbent
Finance Director

What our staff say...

“ Our organisation is run on strong values and principles. ”

“ I really feel there's so much to look forward to. I've never felt so inspired and excited. ”

“ There's great communication from the top downwards. I always feel involved and appreciated. ”

“ I have massive respect for the strong decisions taken during lockdown. In particular the way the Society has looked after staff and the well-being of our families. ”



Independent auditor's statement to the members and depositors of Leek United Building Society

Opinion

We have examined the summary financial statement of Leek United Building Society ('the Society') for the year ended 31 December 2020 set out on pages 17 to 19.

On the basis of the work performed, as described below, in our opinion the summary financial statement is consistent with the full annual accounts, the Annual Business Statement and Directors' Report of the Society for the year ended 31 December 2020 and conforms with the applicable requirements of section 76 of the Building Societies Act 1986 and regulations made under it.

Basis for opinion

Our examination of the summary financial statement consisted primarily of:

- Agreeing the amounts and disclosures included in the summary financial statement to the corresponding items within the full annual accounts, Annual Business Statement and Directors' Report of the Society for the year ended 31 December 2020, including consideration of whether, in our opinion, the information in the summary financial statement has been summarised in a manner which is not consistent with the full annual accounts, the Annual Business Statement and Directors' Report of the Society for that year;
- Checking that the format and content of the summary financial statement is consistent with the requirements of section 76 of the Building Societies Act 1986 and regulations made under it; and
- Considering whether, in our opinion, information has been omitted which although not required to be included under the relevant requirements of section 76 of the Building Societies Act 1986 and regulations made under it, is nevertheless necessary to include to ensure consistency with the full annual accounts, the Annual Business Statement and Directors' Report of the Society for the year ended 31 December 2020.

We also read the other information contained in the Business Review and Summary Financial Statement and consider the implications for our statement if we become aware of any apparent misstatements or material inconsistencies with the summary financial statement.

Our report on the Society's full annual accounts describes the basis of our opinions on those annual accounts, the Annual Business Statement and Directors' Report.

Directors' responsibilities

The directors are responsible for preparing the summary financial statement within the Business Review and Summary Financial Statement, in accordance with applicable United Kingdom law.

Auditor's responsibilities

Our responsibility is to report to you our opinion on the consistency of the summary financial statement within the Business Review and Summary Financial Statement with the



full annual accounts, Annual Business Statement and Directors' Report and its conformity with the relevant requirements of section 76 of the Building Societies Act 1986 and regulations made under it.

The purpose of our work and to whom we owe our responsibilities

This auditor's statement is made solely to the society's members, as a body, and to the society's depositors, as a body, in accordance with section 76 of the Building Societies Act 1986. Our work has been undertaken so that we might state to the society's members and depositors those matters we are required to state to them in such a statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the society and the society's members as a body and the society's depositors as a body, for our work, for this statement, or for the opinions we have formed.

Jessica S.S. Katsouris

Jessica Katsouris
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 St Peter's Square
Manchester
M2 3AE
24 February 2021

Information relating to Directors as at 31 December 2020

Name/ Date of Birth	Occupation	Date of Appointment	Other Directorships
 Keith Abercromby BSc, FIA 05/03/1964	Non-Executive Director	23/03/2016	Argus Group Holdings Limited Argus Insurance Company (Europe) Limited Canada Life Limited
 Robert Broadbent BSc, ACA 10/12/1976	Building Society Finance Director	25/06/2019	Leek United Home Loans Ltd Leek United Financial Services Ltd The Mortgage Outlet Ltd
 Rachel Court JP, BA Oxon 27/06/1966	Non-Executive Director	26/11/2014	Invesco Pensions Ltd Invesco UK Ltd Invesco Funds Managers Ltd Leek United Home Loans Ltd Leek United Financial Services Ltd The Mortgage Outlet Ltd
 Richard Goddard MA, FCA 09/06/1957	Non-Executive Director	23/11/2011	RCG Business Consultancy Ltd
 Andrew Healy MoB, BSc, MCIPD 10/11/1966	Building Society Chief Executive	17/12/2018	Leek United Home Loans Ltd Leek United Financial Services Ltd The Mortgage Outlet Ltd
 John Kelly ACA, BA 14/09/1965	Building Society Operations Director	26/04/2017	None
 Colin Kersley* 20/10/1956	Non-Executive Director	21/12/2016	Assurant plc Assurant plc (European Subsidiary)
 Jane Kimberlin BA 25/09/1959	Non-Executive Director	23/11/2016	Creaton Consultants Limited Creaton Community Benefit Society
 John Leveson MBA, FCIB 04/09/1959	Non-Executive Director	19/05/2015	H & H Group plc

* Colin Kersley left the Society with effect from 31/03/2020.

