

MINUTES OF THE ANNUAL GENERAL MEETING OF MEMBERS OF THE SOCIETY HELD

ON WEDNESDAY, 26th APRIL 2023, AT 1.45 P.M., AT COBALT W1

ON THE PLATFORM

Directors

James Ramsbotham (Chair)
Mick Thompson ((Deputy Chair)
Adam Bennett (Non-Executive Director)
Michele Faull (Non-Executive Director)
Bryce Glover (Non-Executive Director)
Andrew Haigh (Chief Executive)
Karen Ingham (Non-Executive Director)
Anne Laverack (Business name: Ms. A. Shiels) (Non-Executive Director)
Stuart Lynn (Non-Executive Director)
Stuart Miller (Chief Customer Officer)
David Samper (Chief Financial Officer)

Group Secretary

Catherine Bolam

PRESENT

All Directors were present. 98 Members of the Society and 2 guest registered their attendance.

1. NOTICE CONVENING THE MEETING

The Chair, on behalf of the Board, welcomed members of the Society to the meeting, and said it was good so many members in attendance. He referred to the two recent Membership events held in Teesside and Northumberland, and said it is really good to be able to engage with the members so effectively at this particular time.

The Chair advised that the meeting was being streamed online and members were therefore able to watch and cast their vote by this means. He then advised that the Notice convening the meeting had been distributed to qualifying members, and this was taken as having been read.

2. CHAIR'S ADDRESS INCLUDING OVERVIEW OF 2022

The Chair addressed the meeting. In respect of changes to the Board, the Chair advised that Karen Ingham would be retiring as a Director from all of her roles within Newcastle Building Society at the end of the AGM. On behalf of the Board, he recorded his sincere thanks to Karen noting that she had contributed so much since her appointment in September 2014 and the Society had been fortunate to benefit from her expertise during that time.

The Chair summarised some of the key achievements of the Society during 2022. He referred to the growing concern around the cost of living and increased inflation. The outbreak of conflict in Ukraine, which sparked one of several economic shocks across the year. The death of Her Majesty Queen Elizabeth II, which triggered a period of collective grief and was unsettling in many ways, especially having come so soon after the shared celebrations of the platinum jubilee. He said the sense of uncertainty was compounded by political change. Three prime ministers during 2022 meant rapid policy reversal and led to quite sudden economic turbulence. The Chair conveyed how proud he was at the response shown by our Society, especially the amazing team of colleagues who have demonstrated their commitment to our members, communities, and to the Society itself.

3. BUSINESS UPDATE PRESENTATIONS

Andrew Haigh, the Society's Chief Executive, followed by David Samper, the Society's Chief Financial Officer, both provided a business update, following which the Chair asked if anyone had any questions to raise concerning the 2022 Annual Report & Accounts or any other aspect of the Society's performance. The Chair said he would also take any questions at this point on all the other resolutions to be voted upon at the

meeting, including the Re-appointment of the Auditors, the Directors' Remuneration Report, or on the Re-election of Directors.

Members then raised various matters, covering a number of issues, including:

