

Newcastle Building Society

Annual General Meeting 23 April 2025

Member Q&As summarised by theme

Global Economic Issues

Our business model is based on UK savings, mortgages and financial advice. While we're not immune to global economic headwinds and issues we are less directly exposed than many other organisations.

We make considerable efforts to model the risks and be ready for those challenges.

We also stress test lending applications, helping customers to be able to withstand economic shocks, and we'll continue to be there to support our members and communities impacted by challenging economic conditions.

Board and Executive pay

Our Board and Executive team are responsible for the Newcastle Building Society Group. This includes both the Newcastle Building Society and Manchester Building Society brands, Newcastle Strategic Solutions – which manages savings balances of £50bn+ for 17 UK banks and building societies, and Newcastle Financial Advisers, with over £1bn of funds under management.

The Group's policy for remuneration – which is subject to independent review - is designed to provide fair and competitive packages to attract, reward and retain Executives, to deliver our business objectives whilst providing value for Members.

We use external benchmarking from an independent provider – allowing us to compare and compete with other Building Societies and financial institutions.

Board Diversity

The Board is mindful of its role in setting the tone for diversity and inclusion within the Group.

The Board recently agreed a Board Composition Statement which includes consideration of the diversity of the Board.

All Board and Executive appointments are based on merit and made based on individual competence, skills and expertise measured against identified objective criteria. The Society aspires to meet the targets and recommendations set out in the UK Listing Rules for FTSE companies where possible, including:

- Minimum 40% female representation on the Board
- No less than one female in the role of either Chair, Senior Independent Director, Chief Executive, or Chief Financial Officer
- A minimum of one Board Director drawn from an ethnic diverse background

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Nominating a charity to receive a grant from the Community Fund.

Members can nominate a charity for consideration for grant funding. This can be done online at www.newcastle.co.uk/powering-communities which is where you'll also find nomination criteria.

Alternatively, speak to a branch colleague for more information and guidance on nominating a charity.

Sustainability

The Society has recently become a signatory to the United Nations Principles for Responsible Banking (UNPRB).

Under the Principles, signatories identify and measure the environmental and social impact resulting from their business activities, set and implement targets where they have the most significant impact, and regularly report publicly on their progress.

This is a very public demonstration of our commitment to our journey to Net Zero and allows us access increased resources and exceptional support in planning all forward-looking steps required.

Newcastle Financial Advisers are able to provide advice and information on sustainable/ethical investments.

Branches

We remain committed to providing branches on our high streets and in our communities because our members tell us this is important to them.

We continue to innovate in how we deliver our growing network of branches, to maintain human contact and face to face financial services.

We continue to test different opening hours for branch locations to deliver the options that best meet what our members need.

Savings Accounts

We offer a range of regular savings accounts that can be used to save for a variety of purposes. There are no immediate plans to offer Christmas accounts. But we will give it some thought.