2021

NOTICE OF ANNUAL GENERAL MEETING & VOTING DETAILS

Registered Principal Office

50 St. Edward Street, Leek,
Staffordshire, ST13 5DL

Registered No.

323B

Directors

Keith Abercromby BSc, FIA
Robert Broadbent BSc, ACA
Rachel Court JP, BA Oxon
Richard Goddard MA, FCA
Andrew Healy MoB, BSc, MCIPD
John Kelly ACA, BA
Jane Kimberlin BA
John Leveson MBA, FCIB

Chair

Rachel Court JP, BA Oxon

Chief Executive

Andrew Healy MoB, BSc, MCIPD

Internal Auditor

Deloitte LLP
Four Brindleyplace
Birmingham
B1 2HZ

Independent Auditor

KPMG LLP
Chartered Accountants
1 St. Peter's Square
Manchester
M2 3AE



Message from the Chair

Dear Member,

Our 158th Annual General Meeting (AGM) is your opportunity to contribute to how your Society is run. You can hear from your Board Directors about your Society's performance, ask questions and, most importantly, use your voting rights in advance of the meeting.

At the front of this booklet, you'll find our 'Business Review and Summary Financial Statement 2020'.

In light of the ongoing pandemic, I feel sure you will agree that we must prioritise the health and safety of our members and employees. As such, this year's AGM will be run by way of an online webinar facility with the quorum of participants - including the Board of Directors and independent scrutineer - in separate locations. We believe this approach is the safest way we can comply with the Society Rules while also meeting our statutory obligations. To register to attend the meeting using the webinar, please email agmregistration@leekunited.co.uk by noon on 23 April 2021. When doing so, it would be appreciated if you could include your customer number which can be found on your letter which is enclosed with this notice.

You will not be able to vote during the meeting due to the online format. Please vote online or by post in advance of the meeting to ensure your vote is counted. All the details of how you can vote are below.

Ways to vote

There are two ways to vote:

01

ONLINE:

Just go to leekunited.co.uk/agm. Online voting is available until noon on 24 April 2021. You'll need your user ID and password, which you can find at the top of your proxy voting form which is enclosed.

02

BY POST:

You can fill in the proxy voting form and return it to us in the prepaid envelope provided. The closing date for receipt of votes is noon on 24 April 2021.



RACHEL COURT
CHAIR

By voting in the AGM, you can ensure we continue to focus on the things you tell us are important. Whether you vote online or by post, it only takes a minute. If you intend to vote via proxy, you can speed up the process even further by using the 'quick vote' option on the form.

It is the recommendation of the Board that you vote in favour of all resolutions.

You can support our charities

By voting in the AGM, you will be raising funds for our chosen local charities. For every online vote received, we will donate 30 pence and for every vote received by post, we will donate 20 pence. The funds raised will be split evenly between the Alice Charity in Staffordshire, East Cheshire Hospice in Cheshire, Treetops Hospice in Derbyshire and Severn Hospice in Shropshire.

On behalf of Leek United, I would like to sincerely thank you for your continued support.

Yours sincerely,

Rachel Court
Chair

Notice of Annual General Meeting 2021

158th Annual General Meeting of the Members of Leek United Building Society.

Notice is hereby given that the 158th Annual General Meeting of Leek United Building Society will be held at 12 noon on Wednesday, 28 April 2021 at Customer Service Centre, 50 St. Edward Street, Leek, Staffordshire, ST13 5DL via webinar for the following purposes:

Ordinary Resolutions

To consider and, if thought fit, pass the following resolutions as Ordinary Resolutions:

1. To receive the 2020 Annual Report and Accounts for the financial year ended 31 December 2020.
2. To re-appoint KPMG as External Auditor until the conclusion of the next AGM.
3. To approve the Directors' Remuneration Report for the financial year ended 31 December 2020.

Re-election of Directors

5. To consider and, if thought fit, to re-elect the following directors:
 - a) To re-elect Keith Abercromby
 - b) To re-elect Robert Broadbent
 - c) To re-elect Rachel Court
 - d) To re-elect Richard Goddard
 - e) To re-elect Andrew Healy
 - f) To re-elect John Kelly
 - g) To re-elect Jane Kimberlin
 - h) To re-elect John Leveson

Special Resolution

To consider and, if thought fit, pass the following resolution as a Special Resolution:

4. To approve the amendments to the Rules of the Society as stated in the Notice of AGM.

A description of the full text of the proposed Rule changes are set out overleaf.