- What was the rationale behind merging with the Manchester Building Society? - It is an organisation that offers a significant membership base, which will strengthen this Society and offers a number of other opportunities. The merger is also good for the sector at large.
- What is being done in relation to powering Diversity and Inclusion within the organisation? - Diversity is hugely important to us in a variety of ways, across the organisation. We have recently appointed a Head of Diversity, Equality and Inclusion. We are in the process of setting up a number of bodies throughout the organisation, for colleagues to consider and feedback on all the different aspects of Diversity and Inclusion. Significant changes are expected over the next period, as we are working very hard to make sure that the appointments that we make really take this into account.
- What does the landscape look like in the next twelve to twenty-four months? – Our Purpose message becomes ever more important, as we have to remain true to what we are as a business. The delivery of our Purpose is what powers the organisation, but we still are a mortgage lender, a retail savings provider and a provider of advice. If we do things in the right way and we engage with our communities, we can do more of that for more people, which will make more difference. There are tough times ahead of us still, and yet within that, our ambition is to grow, to do more, to have a higher impact, to make more of a difference and that that will fuel more success for the organisation over time.
- In relation to the merger and expansion of digital banking, will products and services to customers be extended beyond our region? - We already provide products and services online, where naturally there is no geographical limit, but we remain very proud of Newcastle Building Society here in the North East. As a mortgage lender, we lend nationally, and we deal through intermediaries throughout the country resulting in a broad geographic spread of our mortgage lending. So we are already a national business, and we have a strong digital capability. Our delivery of member value is focused on our communities in our region; where we have community of interest, a community of like-minded people, and communities where we are physically present. We remain committed to that.
- In terms of future member events and AGM meetings, could consideration be given to the availability of public transport when setting a location? – The Board will listen to members' views and are keen to sure that we have events that reach the complete range of our members. We are looking at how to expand the way in which we reach out to our members, including increasing the number of events that take place across the year, where they take place and when. We have for example there have recently been a couple of smaller events, one of which was in Cramlington.
- In relation to transport, could a timetable for buses be included with meeting notices and invitations? – We will be looking at improving communication with our members regarding future events. We will consider travel arrangements within the planning of events, including any help we can provide in regard to public transport information.

The Chair informed members that if they had any further questions to raise then the Directors, together with the Executive team, would be pleased to answer these over refreshments at the end of the meeting. In addition, because the Society welcomed feedback from members, there would be an opportunity to complete 'questions/comments' cards after the meeting was over.

4. ORDINARY RESOLUTION TO RECEIVE THE ANNUAL REPORT & ACCOUNTS

The Chair advised that in accordance with legislative requirements, copies of the Summary Financial Statement, included within the Member Update booklet, had been sent to all qualifying members in March 2023 and a copy also made available on the Society's website. A copy of the Annual Report & Accounts had also been made available on the Society's website and within Branches.

The Chair noted the Annual Report & Accounts had been in hand for the statutory period and advised that he had nothing further to add to his statement contained within the document. The Chair proposed an ordinary resolution, requiring a simple majority, to receive the Directors' Report, the Annual Accounts, the Annual Business Statement, and the Auditors' Report for the year ended 31st December 2022. The Chair said that as we had asked members who had completed proxy voting forms to vote on all resolutions, he

was calling a poll on all resolutions so as to include the votes of all members who had taken the trouble to vote by proxy.

The Chair then asked all those who were entitled to vote to complete this item on their voting form and he also asked those who had joined on-line to also cast their votes. The Chair added the Board recommended members to vote 'For' this resolution.

5. ORDINARY RESOLUTION TO RE-APPOINT DELOITTE LLP AS AUDITORS

The Chair proposed an ordinary resolution, requiring a simple majority, to re-appoint Deloitte LLP as the Society's Auditors until the conclusion of the Society's Annual General Meeting in 2024.

The Chair then asked all those who were entitled to vote to complete this item on their voting form and he also asked those who had joined on-line to also cast their votes. The Chair added the Board recommended members to vote 'For' this resolution.

6. ORDINARY RESOLUTION TO APPROVE THE DIRECTORS' REMUNERATION REPORT

The Chair proposed an ordinary resolution, requiring a simple majority, to approve the Directors' Remuneration Report for the year ended 31st December 2022. A summarised version of the report was included in the Member Update booklet, including Summary Financial Statement, sent to all qualifying members. Today's vote related to the Directors' Remuneration Report as it appeared in full in the Annual Report & Accounts 2022.

The Chair then asked all those who were entitled to vote to complete this item on their voting form and he also asked those who had joined on-line to also cast their votes. The Chair added the Board recommended members to vote 'For' this resolution.

