

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

ON WEDNESDAY, 27th APRIL 2022, AT 1.45 P.M., AT NEWCASTLE UNITED FOOTBALL CLUB

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)
Ian Ward (Non Executive Director and Senior Independent Director)

Group Secretary

Ian Good

PRESENT

All Directors were present. 66 Members of the Society and 1 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 to be able to meet in person again and then introduced himself as the Society's new Chair, having joined the Board in August 2021. The Chair advised that we were also streaming the meeting 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 2021

The Chair addressed the meeting and summarised some of the key achievements of the Society during 2021. He also acknowledged the significant contribution made by the previous Chair, Phil Moorhouse, in helping to create the foundations for the Society's success. Regarding changes to the Board, the Chair advised that Michele Faull had joined the Board last year and that Ian Ward would be retiring as a Director, and from all his roles within Newcastle Building Society, at the end of this AGM. On behalf of the Board, the Chair recorded his sincere thanks to him for the contribution he had made over the last nine years. The Chair went on say that Adam Bennett would take over the role of Senior Independent Director from Ian Ward. Finally the Chair stated that Ian Good, the Society's Group Secretary, would be retiring in May, after having been in the role for a number of years.

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 2021 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, the Directors' Remuneration Policy, or on the Election and Re-election of Directors.

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

- What were the principal risks facing the Society, what had changed and what counter measures had been put in place? – this question was directed at the Chair of the Group Risk Committee who advised that risk had been looked at from a macro-economic point of view as well as looking at the Society's

capital and liquidity positions, as well as its strategy, on a continual basis. The risks had changed during the lockdown, especially at the beginning when the Government had launched the Furlough Scheme, and throughout this period the Society had kept everything under constant review.

- The number of times the Society's Group Risk Committee met each year? – the Committee met a minimum of 4/5 times a year. It was important to state that the Society took the matter of risk very seriously and at every Board meeting, within the Business Updates, the Chief Risk Officer's Report was always discussed first and which therefore set the tone of the meeting.
- Did the Society have a target for the number of branches it had and whether any closures were planned? – the Society kept the structure of the Branch network under constant review and no plans had been made to close any branch. Provision of advice was seen as very important and this took place via NFAL advisers, based within our branches.
- The Society's initiative with OneBanks, to meet everyday banking needs and help restore access to cash in communities without banks? – the Society had announced its intent to pilot OneBanks Hubs in two branches – Knaresborough (under development) and Gosforth. The OneBanks Hub would enable customers to withdraw and deposit cash (notes and coin) through an independent terminal installed within the branch. This would be a very different process to that seen in post offices.
- Women in Leadership and did the Society promote diversity and inclusion? – as signatories to the Women In Finance Charter we had pledged our support for gender balance across financial services. We wanted everyone to experience that their potential was not in any way limited by their background, gender, age, race, disability, religion or sexual identity. Our focus was on ensuring this was the case for all our colleagues within our Society.
- Is the competition from Chase Bank (where their saving account paid 1.5% AER) a threat? – Chase Bank was owned by shareholders, whilst we were a mutual organisation looking to serve our members and our communities. Chase Bank was a totally different type of organisation with different concepts and a different business model. We considered our own business model to be the right one for us to follow.

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 2022 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 2021. 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 2023.

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 2021. 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 2021, as well as a vote on the Directors' Remuneration Policy (which would be dealt with under item 7).

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. ORDINARY RESOLUTION TO APPROVE THE DIRECTORS' REMUNERATION POLICY

The Chairman proposed an ordinary resolution, requiring a simple majority, to approve the Directors' Remuneration Policy. This Policy (included as part of the Directors' Remuneration Report) covered the following sections: Policy aims and principles; Policy on termination pay; Remuneration for Executive Directors; and Remuneration of Non-Executive Directors.

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.

8. ELECTION AND RE-ELECTION OF DIRECTORS

The Chair said all of the Society's Directors were standing for either election or re-election, with the exception of Ian Ward, and he proposed the following resolutions:-

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

9. CONSOLIDATED VOTE RESULTS

The Chair advised the votes would shortly have been counted by our Scrutineers and the consolidated results would be displayed within the area where refreshments were served. 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 elected or re-elected.

The final results from today's meeting would also be made available on the Society's website from Friday, 29th April 2022.

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.

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	14,005	148	98.95%	107
2. To re-appoint Deloitte LLP as Auditors	13,566	524	96.28%	170
3. To approve the Directors' Remuneration Report	12,681	1,337	90.46%	241
4. To approve the Directors' Remuneration Policy	12,597	1,395	90.03%	267
<u>5. Election and Re-election of Directors:</u>				
(i) To re-elect George Adam Bennett	13,499	511	96.35%	250
(ii) To elect Michele Jean Faull	13,519	501	96.43%	239
(iii) To re-elect Bryce Paul Glover	13,402	602	95.70%	256
(iv) To re-elect Andrew Scott Haigh	13,438	574	95.90%	248
(v) To re-elect Karen Ingham	13,469	557	96.03%	233
(vi) To re-elect Anne Laverack (Business name: Anne Shiels)	13,353	661	95.28%	245
(vii) To re-elect Stuart Leslie Lynn	13,439	555	96.03%	266
(viii) To re-elect Stuart Miller	13,451	555	96.04%	253
(ix) To elect James David Alexander Ramsbotham	13,468	539	96.15%	252
(x) To re-elect David Alan Samper	13,423	576	95.89%	260
(xi) To re-elect Michael Roger Thompson	13,376	623	95.55%	261

These minutes were approved by the Society Board on 24th May 2022

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 11th April 2022, was made available for inspection by members.