By order of the Board of Directors.

Claire McCarthy
Head of Compliance & Secretariat
26 March 2021

Proposed Rule Changes

Resolution 4 in the Notice of the AGM is a Special Resolution to change the Rules of the Society.

What are we proposing to change?

The Society's rules are our main constitutional document and set out the principles and basis on which the society is governed including the requirements for and how members' meetings are held.

We are proposing to update the rules:

- to allow members' meetings to be held electronically and/or in more than one physical location;
- to clarify the procedures for adjourned meetings;
- to clarify the quorum requirements for meetings;
- to improve the requirements regarding giving notice of meetings in the event of disruption to postal services; and
- to reflect the requirements of The Mental Health (Discrimination) Act 2013 in connection with the removal of Directors.

There are also some re-numbering and minor typographical changes to make to the rules.

Why are we proposing to change the rules on how members' meetings are held?

In 2020, the COVID-19 pandemic and subsequent strict lockdown restrictions made the holding of Annual General Meetings challenging. The last minute closure of meeting venues, rules around social distancing and movement restrictions meant that participation was severely limited. There is a clear member benefit in updating the rules of the society to allow member meetings to be held electronically or at more than one venue (or by a combination of both physical attendance and using an electronic platform), so that all members who wish to do so can fully participate in the meeting whilst helping to make sure that we keep our members and employees safe. We're proposing to update the rules to allow the Board to arrange for members to attend a meeting at one or more venues and/or using an electronic platform if the Board decides it would be safe and appropriate.

Why are we proposing rules relating to adjourned meetings?

The COVID-19 disruptions last year also focused our attention on the procedures in the event meetings are disrupted and need to be adjourned. We are proposing rules to clarify the procedure. This includes the notice requirements to inform members of the time, venue and date of the new meeting.

Why are we proposing to change the rules regarding quorum at meetings?

We are proposing to clarify the rules regarding quorum at adjourned meetings, by stating that there must be at least two members present at the meeting.

Why are we proposing to change the rules regarding the removal of directors?

We are proposing to amend the rules regarding the removal of directors to reflect the requirements of The Mental Health (Discrimination) Act 2013.

Why are we proposing to change the rules regarding disruption to the postal service?

We are proposing to strengthen the rules regarding when notice is deemed to have been given to members in the event of disruption to the postal service. Measures include ensuring notice is published on the society's website in addition to either prominently displaying the notice at the society's head office and branches or publishing the notice in two leading newspapers.

Take a look at the proposed Rule changes

You can see the new or amended Rules of the Society overleaf. The proposed new wording is set out in italics and underlined, with any deleted wording being crossed through.

How can I find out more?

You can get a full copy of the current Rules of the Society on our website at leekunited.co.uk/agm

What happens next?

If our members vote for and pass the Special Resolution, we will bring in the changes as soon as possible after our AGM.

Proposed Rule Changes

To allow meetings to be held electronically and/or at more than one physical location.

To add new definitions in alphabetical order in the Interpretation section as follows:

“Electronic Platform” means such electronic and/or telecommunications facilities as may be approved by the Board from time to time that enable members to attend and participate simultaneously in a general meeting without attending a physical meeting place;

“Secondary Meeting Place” means a secondary physical meeting place (or more than one such place) for a general meeting at which members may attend and participate in the general meeting simultaneously via an audiovisual link to the principal physical meeting place, as an alternative to attending the principal physical meeting place;

Insert a new Rule 32 as follows:

32. MEANS OF PARTICIPATION IN MEETINGS

(1) The Board may make arrangements for Members to attend and participate in Annual General Meetings and/or special general meetings by:

(a) attendance at a physical meeting place;

(b) simultaneous attendance and participation at a Secondary Meeting Place; and/or

(c) using an Electronic Platform.

(2) An Annual General Meeting and/or a special general meeting may be held:

(a) solely as a physical meeting; or

(b) subject to the Statutes, by offering Members the option to attend and participate at a physical meeting place (which may include a Secondary Meeting Place) or by using an Electronic Platform; or

(c) subject to the Statutes, solely as an electronic meeting accessible by using an Electronic Platform.

