

ANNUAL REVIEW 2024

160
YEARS

TOGETHER
for generations



**YORKSHIRE
BUILDING
SOCIETY**



WELCOME

from the Chair of the Board

This is my first year as your Chair and I am delighted to be part of an organisation whose purpose is to provide genuine help for the real-life issues our members face.

Find out more about the directors you can vote on at the AGM on pages 19 to 23.

Providing value for members

In 2024 we celebrated 160 years of helping our members and making a real difference.

The Society was founded in 1864. At the end of our first year, we had £2,143 saved with us and six borrowers. In 2024, our assets reached £65.5 billion, and we provided 41,000 new residential mortgages.

Although a lot has changed, in the ways that matter, we remain the same. We are here to help people have a place to call home, support financial wellbeing and deliver value for our members. In recent years, with the economic environment bringing more challenges for many, our purpose has been even more relevant.

As I get to know the Society, it is clear that this is an organisation with members at its heart. I have visited our contact centres, branches and spoken to members and colleagues.

Our branches and agencies play an important role at the heart of our communities. We want you to contact us in the way that works best for you, whether that's online, on the phone or by speaking to our brilliant colleagues in our branches.

A commitment to our communities

Having a positive impact goes beyond our members, products and services, and into our charity partnerships.

In 2024 I spent time with FareShare. I am very proud of the work they are doing with our support, improving life skills, resilience and employability. In addition, I've learnt about Citizens Advice and I am pleased their advisors are in 40% of our branches.

A focus on strength and sustainability

A key responsibility for the Board is overseeing the delivery of Our Strategy. Our ambitious plans will see us build on our customer-centred culture and provide our services through more channels. We will continue to offer good value savings and mortgages, supporting our loyal members, and people who may struggle to get support elsewhere.

Changes to your Board in 2024

John Heaps, your former Chair, stepped down from the Board in April, followed by Alison Hutchinson, our Vice Chair and Senior Independent Director, in December, both having served over nine years on the Board. Jennelle Tilling also stepped down as a Non-Executive Director at the end of the year.

We thank each of them for their valued contributions to the Society. During the year we also welcomed Peter Bole and Janet Pope as Non-Executive Directors to the Board.

Tom Ranger joined the Board as our Chief Financial Officer, following the retirement of Alasdair Lenman. David Morris, our former Chief Commercial Officer also stepped down from the Board. Thank you again to Alasdair and David for all they have done over the years.

A solid performance and an ambitious future

The Society's performance in 2024 is in line with our plan, strengthens our financial position and will support our growth aspirations.

We will continue to look for new ways to provide value to our members, alongside above-market average savings rates and innovative mortgage and savings products.

I look forward to working with our Board and colleagues, to deliver even greater value for our members for many years to come.

Annemarie Durbin
Chair of the Board
26 February 2025



A REVIEW OF 2024

by Susan Allen,
Chief Executive

For over 160 years, the Society has focused on providing Real Help with Real Life, for generation after generation. This purpose continues to guide our activity today.

AS A BUILDING SOCIETY WE'RE DIFFERENT

All the profits we make are reinvested for the benefit of our members, into our organisation, the products and services we offer, and our communities.

Here to support our members

There are welcome signs that the UK economy is starting to recover. Interest rates have fallen from their peak and inflation is stabilising, but our members still face financial challenges.

Our research shows owning a home is becoming harder for people to achieve¹ and it is estimated that 18% of UK adults have less than £100 in savings².

This all reinforces the importance of the support we provide for our members. We are committed to finding new ways to respond directly to evolving customer needs.

In 2024 we offered several innovative products that really make a difference, helping members find a place to call home and to build their financial wellbeing.

Our £5k Deposit Mortgage helped more than 350 people buy their first home. It has been heartwarming to hear from customers what a difference this has made.

Recognising the importance of saving regularly, we created a £50 Regular Saver account and supported 17,600 people to keep saving, or even start a savings habit. Our research shows that having a regular savings habit, no matter how small, improves life satisfaction³. The benefits of saving are far more than financial.

“We will continue to innovate with unique solutions that provide Real Help with Real Life”

- 1 Based on data collected with Opinium Research – surveying 1,000 UK First Time Buyers (looking to purchase in the next 3 years). Completed 18 July 2024 – 26 July 2024.
- 2 Based on data collected with Opinium Research – surveying 2,000 UK adults nationally representative of the UK population. Completed 3–12 May 2024.
- 3 Data collected from “Understanding the role of savings in promoting positive wellbeing” – a research report from the Personal Finance Research Centre (PFRC), University of Bristol commissioned by the Building Societies Association and sponsored by Yorkshire Building Society, July 2024.



THE FIRST YEAR OF OUR STRATEGY

Our Strategy is all about providing Real Help with Real Life. Helping more members and providing even more support each year.

