

**MINUTES OF THE 172<sup>nd</sup> ANNUAL GENERAL MEETING (AGM) OF SKIPTON BUILDING SOCIETY  
HELD AT THE PRINCIPAL OFFICE, THE BAILEY, SKIPTON ON MONDAY 28 APRIL 2025 AT 2.00PM  
AND ONLINE, VIA LIVE STREAM.**

The Society Chair, Gwyn Burr, was in the Chair. The meeting was attended by the board and the Secretary together with 42 eligible members of the Society in The Bailey, Skipton, and 273 members joining the meeting online, via the live stream.

**1. CHAIR'S OPENING REMARKS**

- 1.1. The Chair introduced herself, and the rest of the board and other senior group colleagues in attendance, and welcomed members to the meeting, both in the room and via the online live stream of the event. The Chair set out the housekeeping points relating to the meeting and voting procedures and, after confirming the meeting was quorate, she formally declared the meeting open.

**2. CHAIR'S ADDRESS**

- 2.1. The Chair reflected on the Society's performance in 2024, its 172<sup>nd</sup> year. The Society had helped over 41,000 members secure a mortgage in the year, including more than 20,000 first time buyers. Also, the Lifetime ISA offering had grown, assisting 14,000 young people to save for their first home or retirement.
- 2.2. In the group businesses, Skipton International and Jade had achieved strong financial results. Also, Skipton Business Finance had expanded its footprint into Scotland, and Connells had delivered £20m in dividends to the Society.
- 2.3. The Society was investing in digital transformation and focussing on its diversity and inclusion initiatives. On the Board, seven directors were standing for re-election and Hasintha Gunawickrema was standing for her first election to the board. Andrew Bottomley, Philip Moore, and Mark Lund were retiring from the board.
- 2.4. An update on the Skipton Group approach to sustainability and achieving net-zero was provided. Also, the Society's commitment to pledge 1% of annual group profit before tax to charitable causes, including information on the Society's existing partnership with Age UK.
- 2.5. The Chair then invited Skipton Group Chief Executive, Stuart Haire, to address the meeting.

**3. GROUP CHIEF EXECUTIVE OFFICER'S ADDRESS**

- 3.1. Stuart Haire (SAH) explained that the Society was founded on fairness, and that helping people to own their own home was at the heart of what it did. Nearly 40,000 financial advice conversations had been held. Nearly 80,000 property exchanges had been managed through Connells Group, which also managed almost 130,000 property lettings. He also highlighted the strong performances across group companies.
- 3.2. SAH highlighted the new Skipton Group home affordability index which had been launched during the year. Also, the new, innovative mortgage products specifically designed to help first time buyers onto the property ladder.
- 3.3. Also, SAH advised of the 'My Money Review' and 'My Money Enquiry' services which had been launched to help improve financial awareness. Work was ongoing to help improve the home buying processes to provide smoother processes. Support was also being given to borrowers who were struggling with their mortgage payments.
- 3.4. SAH explained the retrofitting exercise that had been undertaken on a property in Skipton which was owned by the Society. This included gathering the lessons learned and plans to share these learnings with members. He also invited members to view the property in person or on the Skipton website.

- 3.5. He thanked colleagues and members for their support and shared the Society's new TV advert. SAH then invited Paul Chambers, Group Chief Financial Officer, to report on the Society and Group's financial performance in 2024.

#### 4. **GROUP CHIEF FINANCIAL OFFICER'S ADDRESS**

- 4.1. Paul Chambers reported on Skipton's financial performance in 2024, with group profit before tax of £319m, enabling reinvestment in the business, a strengthening of the executive team and also providing significant value back to the members.
- 4.2. The Liquidity Coverage Ratio had increased to 193%, up from 173% in 2023, and the Common Equity Tier 1 ratio had increased 28.7%. Connells group had made £61m profit in 2024 and the building society made a profit of £210m. Skipton International Limited had delivered profits of £31m.
- 4.3. Savings balances had grown by 8.9% to £28bn, well ahead of the UK market growth of 5.1%, with Lifetime ISA balances reaching £1.2bn. Funds under management had increased to £4.7bn. Gross mortgage advances had been £5.9bn and net lending had reached £2.4bn, with mortgage balances growing by 8.2% to £31bn. Member numbers had grown to over 1.27m.