(3) A Member is present at an Annual General Meeting or special general meeting for the purposes of these Rules if:

(a) being an individual, he attends in person;

(b) being a body corporate, a Corporate Representative attends in that capacity in person; or

(c) a person appointed as his or its proxy or attorney (or any person specified in paragraph (7) of Rule 38) attends in person, including in each case, where permitted by the Board in accordance with these Rules, attendance at any Secondary Meeting place or by using an Electronic Platform.

(4) Where the Board decides that Members may attend and participate in an Annual General Meeting or a special general meeting by using an Electronic Platform, the notice of meeting given under Rule 33 shall set out details of the Electronic Platform for the meeting (and any access arrangements for such Electronic Platform shall be communicated to Members, either in the notice or otherwise).

(5) Details of any physical meeting place, Secondary Meeting Place and/or Electronic Platform that shall be stated in a notice of meeting given under Rule 33 shall constitute the place of such meeting.

(6) Arrangements shall be made for any documents which are required to be made available for inspection by Members at an Annual General Meeting or a special general meeting to be available for inspection at any Secondary Meeting Place (in addition to the principal physical meeting place) and by any Members who attend and participate in the meeting by using an Electronic Platform.

(7) Any persons wishing to attend an Annual General Meeting or a special general meeting (whether at any principal physical meeting place or any Secondary Meeting Place, or by using an Electronic Platform) shall be required to comply with any identification procedures and security arrangements as the Board shall reasonably specify from time to time.

To amend existing Rule 32(9) (now Rule 33(9)) as follows:

(9) ~~The Neither:~~

(a) the accidental omission to give, send or deliver a notice of meeting to, or any Person entitled to receive it; nor

(b) the non-receipt of a notice of meeting by, any Person entitled to receive notice shall not it; nor

(c) subject to compliance by the Society with applicable laws, the inability of any Person entitled to attend a general meeting to attend any physical meeting place (including any Secondary Meeting Place) and/or participate in the business of the meeting by using an Electronic Platform (whether as a result of any technical difficulties in relation to such Electronic Platform or otherwise).

shall invalidate the proceedings at that meeting.

To bring the Rules in line with The Mental Health (Discrimination) Act 2013

To amend existing Rule 24(1)(g)(ii) by deleting the existing text and inserting:

a registered medical practitioner who is treating that person gives a written opinion to the Society stating that he has become physically or mentally incapable of acting as a Director and may remain so for more than three months.

To clarify the rules relating to quorum at meetings

To amend existing Rule 34(1) (now Rule 35(1)) as follows:

(1) No business shall be considered at any Annual General Meeting or special general meeting unless a quorum is present at the time when the meeting proceeds to business and, *subject to Rule 35(3) below in the case of an adjourned meeting*, a quorum shall be constituted for all purposes as follows -

(a) except where sub-paragraph (b) below applies, by 20 Members present and entitled to vote on a show of hands under Rule 36~~38~~(5), *and*

(b) in the case of a special general meeting requisitioned under Rule 31(3), by 100 Members present and entitled to vote on a show of hands under Rule 36~~38~~(5).

To amend existing Rule 34(3) (now Rule 35(3)) as follows:

(3) The Members present at ~~At~~ an adjourned meeting, *two Members present* and entitled *to vote on a show of hands* under paragraph (1) above to be included in the quorum for the meeting *Rule 38(5)* shall constitute a sufficient quorum.

To amend existing Rule 35 (now Rule 36) by deleting Rule 35(2) and Rule 35(3), renumbering Rule 35(4) as Rule 36(2) and making the following amendments:

(4) When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting but otherwise it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

(5) Subject to the Statutes and these Rules every question submitted to an Annual General Meeting or special general meeting shall be decided by a simple majority and such votes shall be taken in the first instance by a show of hands *unless, before the show of hands, a poll is validly demanded under Rule 36(3).*

To amend existing Rule 35(10) (now Rule 36(8)) as follows:

A poll demanded on a question of adjournment shall be taken forthwith and the result declared immediately upon the conclusion of the taking of the poll. A poll demanded on any question shall not prevent the continuance of a meeting for the transaction of any business other than that upon which the poll has been demanded. The result of a poll, other than on a question of adjournment, shall be declared in the manner and at the time determined by the Chairman.

To clarify the procedures for adjourned meetings

To insert a new Rule 37 as follows:

37. ADJOURNED MEETINGS

(1) The Chairman of the meeting may, notwithstanding the presence of a quorum (and shall, if so directed by a resolution of the meeting), adjourn the meeting from time to time and from place to place but, except as provided in Rule 36(7), no business shall be transacted at any adjourned meeting other than the business left unfinished or not reached at the meeting from which the adjournment took place.