In 2024, we focused on:

- Simplifying processes.
- Investing in digital capabilities.
- Further enhancing our governance and controls.

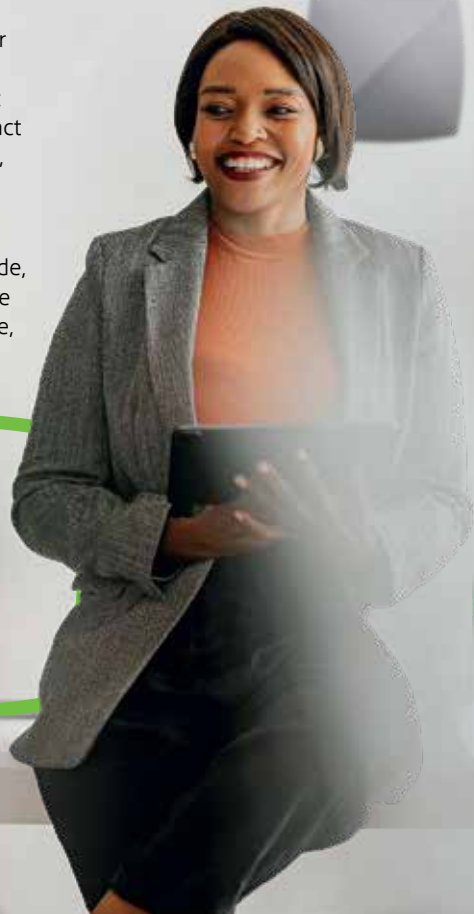
We have made good progress but we know there is still more to do. Investment in these critical areas is key to our long-term success.

The Society's overall Net Promoter Score (NPS), which is a measure of how willing our customers are to recommend us, continues to be strong. Within the feedback, the great customer service in our branches and contact centres is one of the most common themes, alongside continual improvement in our digital services.

I am pleased with the progress we have made, powered by our brilliant people. Our diverse workforce, enabled by our ambitious culture, will ensure the success of our customer-focused strategy.

I am grateful to all our colleagues for their hard work and commitment.

A common root cause of customer complaints are manual processes, which are complex for our colleagues to navigate. A priority in 2025 is to improve our processes and make things easier and more efficient for members and colleagues.



STRONG LINKS TO OUR COMMUNITIES

As a building society, we've been making a difference to the people in our communities for 160 years. It's what we were created to do. Our community programme is focused on supporting people with their financial wellbeing, and there is a lot to be proud of in 2024:

- Our partnership with FareShare has helped 660 people to build skills for the future to support them to find work, with 66 participants already securing paid employment.
- Our Money Minds sessions have delivered financial education to 20,000 people across various age ranges.
- Our award-winning partnership with Citizens Advice provided 5,600 people with free, impartial advice, covering anything from financial to legal issues, to help them find a way forward.



MINIMISING OUR IMPACT

We remain committed to supporting the UK's transition to a low carbon economy by minimising our climate-related impact.

We have taken action to improve our financed and operational emissions reporting and continue to reduce our operational emissions, however we have seen an increase in our overall operational carbon footprint due to an increase in our colleague numbers.

We are working on reducing our impact and a particular highlight for me in 2024 was starting the installation of solar panels at our head office car park. We expect this will reduce our operational carbon emissions by over 100 tonnes a year which will help us reach our target of net zero across our own operations by 2035.

We also recognise the importance of supporting our members to reduce their carbon footprint. In 2024 we were pleased to launch our partnership with Snugg² who offer tools and solutions designed to help homeowners reduce their energy consumption and carbon footprint.



OUR PERFORMANCE REMAINS SOLID

In our 160th year, our solid performance continued.

We achieved strong levels of growth in both mortgages and savings. Mortgage balances increased by £2.9 billion and retail savings balances by £5.2 billion.

We continue to help people find a place to call home and are pleased to have increased our gross and net lending. Successful growth in our savings business has supported this mortgage growth.

The stable, and more recently falling, interest rate environment led to an anticipated reduction in net interest margin to 1.16% (2023: 1.31%).

We continue to help people find a place to call home

On an underlying basis operating costs have increased by 10.2% compared to last year. This reflects increased investment in our change programme, the impact of inflationary pressures and the costs associated with our growing operational scale. We also continue to invest in our branch network for the benefit of our members, and are committed to ensuring our colleagues are fairly rewarded.

Mortgage balances increased by
£2.9BN

Retail savings balances increased by
£5.2BN

STRENGTHENING OUR RESERVES AND SUPPORTING OUR GROWTH

As we deliver Our Strategy, it is important that we invest in the capabilities we will need, but also maintain tight control over our costs to enable continued investment in transformation.

