

## SENIOR INDEPENDENT DIRECTOR

### TERMS OF REFERENCE

#### 1. Purpose

The Chorley & District Building Society (the “Society”) appoints the role of Senior Independent Director (SID) to one of its Non-Executive Directors in accordance with Provision 12 of the UK Corporate Governance Code.

The SID’s main role is to:

- Act as the main point of contact for members if they have concerns regarding the Board and Society which the normal channels of communication with the Chair, Chief Executive, or other Executive Directors, have failed to resolve, or for which such contact is inappropriate.
- Act as a sounding Board for the Chair and Chief Executive on Board and member matters.
- Be the focal point for Board members for any concerns regarding the Chair, or the relationship between the Chair and the Chief Executive.

As the SID will also act as Vice Chair, they will be required to carry out the duties and responsibilities of the Chair, in the event of their absence from the Board.

#### 2. Responsibilities

The SID shall:

- Conduct the Chair’s annual performance appraisal, taking into account the views of the Non-Executive and Executive Directors.
- Conduct an annual meeting of the Non-Executive Directors, without the Chair present, to appraise the Chair’s performance.
- Act as a trusted intermediary for Non-Executive Directors where this is required to help them to challenge and contribute effectively to the success of the Society.
- Take the initiative in discussions with the Chair, or other Board members, if it should seem that the Board is not functioning effectively.
- Take responsibility for an orderly succession process for the Board Chair by leading the Nomination Committee’s sub panel and relaying its recommendation back to the full Nominations Committee and Board.

### 3. Appointment

The Board is responsible for the appointment of the SID.

The SID is appointed for a period as defined by the Board but may step down at any time.

### 4. Senior Management Regime

The role of the SID is categorised as a Senior Management Function, holding a prescribed responsibility by the PRA and FCA.

The SID holds the responsibility of SMF 14, for leading the assessment of the performance of the Chair.

### 5. Engagement with Stakeholders

The SID should attend the Annual General Meeting to answer any questions on the Board's activities.

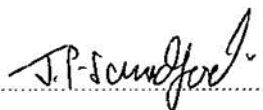
The SID should also seek engagement with Members on significant matters related to the Board's areas of responsibility.

### 6. Other Matters

The SID shall:

- Have access to sufficient resources in order to carry out their duties, including access to the Chair, Vice Chair, Chief Executive, and Company Secretary for assistance as required.
- Act within the PRA rulebook and FCA handbook.
- Act in accordance with the UK Corporate Governance Code to the extent appropriate for the Society to have regard to this and where the requirements are relevant to a building society.
- Oversee any investigation of activities which are within its Terms of Reference.

Signed: .....



**Chair: John Sandford**

**Review History**

<b>Date of Issue</b>	<b>Author</b>	<b>Purpose</b>	<b>Date of Approval</b>	<b>Version: CDBS –SID TOR</b>	<b>Date of Next Review</b>
4 March 2024	Board Governance Officer	New updated SID ToR for a combined role with Vice-Chair	27 March 2024	2.0	March 2025