(2) Every adjourned meeting shall be deemed a continuation of the original meeting but any resolution passed at an adjourned meeting shall for all purposes be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.

(3) When a meeting is adjourned for 30 days or more, a notice specifying the hour, date and place of the adjourned meeting, and stating the business left unfinished or not reached at the meeting from which the adjournment took place, shall be given to Members as provided in Rule 33(3). The notice shall also state that -

(a) a Member entitled to attend and vote may appoint one proxy to attend and, on a poll, vote at the meeting instead of him, and

(b) the proxy need not be a Member of the Society, and

(c) the Member may direct the proxy how to vote at the meeting.

Where a meeting is adjourned for less than 30 days, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at such an adjourned meeting.

(4) The appointment of a proxy made in accordance with Rule 39 shall, unless provided otherwise in the instrument appointing such proxy, be valid for any adjournment of the meeting. Nothing in this paragraph (4) shall prevent a Member from submitting a new instrument appointing a proxy in relation to the adjourned meeting, which shall take precedence over any earlier instrument, or from attending the adjourned meeting in person if the Member wishes to do so.

(5) The adjournment of a meeting shall not affect the validity of the business that was concluded at the meeting from which the adjournment took place, prior to the adjournment of such meeting.

To amend existing Rule 39(10) (now Rule 41(10)) as follows:

(10) The Board shall announce the result of the postal or electronic ballot by -

(a) a notice displayed in a prominent position at the Principal Office, at all branch offices, and

(b) *a notice published* on the Society's website

and shall state in that advertisement the time at which the counting of the votes was completed.

To amend the rules regarding disruption to postal services

To amend existing Rule 46(4) (now Rule 48(4)) as follows:

(4) If, by reason of the suspension or curtailment of postal services, the Society is unable to give notice by post in hard copy form of a meeting, then such notice shall be deemed to have been given to all Members entitled to receive such notice in hard copy form if *the Society complies with paragraph 35 of Schedule 2 to the Act and notice is published on the Society's website and it is advertised either:*

(a) by a notice displayed in a prominent position at the Society's Principal Office and at all branch offices; or

(b) in at least 2 leading daily newspapers widely circulated in the United Kingdom.

Such notice shall be deemed to have been duly served on all Members entitled to receive notice of such meeting at noon on the day *earlier of the date on which the notice is first displayed at all branch offices in accordance with paragraph (a) and the date on which the second of such newspaper advertisements appears. In any such case the Society shall in accordance with paragraph (b) (as the case may be). The notice shall continue to be*

;Make such notice available on an appropriate *the Society's* website of the Society from the date of such advertisement until the conclusion of the meeting; and *the Society shall send* Send confirmatory copies of the notice to those Members *entitled to receive notice of the meeting* by post in hard copy form if, at least 7 days before the meeting, the posting of notices to addresses throughout the United Kingdom again becomes practicable.

Re-numbering and minor typographical changes to the Rules

As a result of inserting a new Rule 32 and new Rule 37 as above, all subsequent rule numbers (and any rules which reference Rule 32 and Rule 37 or subsequent rules, including any relevant references to rule numbers in the Interpretation section of the rules) will be amended and updated to reflect revised rule numbers.

In addition, the following minor typographical changes will be made:

The word "authorized" with "authorised" of the definition of "Chief Executive".

The definition of "Regulator" will be amended by replacing "the relevant regulatory body established under the Financial Services and Markets Act 2000" with "the Financial Conduct Authority or any successor or successors established by the Statutes".

The word "and" will be added to the end of (ii) of the definition of "Special Resolution".

The word "or" will be added to the end of (d)(ii) of the definition of "Statutes".

At Rule 5 the footnote containing the words "This footnote is not part of the rules. At the time these Rules were printed in August 2014, the "Statutes" applicable was the Building Societies Act 1998 which specified an amount of £5,000" will be deleted.

At Rule 9(4) the words "and (5)" will be added in between the words "Rule 8(4)" and "Rule 12(5)".

At Rule 16(4)(c) replace the word "him" with "his".

At Rule 24(1)(i) replace "IV" with "4A".

At Rule 35(6) (now Rule 36(3)) replace cross reference "(10)" with "(7)".

At Rule 35(5)(b) (now Rule 36(3)(b)) replace the word "representative" with "Corporate Representative".

