



OSB GROUP PLC (OSBG), ONESAVINGS BANK PLC (OSB) and CHARTER COURT FINANCIAL SERVICES LIMITED (CCFSL), BROADLANDS FINANCE LIMITED (BFL), CHARTER MORTGAGES LIMITED (CML) and ROCHESTER MORTGAGES LIMITED (RML) Board Capital and Funding Committee Terms of Reference

1. OBJECTIVES

1.1 The Board Capital and Funding Committee (the **Committee**) is a Committee of the Boards of OSBG, OSB, CCFSL, BFL, CML and RML (together, the Companies). The primary objective of the Committee is to approve capital, funding, and equity activities of the Companies consistent with the Board-approved funding plan (the **Funding Plan**).

1.2 The objectives of the Committee include:

1.2.1 To provide oversight and to be the primary decision-making body in providing Board sign off to execute certain funding and capital activities of the Companies consistent with the Funding Plan, including but not limited to:

- the establishment of any new debt issuance programme and the first issuances thereunder (including, without limitation, an unsecured debt issuance programme, covered bond programme or securitisation master trust/master issuer programme), within the scope of the Funding Plan;
- standalone issuances (including, without limitation, a standalone additional tier one (AT1) securities or standalone securitisation issuance), within the scope of the Funding Plan;
- any annual prospectus updates to debt issuance programmes;
- share buybacks; and
- any other transaction delegated to the Committee by a relevant Board,

(together, the **Matters**).

1.2.2 In exercising its authority, power and discretions in relation to the Matters, and for the avoidance of doubt, the Committee will be able to authorise the issuance, amendment or redemption of:

- asset-backed securities;
- covered bonds;
- senior secured and unsecured debt;
- senior non-preferred debt;
- subordinated debt (including debt qualifying as tier 2 capital);
- contingent convertible bonds (AT1s);
- share issues; and
- share buybacks.

2. DELEGATION OF AUTHORITY

2.1 This Committee has the authority delegated to it by the boards of the following entities:

- **OSB GROUP PLC**, a public limited company incorporated in England and Wales on 2 May 2019 whose company number is 11976839;
- **OneSavings Bank plc**, a public limited company incorporated in England and Wales on 13 July 2010 whose company number is 07312896;
- **Charter Court Financial Services Limited (CCFSL)**, a private limited company incorporated in England and Wales on 14 November 2008 whose company number is 06749498;
- **Broadlands Finance Limited (BFL)**, a private limited company incorporated in England and Wales on 9 July 2009 whose company number is 06957973;
- **Charter Mortgages Limited (CML)**, a private limited company incorporated in England and Wales

on 14 November 2008 whose company number is 06749495; and

- **Rochester Mortgages Limited (RML)**, a private limited company incorporated on 23 December 2015 whose company number is 09928431,

(together, the **Delegating Entities**).

2.2 In delegating authority to the Committee, the Directors of the Delegated Entities acknowledge and represent that each director granting said authority has individually:

- exercised their independent judgement in choosing to delegate authority to the Committee;
- considered and concluded that delegating authority to the Committee promotes the success of their company for the benefit of its members, irrespective of the interests of any parent or subsidiary; and
- acknowledged that they may, by notice to the relevant Company, withdraw their delegated authority at any time on written notice if they subsequently consider that the Committee no longer promotes the success of their company.

3. CONSTITUTION, MEMBERSHIP AND QUORUM

3.1 The Committee is chaired by the Chair of the OSBG Board (or his or her delegate).

3.2 The Committee consists of the following members:

- OSBG Chief Executive Officer;
- OSBG Chief Financial Officer;
- Chair of Group Risk Committee;
- Chair of Group Audit Committee;
- Chair of the OSBG Board;
- Where matters are related to CCFSL only:
 - Chair of the CCFSL Board; and
 - Chair of the CCFSL Risk Committee; and
- Where matters are related to BFL, CML or RML only:
 - Group Commercial Director.

3.3 The quorum necessary for the transaction of business shall be any two members, one of whom must be a Non-Executive Director (NED), except for BFL, CML and RML, where the quorum does not require a NED.

3.4 Meetings of the Committee may be held by telephone or by any other means whereby the participants are able to communicate effectively with each other.

4. SECRETARY

4.1 The Assistant Company Secretary, or their nominee, shall act as Secretary to the Committee and will ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to the issues.