7. RE-ELECTION OF DIRECTORS

The Chair said the Society's Directors who were standing for re-election, is set out in Item 4 on the voting form. He proposed the following resolutions:-

1. To re-elect George Adam Bennett
2. To re-elect Michele Jean Faull
3. To re-elect Bryce Paul Glover
4. To re-elect Andrew Scott Haigh
5. To re-elect Anne Laverack (Business name: Anne Shiels)
6. To re-elect Stuart Leslie Lynn
7. To re-elect Stuart Miller
8. To re-elect James David Alexander Ramsbotham
9. To re-elect David Alan Samper
10. To re-elect Michael Roger Thompson

The Chair then asked all those who were entitled to vote to complete this item on their voting form and he also asked those who had joined on-line to also cast their votes. The Chair added the Board recommended that members vote 'For' each of the Directors seeking re-election.

The Chair advised the results for all the resolutions would include proxy votes that had already been received. After a short pause, when the votes were being cast, the Chair asked the Scrutineers to collect in the completed voting forms. The Chair also asked those who had joined on-line to ensure they had cast all their votes. The Chair then declared the polls closed.

8. CONSOLIDATED VOTE RESULTS

The Chair advised the votes would shortly have been counted by our Scrutineers. The Chair, however, confirmed that based upon the postal and on-line proxy votes which we had received, where he had been

appointed as proxy by members, all of the resolutions had been passed and the Directors had been re-elected. The final results from today's meeting would also be made available on the Society's website from Friday, 28th April 2023.

The Chair then declared the formal part of the meeting closed, save only for the declaration of the results of the voting. Finally, the Chair gave a thank you to colleagues, to the Executive team, and also to the members.

Before moving onto refreshments, and by means of an update, the Chair advised that a Non-Executive Director recruitment exercise had taken place over the last few months, to fill a casual vacancy on the Board. He was delighted to confirm that recruitment had concluded successfully, and it is anticipated that Rory Campbell will join the Newcastle Building Society Board.

Further information would shortly be communicated to members to introduce Rory in more detail, once all of the formalities have been concluded. The Chair asked all to join him in welcoming Rory to the Society. He advised that Rory would stand for election at next year's AGM.

The results were as follows:-

<u>Resolutions</u>	<u>Votes For</u>	<u>Votes Against</u>	<u>% in Favour</u>	<u>Votes Withheld</u>
1. To receive the Annual Report and Accounts	15,894	148	99.08%	87
2. To re-appoint Deloitte LLP as Auditors	15,380	571	96.42%	178
3. To approve the Directors' Remuneration Report	14,463	1,391	91.23%	273
<u>5. Re-election of Directors:</u>				
(i) To re-elect George Adam Bennett	15,328	541	96.59%	260
(ii) To re-elect Michele Jean Faull	15,333	555	96.51%	242
(iii) To re-elect Bryce Paul Glover	15,196	655	95.87%	278
(iv) To re-elect Andrew Scott Haigh	15,278	603	96.20%	248
(v) To re-elect Anne Laverack (Business name: Anne Shiels)	15,239	645	95.94%	246
(vi) To re-elect Stuart Leslie Lynn	15,272	585	96.31%	273
(vii) To re-elect Stuart Miller	15,273	598	96.23%	258
(viii) To re-elect James David Alexander Ramsbotham	15,264	609	96.16%	256
(ix) To re-elect David Alan Samper	15,270	599	96.23%	258
(x) To re-elect Michael Roger Thompson	15,230	638	95.98%	260

These minutes were approved by the Society Board on 1st June 2023.

BUILDING SOCIETIES ACT 1986

Sections 65/68: Record of loans to Directors or connected persons and other transactions/arrangements (Section 65), and the maintaining of a register of transactions involving Directors and persons connected with them (Section 68)

In accordance with the above mentioned sections of the Building Societies Act 1986 a copy of the document, which was forwarded to the Prudential Regulation Authority and the Financial Conduct Authority on 4th April 2023, was made available for inspection by members