#### 5. **MEMBERS' QUESTIONS**

- 5.1. The Chair thanked Paul Chambers and invited member's questions through the live stream, and in the room. Steph Hattersley hosted the Q&A session and raised the online questions to the Chair, on behalf of the members attending remotely. The Chair started by answering some member questions which had been raised prior to the AGM.
- 5.2. Firstly, the Chair explained that every three years there was a requirement to put the Remuneration Policy to members for approval. When considering such matters, the Board Remuneration Committee took advice from external experts and considered relevant benchmarking data. The aim was to create a fair reward system to reflect the Society's mutual values; to attract and retain the best senior talent; and, to drive a high-performance culture. A new long-term incentive plan was being introduced to reward executives over a three-year period - only if the agreed financial and non-financial targets were met would such rewards be paid out, which would be over the following 4-year period. This was to ensure the individuals remained committed over both the short and long-term.
- 5.3. The second question related to the Society's support of first-time buyers, who she noted were the life blood of the housing market. The 100% 'Track Record' and 'Income Booster' mortgages had been introduced. Also, the Group was urging Government to make changes to Stamp Duty and Lifetime ISA thresholds to help first time buyers even further.
- 5.4. A member online asked whether Skipton Building Society was being replaced by the Skipton Group. The Chair explained the Skipton Group was made up of around 90 brands, and there was no intention to replace Skipton Building Society, which was the heart and core of the group. The Skipton Group was unique in that it owned many aspects of the housing eco-system, which weren't owned by any other group, and that any natural cross-group synergies would be explored.
- 5.5. A member in the room asked whether there was a diversity and inclusion program in place. The Chair confirmed that there was, and that all cultures were welcomed at Skipton. The leadership team was committed to embedding this across the whole organisation and discrimination of any kind would not be tolerated.
- 5.6. A member in the room asked whether savings passbooks would be discontinued. Stuart Haire confirmed there were no such plans, providing members still wanted to use passbooks; also, the Society stood strongly behind its branch network.
- 5.7. An online member asked what Skipton's gender pay gap was. The Chair confirmed this was 21.6%, down from 24.6% in 2022. Female senior leadership stood at 48%, ahead of the 45% target, with an aspiration to reach gender parity by 2027. The Chair also noted the three female CEOs who were now in post across the group.

- 5.8. A member in the room asked about the Society's support of 'co-housing'. SAH confirmed there had been a review of how lending could be put behind this initiative, including shared ownership schemes. However, this would need to be subject to the lending being legally secure for both the individual borrower and the Society.
- 5.9. A member online asked what was being done to help in the commitment to sustainability. The Chair confirmed a group-wide net zero commitment had been established and plans were being developed towards that 2050 goal. Meaningful steps were being taken to support the decarbonisation of UK housing and many learnings had been gained from the retrofit project recently undertaken by the Society.
- 5.10. A member in the room confirmed she had had very good personal service from Clitheroe branch and asked whether there were any proposals to enable members to telephone their local branches directly, as she felt many older members were not always able to deal with the other ways to get in contact with their local branch. SAH explained that a careful operational decision had been made to centralise calls. This was because when branches were busy, the calls were often unable to be answered in branch. So, a decision had been made to centralise the calls, whilst still allowing appointments to be booked in with branches, where necessary. However, this decision would be kept under regular review and branch staffing levels would also be reviewed to ensure these remained appropriate to deal with business volumes.
- 5.11. Another member reported that his bank was closing its branch in his area later that week. He wondered if the Society was looking to open branches in areas where banks were closing their branches. SAH advised that the Society wasn't a current account provider, so the services provided by the Society were different to those of current account providers. He acknowledged that the face-to-face service provided by branches was important to members and, whilst there were no current plans to open any new branches, if the right opportunity came along this would be considered.
- 5.12. A member in the room queried whether interest only mortgages were still recommended by the Society. SAH advised that both interest only and repayment mortgages had a place but that this was dependent on individuals' personal circumstances.
- 5.13. Another member in the room asked how value was returned to members in 2024. SAH advised that, as there were no external shareholders to pay, more value could be returned to members. This was achieved in three main ways: i) direct financial returns via better products; ii) investment in services, branches, telephony, and financial advice; and, iii) using members' money to contribute to the wider society via charitable partnerships aligned to the Society's purpose.
- 5.14. The Chair thanked all members for their questions.

## 6. **VOTING**

- 6.1. The Chair advised that voting was open online and that the board recommended that members voted in favour of all the items of business. She then read each of the items of business, as listed on the notice of meeting and noted below and invited members present in the room to record their votes on their voting papers:

1	To receive the Annual Report & Accounts
2	To re-appoint Ernst & Young LLP as auditors
3	To approve the Directors' Remuneration Report (other than the section headed 'Directors' Remuneration Policy') for the year ended 31 December 2024
4	To approve the Directors' Remuneration Policy (as contained in the Directors' Remuneration Report for the year ended 31 December 2024)
5.1	To elect Hasintha Imalee Gunawickrema
5.2	To re-elect Gwyneth Victoria Burr
5.3	To re-elect Paul Stuart Chambers
5.4	To re-elect Iain Alexander Cummings
5.5	To re-elect Steven James Davis

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5.6	To re-elect Stuart Arthur Haire
5.6	To re-elect Denis Arthur Hall
5.8	To re-elect Heather Louise Jackson

- 6.2. Whilst not a formal item of business, the Chair then introduced two videos, one from each of the charities who had been shortlisted to be the Society's next charity partner – MyBnk and Refuge – and invited members to vote for which of these they wished to support.
- 6.3. The votes completed in the room were collected and the Chair confirmed that the scrutineers would then conduct the counting of the votes.
- 6.4. The Chair then declared the formal business on the meeting concluded and the meeting closed.
- 6.5. Preliminary results from 60,590 proxy votes received prior to the meeting were then shared on screens in the room and online. The Chair noted that 48.4% of these votes had been cast online and that the preliminary results demonstrated that an overwhelming majority of members were supportive of the board and its current business strategy for success. She advised that the final results would be published on the [skipton.co.uk](http://skipton.co.uk) website the following day and displayed in Society branches.
- 6.6. The Chair invited members in the room to meet with the directors after the meeting, and thanked members both in the room and via the live stream for their time and continued support of the Society.
- 6.7. The Chair then closed the meeting.

*G Burr*

Gwyn Burr - Chair