5. VOTING ARRANGEMENTS

5.1 Each Committee member shall have one vote which may be cast on matters considered at the meeting. Votes can only be cast by members attending a Committee meeting (whether in person or by audio or video conference). Alternatively, where the Committee is asked to do so, matters may be approved by email in which case each Committee member shall have one vote which may be cast on such matters by way of email, with any such decisions being recorded formally in the minutes of the next Committee meeting.

5.2 If a matter that is considered by the Committee is one where a Committee member, either directly or indirectly has a personal interest, that member shall not be permitted to vote on that matter.

5.3 Except where they have a personal interest, the Chair shall have a casting vote.

6. FREQUENCY OF MEETINGS

6.1 The Committee shall meet as required.

7. NOTICE AND MINUTES

7.1 Meetings of the Committee shall be convened by the Secretary of the Committee at the request of the Chair.

7.2 The Secretary will normally distribute the agenda and papers for meetings at least three days before the date of the meeting. In some instances this may be less if responding to commercial circumstances.

7.3 The Secretary shall minute proceedings and decisions of all meetings of the Committee, including recording the names of those present and in attendance.

7.4 Draft minutes of meetings will be distributed promptly to members of the Committee for review unless it would be inappropriate to do so in the opinion of the Chair of the Committee.

8. OTHER MATTERS

8.1 The Committee shall review these terms annually.

9. AUTHORITY

9.1 The Committee has powers, authorities and discretions set out in this Terms of Reference.

9.2 Except as otherwise specified, the Committee is an advisory Committee to the Boards and the relevant Board has the final decision-making authority.

9.3 The Committee may establish sub-committees or forums and is authorised to approve their terms of reference (unless expressly prohibited).

9.4 The Committee may make recommendations to the Chief Executive Officer and/ or the Group Executive Committee on matters beyond the scope of its authority.

10. DUTIES, POWERS AND DISCRETION

10.1 Capital markets instruments

BCFC BCFC
Chair

10.1.1 The Committee may **approve** all matters relating to:

- (a) establishment of any new debt issuance programme; and
- (b) the first issuances thereunder;

including, without limitation, an unsecured debt issuance programme, covered bond programme or securitisation master trust/master issuer programme, in each case only to the extent that such issuances are within the scope of the Board approved funding plan (the **Funding Plan**):

BCFC BCFC
Chair

10.1.2 The Committee may **approve** all matters relating to standalone issuances of capital markets instruments, including, without limitation, a standalone AT1 debt issuance or standalone securitisation issuance, in each case only to the extent that such issuances are within the scope of the Funding Plan.

10.1.3 The Committee may **approve** all matters relating to any annual prospectus updates required to be made in respect of any debt issuance programmes.

BCFC BCFC
Chair

10.2 Share Issuances and Buybacks

10.2.1 The Committee may:

- (a) approve and authorise the issuance or buyback by OSBG or any other member of the Group of share capital in that company from time to time (the Share Capital Alteration);
- (b) deal with all ongoing and continuing obligations, maintenance and compliance issues related to a Share Capital Alteration;
- (c) authorise the appointment and termination of parties in respect of a Share Capital Alteration;
- (d) authorise the execution of, or delegate the authority for execution of, documents related to a Share Capital Alteration, including executing any powers of attorney on OSBG's behalf in whatever manner required in order to delegate such powers granted hereunder;
- (e) seek appropriate professional advice inside and outside of the business as and when it considers necessary, including on current market conditions;
- (f) approve and authorise any further acts, matters or things in relation to a Share Capital Alteration as may be necessary, desirable or expedient in order to give effect to, or to otherwise conduct OSBG's or other issuer's rights under, a Share Capital Alteration or any related matters.

BCFC BCFC
Chair

10.3 Miscellaneous

10.3.1 The Committee may approve intra-Group funding and capital activities – such as agreements between subsidiaries that are consistent with the Board-approved capital and funding plans.

Document key

Symbol *Approving entity*



Board Capital and Funding
Committee

Symbol *Accountable entity*



Chair of Board Capital and
Funding Committee

Document control information

Version *1.1*

Owner *Company Secretariat*

Endorsed *n/a*

Approved by the Board on 6 February 2023

Review Frequency *Annually or as required
for material amendments*

Next Review date *December 2023*