At Rule 35(9) (now Rule 36(7)) replace the words "paragraph of this Rule" with "Rule 37(2)".

At Rule 36(5) (now Rule 38(5)) the words "or by a representative" and "representative or by" will be deleted.

At Rule 37(3) (now Rule 39(3)) the words "or by a representative" will be deleted.

Directors standing for re-election

Keith Abercromby BSc, FIA

Independent Non-Executive Director since March 2016.

Skills and Experience

Keith has 35 years of experience in the financial services sector in the UK and internationally covering retail banking, insurance, investments and pensions.

This includes 20 years at Board level in a variety of roles including Non-Executive Director, CEO and Finance Director across a range of companies including the Halifax, Clerical Medical, Aviva, Liverpool Victoria and Castle Trust.

During his career at the Halifax, Keith was employed at Board level in a wide range of roles including Chief Executive of its life insurance and investment businesses and the executive responsible for risk and products in retail. At Aviva, Keith was the Finance Director of its UK life insurance companies – Norwich Union, General Accident and Commercial Union – before being appointed Group Finance Director by Liverpool Victoria.

Keith is Chair of the Board Audit Committee and is a member of the Board Risk Committee.



Current External Positions

Keith currently holds the following external appointments:

- Independent Non-Executive Director of Canada Life Limited since 2017, where he is a member of the Audit, Risk and Nominations Committees and chairs the Audit Committee.
- Independent Non-Executive Director of Argus Group Holdings since 2017, where he is a member of and chairs the Audit Committee and chairs its subsidiary, Argus Insurance Company (Europe) Ltd.

Robert Broadbent BSc (Hons), ACA

Finance Director and Executive Director since April 2019.

Skills and Experience

Robert, a Chartered Accountant, has more than 20 years of experience in financial services including positions at both Board and executive level. In April 2019 he was appointed Finance Director and was formally elected to the Society's Board at the AGM in April 2020. He is responsible for managing the Society's capital, funding and liquidity positions. An integral part of his role is ensuring the integrity of financial and regulatory reporting whilst ensuring the Society maintains an effective stress testing framework. He is also responsible for managing the customer operations team and holds executive responsibility for the Society's work in the area of climate change.

Robert has spent most of his professional career either working for, or providing advisory services to, the financial services sector with a particular focus on building societies. He passionately believes that a modern mutual has a key role to play in delivering financial services to members and supporting the local communities in which they are based.

He is a member of the Institute of Chartered Accountants in England & Wales. Robert attends the Board Risk Committee and Board Audit Committee. He chairs the Credit Risk Forum and Pricing Forum and is a member of the Executive Committee, the Asset and Liability Committee, the All Risks Committee and the Investment Programme Steering Committee.



Current External Positions

- None.

Directors standing for re-election

Rachel Court JP, BA (Hons) Oxon

Independent Non-Executive Director since October 2014 and Independent Chair since April 2016.

Skills and Experience

Rachel has 23 years of experience working in the Building Society sector including 7 years at Executive level. This has been followed by 6 years operating as a Non-Executive Director in the broader financial services sector as well as in the Public and Voluntary sectors.

After an 18 month period on the Board of Leek United, she was appointed as the Society's Independent Chair, and has overseen the reshaping of the Society's Board, including the appointment of a new Chief Executive and Finance Director in 2018/19.

Rachel has a career-long commitment to and understanding of the mutual sector and a passion for its ethos. She has a particular understanding of customer service transformation, operational efficiency and risk management, HR and remuneration, product development, sales, mortgage lending and the Intermediary market as a result of her previous roles, and has considerable experience of managing Regulatory engagement. As a leader, she brings a strong commitment to excellent team working and to building an open and constructive environment in which the interests of all stakeholders are fully considered in developing the Society's strategy and overseeing its performance.

As well as Chairing the Board, Rachel also Chairs the Board Nominations Committee and is a member of the Board Remuneration Committee.



Current External Positions

Rachel currently holds the following external appointments:

- Independent Chair of Invesco Pensions Limited, where she is also a member of the Audit and Risk Committee.
- Non-Executive Director of Invesco UK Limited, where she is also Chair of the Risk and Compliance Committee and a member of the Audit Committee.
- Non-Executive Director of Invesco Funds Managers Ltd.
- Governor – Calderdale College.
- Chair – PRISM Youth Project and Independent School.
- Magistrate.

Richard Goddard MA, FCA

Independent Non-Executive Director since November 2011 and Senior Independent Director since June 2016.

