



Information Technology ('IT') Committee

Terms of Reference

Author:	Chair of IT Committee
Reviewed By IT Committee:	6 February 2024
Approved by Board:	20 February 2024

The Stafford Building Society

IT Committee

Terms of Reference

1. Purpose

The Board of Directors ('the Board') approved the establishment of the Committee for the purposes of:

- 1.1. Providing oversight and advice to the Board in respect of IT Strategy, IT investment, IT architecture, IT operating model effectiveness, delivery performance and resilience controls (including IT elements of Cyber risk).
- 1.2. Advising and supporting the Chief Executive Officer and the Executive team on all aspects of technology operations and investment.

2. Membership

- 2.1. The Committee shall comprise of a minimum of three Non-Executive Directors (who do not perform any Executive function) the Chief Executive Officer and the Chief Operating Officer. In the absence of the Chief Executive Officer, they may delegate their authority to the Chief Operating Officer.
- 2.2. The Chair of Risk Committee will be a standing member of the IT Committee.
- 2.3. All Non-Executive Directors have the right to attend Committee meetings. However, individuals such as the Executive, Society Head of IT and external technology advisers may be invited to attend for all or part of the meeting as and when appropriate. It is expected that the Chief Executive Officer and Chief Operating Officer will attend all meetings.
- 2.4. Appointments to the Committee shall be for a period of one year, which may be extended for further periods of up to five years, provided the Director still meets the criteria for membership of the Committee.
- 2.5. The Board shall appoint the Committee Chair who shall be an independent Non-Executive Director. In the absence of the Committee Chair, the remaining members present shall elect one of themselves to chair the meeting.
- 2.6. Members of the Committee shall be appointed by the Board, on the recommendation of the Nominations and Governance Committee ('NomGovCo').

3. Secretary

- 3.1. The Executive Personal Assistant shall act as the Secretary of the Committee and will ensure that the Committee receives information and papers in a timely manner to enable a full and proper consideration to be given to the issues on the agenda.

4. Quorum

- 4.1. The quorum necessary for the transaction of business shall be three members, one of whom must be the Chief Executive Officer. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers, and discretions vested in or exercisable by the Committee.
- 4.2. A majority of votes shall decide all matters. 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.

5. Frequency of Meetings

- 5.1. The Committee shall meet at least five times a year at appropriate times in the reporting and audit cycle and otherwise as required.

6. Notice of Meetings

- 6.1. The Secretary, in accordance with the agreed annual agenda schedule, shall call meetings of the Committee. Additional meetings may be called by any Committee member or at the request of the Chief Executive Officer if he or she considers it necessary.
- 6.2. Unless otherwise agreed, notice of each meeting confirming the venue, time, and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee, and any other person required to

attend, no later than five working days before the date of the meeting. All supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.

- 6.3. Members of the Committee may participate in a meeting by means of Microsoft Teams, that is, ‘virtually’ where all persons participating can hear each other at the same time. Participation by such means shall constitute presence at a meeting.

7. Minutes of Meetings

- 7.1. The Secretary shall minute the proceedings and decisions of all meetings of the Committee, including recording the names of those present and in attendance.
- 7.2. Draft minutes of Committee meetings shall be circulated promptly to the Chair of the Committee. Once reviewed, minutes should be circulated to all other members of the Committee.
- 7.3. Once approved, the minutes should be submitted to the Board and Risk Committee for noting unless it would be inappropriate to do so.

8. Duties

The Committee shall:

Responsibility
<ul style="list-style-type: none"> • Oversee the implementation of the Society technology vision and strategy, considering future technological developments and trends, ensuring that these support the strategic business plan; make recommendations to the Board for future investment in core technology and digital channels, ensuring commercial and service transformation through use of these; • Oversee the Society’s IT operating model effectiveness, including organisational structure and capabilities related to technology and transformation • Oversee the IT elements of the Society’s IT, Business Protection and Business Continuity risks including oversight and challenge of the day-to-day risk, control, and oversight arrangements of the executive, including the effectiveness of the control environment; • On behalf of and reporting to the Board Risk Committee, provide oversight to ensure that the impact of IT strategies and IT service delivery performance is understood in the context of the Society’s risk appetite and that risk mitigation is in place where appropriate; • Oversee the Society’s Cyber Risk, reporting bi-annually to the Board Risk Committee on this; • Monitor and report to the Board on compliance with all IT aspects of required business continuity and cyber security standards; • Oversee the Society’s IT Service delivery performance and IT related Major, Critical or Severe Incidents including the Society’s IT disaster recovery strategy, planning, execution, and lessons learned from any significant incidents, as well as reporting to the Board Risk Committee on any such Service delivery performance and Incidents; and oversee and approve Operational Resilience and Security Strategy on behalf of the Board. • Support the Executive in establishing and maintaining appropriate governance principles, policies, standards and practices related to technology operations which comply with current legislation, and which are fit for purpose; • Ensure that all external IT support relationships protect the business from regulatory and business continuity risk; • Oversee an annual review of the technology infrastructure to include operational effectiveness, commercial effectiveness, stability, security etc for reporting to the Board; and • Oversee an IT training needs analysis to ensure that the workforce (including Non-Executive Directors) is appropriately skilled to support the needs of the Society.

9. Reporting Responsibilities

The Committee Chair shall:

- 9.1. Report to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 9.2. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

- 9.3. The Committee Chair shall, on an annual basis, perform an assessment of the effectiveness of the committee and whether responsibilities included in this Terms of Reference documents have been achieved. The results of these exercises should be reported to the Board.

10. Other Matters

The Committee shall:

- 10.1. Have access to sufficient resources to carry out its duties, including access to the Secretariat for assistance as required.
- 10.2. Be provided with appropriate and timely training, both in the form of an induction programme for new members and on an on-going basis for all members.
- 10.3. Give due consideration to laws and regulations, the provisions of the Code and the requirements of any other applicable rules as appropriate.
- 10.4. Oversee any investigation of activities which are within its Terms of Reference.
- 10.5. Arrange for periodic reviews of its own performance and, at least annually, review its constitution and Terms of Reference in order that changes are made in line with the developing risk environment and good practice and recommend any changes it considers necessary to the Board for approval.

11. Authority

The Committee is authorised by the Board to:

- 11.1. To seek any information, it requires from any employee of the Society in order to perform its duties.
- 11.2. To obtain, at the Society's expense, outside legal or other professional advice on any matter within its terms of reference.
- 11.3. To call any employee to be questioned at a meeting of the Committee as and when required.

12. Annual General Meeting ('AGM')

- 12.1. The Committee Chair should attend the AGM to answer member questions on the Committee's activities.

13. Rapid Response Protocol

- 13.1. The Rapid Response Protocol seeks to facilitate decision making between meetings, whereby a minimum quorum must be present, either in person or over the phone. The Protocol is typically applied between meetings.
- 13.2. All decisions made under the Rapid Response Protocol are to be ratified at the following IT Committee meeting.

<u>Date</u>	<u>Version</u>	<u>Summary of Changes Made</u>	<u>Changes Made By</u>
21/01/2024	2023V1	Annual Review	Committee Chair
06/02/2024	2023V1	Review by Committee	IT
20/02/2024	2023V2	Approved by Board	Board