Our profits help further strengthen our reserves and support our growth ambitions. Our strong capital and liquidity position allows us to continue investing to make a real difference for our members. Core operating profit for 2024 was £345.7 million, a decrease of £104.2 million on the previous year, and statutory profit before tax was £383.7 million (2023: £450.3 million).



DELIVERING FOR OUR MEMBERS, TOGETHER

In 2024, I welcomed new colleagues to my executive team.

I am confident the combined skills and experience of the whole team will benefit the Society greatly. We are united behind Our Strategy and committed to our enduring purpose of providing Real Help with Real Life.

Everything we achieved in 2024, combined with our ambitious plans, positions us well to

transform the Society to deliver even more value for our members for generations to come.

Thank you for your continued support.

**Susan Allen, OBE
Chief Executive**

26 February 2025

2024 AT A GLANCE



Member value

Interest rates consistently beat the rest of market, on average by

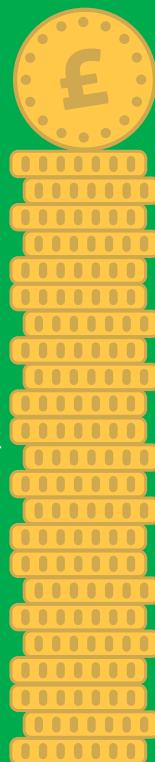
0.90¹

percentage points
1.01 percentage points higher in 2023

Our Net Promoter Score, which measures how willing our customers are to recommend us increased to

+64²

+63 in 2023³



Place to call home

41,000

new residential mortgages provided
44,000 in 2023

Gross mortgage⁵ lending share

3.8%

3.9% in 2023



Financial wellbeing

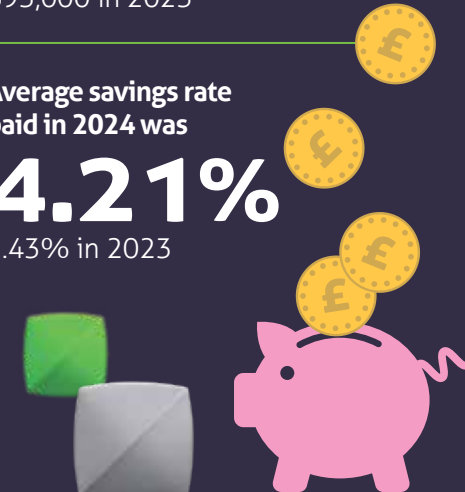
537,000

new savings accounts opened
693,000 in 2023

Average savings rate paid in 2024 was

4.21%

3.43% in 2023



Community

20,000

people reached through our financial education programme Money Minds
16,000 in 2023

Yorkshire Building Society Charitable Foundation exceeded a milestone

£10M

in donations since 1999

£1.3M

in charitable donations⁴

£0.9M in 2023

People

Supported

90

colleagues to study for an apprenticeship

Colleagues gave

11,700

volunteering hours
6,500 in 2023



Environment

Carbon footprint⁶

+4.0%

-6.0% in 2023



Landfill diversion⁷

97%

 of waste

98.7% in 2023



1 YBS Group average savings rate compared to Rest of Market average rates. Source: CACI's Current Account and Savings Database (CSDB), Stock. Data period January 2024 – December 2024.

2 Net Promoter Score and NPS are trademarks of Bain & Company, Inc., Fred Reichheld and Satmetrix Systems, Inc. Data period January – December 2024, based on 22,873 responses.

3 Following a change in the calculation methodology for Group NPS, the comparative period has been restated on a consistent basis.

4 Donations made by YBS Group.

5 Based on Bank of England total industry gross lending. Data period January – December 2024.

6 The change in carbon footprint compares 2024 to 2023 emissions categories where data is available for both years and is calculated on a market-basis. YBS has changed its approach to reporting emissions from gas backed by renewable certificates to align with current best practice, meaning market-based emissions from gas usage are no longer reported as zero. The carbon footprint has increased due to an increase in emissions from employee commuting and working from home. This is due to an increase in the total number of colleagues employed by the Society.

7 Landfill diversion rate represents the proportion of waste generated by the Society that is recycled or recovered for energy. The decrease is due to a reduction in the total volume of waste generated by the Society.

SUMMARY FINANCIAL STATEMENT

Details of our financial performance in 2024.

This financial statement is a summary of information in the audited 2024 Annual Report and Accounts, of Yorkshire Building Society and its controlled entities (the Group), a copy of which is available to members and depositors free of charge at every office of Yorkshire Building Society. The information is also available online at ybs.co.uk/annualreport

Summary Directors' Report

The information contained in the Chair's welcome and Chief Executive's review on pages 2 to 9 addresses the requirements of the Summary Directors' Report.

The directors consider that the Group has adequate resources to continue in operational existence for at least 12 months from the date of approval of the Annual Report and Accounts.