Skills and Experience

Richard is a Chartered Accountant with more than 30 years' experience in financial services including retail and corporate banking, general insurance, life assurance and pensions. As a former Finance Director and Financial Controller, Richard has the background to analyse and test the Society's Financial and Risk strategies.

Richard worked at KPMG as a senior audit manager. In 1993, he joined the Co-operative Bank where he developed robust, effective financial controls and led the finance team through two significant mergers. During his career at the Co-operative Bank, Richard was an Executive Director and also served as a Non-Executive Director at its joint venture, Unity Trust Bank.

Richard was co-opted onto the Board during 2011. Richard serves as Senior Independent Director, Chair of the Board Risk Committee and Chair of the Pension Trustees Committee. Richard is also a member of the Board Audit Committee and the Board Nominations Committee.



Current External Positions

Richard currently holds the following external appointments:

- Director of RCG Business Consultancy.

Directors standing for re-election

Andrew Healy MoB, BSc, MCIPD

Chief Executive and Executive Director since December 2018.

Skills and Experience

Andrew has more than 25 years of experience in the financial services sector in the UK and internationally, including over 10 years at CEO and Board level. In December 2018, he was appointed Chief Executive with responsibility for developing and proposing the Society's strategy, objectives and plans as well as for maintaining the Society's business model and culture.

Andrew has a very deep commitment to the ethos of mutuality and the responsibility of financial institutions to contribute tangibly to the communities they serve. With his values and experience, he is particularly well placed to help maintain the safety, soundness and success of the Society for many years to come.

Andrew is a former Chairman of the Northern Ireland Banking Association and a former Board Director of the Asian Banking Association. He is a Fellow of the Institute of Banking in Ireland and a Chartered Member of the UK Chartered Institute of Personnel and Development.

Andrew is a member of the Board Nominations Committee and he attends the Board Risk Committee, Board Audit Committee and Board Remuneration Committee. In terms of management committees, Andrew chairs the Executive Committee, Asset and Liability Committee, All Risks Committee and Investment Programme Steering Committee. He is also a member of the Customer Conduct Forum and Credit Risk Forum.



Current External Positions

- None.

John Kelly ACA, BA (Hons)

Operations Director and Executive Director since February 2017.

Skills and Experience

John joined the Society in October 2016 as Interim Operations Director and was appointed to the role on a permanent basis in February 2017. He has been responsible for marketing, mortgage sales, the branch network, customer operations, IT and change management at different times over the last four years. He is currently responsible for IT and change management and for leading the Society's Investment Programme.

John has worked in Executive and senior management positions within the Building Society sector for most of the last 20 years, displaying a strong commitment to the values that make building societies different in their strategic outlook and focus. This is particularly true of John's passion for putting the customer first in what and how the Society operates and in balancing this with the need for financial stability rather than profit maximisation.

John attends the Board Risk Committee and Board Audit Committee. John is also a member of the Executive Committee, All Risks Committee, Asset and Liability Committee and Investment Programme Steering Committee.



Current External Positions

- None.

Directors standing for re-election

Jane Kimberlin BA (Hons)

Independent Non-Executive Director since November 2016.

Skills and Experience

Jane is an internationally experienced Board Chief Information Officer / Information Technology Director with over 25 years of delivering significant transformation across a wide range of companies including financial services, retail and utilities. She led the successful merger of IT for several major companies following acquisitions.

With her experience in retail, Jane is a strong advocate of the customer at the heart of the business. Having managed large teams who were responsible for the development and performance of various major digital platforms, Jane is able to leverage her change and technical skills. Jane is passionate about the appropriate use and development of technology and works voluntarily encouraging children and adults to have a successful career in IT.

Jane is a former IT Director of BNP Paribas, a former IT Director of Domino's Pizza, a former IT Director of Scottish and Newcastle/Spirit Group and a former IT Director of PowerGen (now E.ON). Jane is a former Fellow of the Institute of Directors.

Jane is a member of the Board Risk Committee, Board Remuneration Committee and Board Nominations Committee.



**JANE
KIMBERLIN**
NON-EXECUTIVE
DIRECTOR

Current External Positions

Jane currently holds the following external appointments:

- Director and Society Secretary, Creton Community Benefit Society.
- Director, Creton Consultants.
- Liveryman, Worshipful Company of Information Technologists.

John Leveson MBA, FCIB

Independent Non-Executive Director since May 2015.

Skills and Experience

John has over 36 years experience in a wide range of roles within the Building Society sector including 17 years as an Executive Director and latterly Deputy Chief Executive of a regional building society. In addition to serving on a building society group Board, he served on and chaired the boards of subsidiary companies involved in estate agency, financial planning and car finance.

This has given John a strong understanding of the Building Society sector and he is a strong advocate of the benefits of mutual business model in financial services. During his career, he has developed skills and expertise across a broad range of areas including marketing, sales, product development, mortgage underwriting and customer services.

John is Chair of the Board Remuneration Committee and is a member of the Board Audit Committee.



**JOHN
LEVESON**
NON-EXECUTIVE
DIRECTOR

Current External Positions

John currently holds the following external appointments:

- Non-Executive Director of H&H Group plc.
- Volunteer driver for a community bus service which serves the rural area where John lives.

Voting Conditions and Notes on Voting

Please read these notes and then complete the enclosed Proxy Voting Form and return it to the Society.

1. Voting Conditions

- (1) The last date for receipt of your vote is 12 noon on 24 April 2021. You will not be able to vote during the meeting on 28 April 2021.
- (2) You must qualify as either a shareholding Member or a borrowing Member.

Shareholding Members

- (a) To qualify as a shareholding Member, you must:
 - (i) if you are an individual, be at least 18 years old on 28 April 2021, and
 - (ii) have held shares to the value of not less than £100 at midnight at the end of 31 December 2020, and
 - (iii) not have ceased to hold a share or shares at any time between midnight at the end of 31 December 2020 and the voting date, and
 - (iv) hold a share or shares in the Society on the voting date.
- (b) Where the shares are held jointly by two or more persons, only the first named in the records of the Society, in respect of those shares, can have any voting rights.
- (c) Where the shareholding is held in the name of a business, that business may authorise an individual to act as its representative by resolution of its directors. However, the representative cannot be a voting Member of the Society.
- (d) A holder of a Power of Attorney or Deputy can vote on behalf of the Member.

Borrowing Members

- (a) To qualify as a borrowing Member, you must:
 - (i) be at least 18 years old on 28 April 2021, and
 - (ii) have owed the Society not less than £100 in respect of a mortgage debt at midnight at the end of 31 December 2020, and
 - (iii) owe the Society not less than £100 in respect of a mortgage debt on the voting date.
- (b) Where a mortgage debt is owed jointly by two or more persons, only the first named in the records of the Society, in respect of that mortgage, can have any voting rights.
- (3) In addition, you can vote only once as a Member, irrespective of:
 - (a) the number of accounts you hold and whether you hold accounts in different capacities (for example, on your own behalf and as a trustee), and
 - (b) whether you qualify to vote as both a shareholding Member and a borrowing Member and the amount of your shareholding or mortgage debt.

2. Notes on Voting


- (1) You will not be able to vote during the Annual General Meeting. You may use the form provided to appoint one proxy to vote for you. You may appoint the Chair of the meeting or anyone else as your proxy, and your proxy does not have to be a Member of the Society. Under normal circumstances, your proxy would be able to attend the meeting and vote for you. As we will be holding this year's meeting via a webinar, any proxy who isn't the Chair of the meeting will not be permitted to attend. To make sure your vote still counts, any appointment of a proxy will default to the Chair of the meeting.
- (2) If you wish to instruct your proxy how to vote on your behalf and on any resolution or the re-election of directors, please place an 'X' in the appropriate box. If you do not instruct your proxy how to vote on your behalf, your proxy is authorised to vote at his or her discretion in respect of that resolution or the re-election of directors.
- (3) Please do not forget to sign and date section A or B as appropriate on the voting form. Only signed and dated forms will be valid.
- (4) Please complete the enclosed form and post it to Leek United Building Society Scrutineers, AGM Voting, Howsons Electoral Services, 50 Broad Street, Leek, ST13 5NS, for receipt no later than 12 noon on 24 April 2021. You can also vote online by visiting leekunited.co.uk/agm.
- (5) Members attending the meeting via the webinar will be requested to register by 12 noon on 23 April 2021. Evidence of membership will be required in order to obtain admission.



Online Voting

To use this facility, please go to leekunited.co.uk/agm and click on the link, which will redirect you to a secure voting site administered by Howsons Electoral Services who are independent Scrutineers. You will need your user ID and password, these can be found on the proxy voting form.

Online voting is available 24 hours a day until noon on 24 April 2021.



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Branches throughout Staffordshire, Cheshire,
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