Approved by the Board of Directors on 26 February 2025:

Annemarie Durbin - Chair of the Board

Tom Ranger - Chief Financial Officer

Susan Allen - Chief Executive

Group Income Statement	2024 £m	2023 £m
Net interest income	736.5	786.0
Fair value gains and losses	36.2	(5.5)
Net realised gains and losses	0.2	1.6
Other income ¹	(21.1)	4.3
Total income	751.8	786.4
Management expenses ²	(366.6)	(332.7)
Impairment of loans and advances to customers ³	(0.2)	(4.0)
Movement in provisions	(1.3)	0.6
Profit before tax	383.7	450.3
Tax expense	(102.0)	(118.6)
Profit for the year	281.7	331.7

¹ Includes net fee and commission income and other operating income.

² Includes administration expenses, depreciation and amortisation.

³ Loans and advances to customers includes fair value adjustments for hedged risk on those loans.

Group Statement of Financial Position

	2024 £m	2023 £m
Assets		
Liquid assets	14,621.0	12,798.4
Loans and advances to customers	49,250.8	46,200.4
Other assets	1,672.6	1,969.9
Total assets	65,544.4	60,968.7
Liabilities		
Shares	52,045.4	47,056.7
Wholesale funding and other deposits	7,385.0	7,789.3
Subordinated liabilities	1,453.3	1,621.7
Other liabilities	686.0	802.5
Total liabilities	61,569.7	57,270.2
Members' interest and equity	3,974.7	3,698.5
Total members' interest, equity and liabilities	65,544.4	60,968.7

Summary of key financial ratios

	2024 %	2023 %
Gross capital as a percentage of shares and borrowings	9.13	9.70
The gross capital ratio is the relationship between the Group's capital and its liabilities to investors. Capital comprises general reserves (i.e. accumulated profits), hedging and revaluation reserves, subordinated liabilities and subscribed capital.		
Liquid assets as a percentage of shares and borrowings (liquidity ratio)	24.60	23.34
The liquid asset ratio measures those assets available to meet requests by savers to withdraw their money, to fund mortgage advances and to fund general business activities. It expresses cash and assets easily converted into cash as a percentage of the Group's liabilities to investors.		
Profit for the year as a percentage of mean total assets	0.45	0.55
Management expenses as a percentage of mean total assets	0.58	0.56
The management expense ratio measures how cost effective the Group is. It is calculated by comparing the management expenses (administrative expenses opposite) for the year with average total assets.		

Independent auditors' statement on the Summary Financial Statement to the members of Yorkshire Building Society

We have examined the Summary Financial Statement of Yorkshire Building Society (the 'Society') set out on pages 12 to 13, which comprises the Group Income Statement, Group Statement of Financial position as at 31 December 2024 and a summary of key financial ratios.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Summary Financial Statement, in accordance with the Building Societies Act 1986.

Our responsibility is to report to you our opinion on the consistency of the Summary Financial Statement with the full Annual Accounts, the Annual Business Statement and the Directors' Report and its compliance with the relevant requirements of Section 76 of the Building Societies Act 1986 and the regulations made under it.

We also read the other information contained in the Annual Review and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the Summary Financial Statement. The other information comprises only the Chair of the Board's welcome, the Chief Executive's review and the Summary Directors' Remuneration Report.

This statement, including the opinion, has been prepared for and only for the Society's members as a body in accordance with Section 76 of the Building Societies Act 1986 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this statement is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Basis of opinion

Our examination involved agreeing the balances in the Summary Financial Statement to the full Annual Accounts. Our report on the Society's full Annual Accounts describes the basis of our audit opinion on those Annual Accounts, the Annual Business Statement and the Directors' Report.

Opinion

In our opinion the Summary Financial Statement is consistent with the full Annual Accounts, the Annual Business Statement and the Directors' Report of Yorkshire Building Society for the year ended 31 December 2024 and complies with the applicable requirements of Section 76 of the Building Societies Act 1986, and the regulations made under it.

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors Leeds.
26 February 2025.



WE'RE HERE WHEN YOU NEED MORE SUPPORT



If you need help or if your life changes, even for the short term, we know it can make managing your accounts or contacting us more difficult.

We want you to be able to access our products and services in a way that works best for you. Making managing your accounts as easy as possible.

HOW WE CAN HELP

Everyone's needs are different, here's a few ways we can help:

- Sending your documents in different formats, such as large print or audio.
- Offering different ways for you to contact us. This could be using secure messaging, SignLive or Relay UK.
- Care kits in our branches and agencies. These include magnifiers and magnifying lenses, signature guides and easy-grip pens.
- Or you might just need us to do something differently to make things easier when you call us.

Find out what we can do to support your individual needs, as well as details of specialist organisations that might be able to help, at:

ybs.co.uk/accessibility

Or contact our Extra Care Team:

extracareteam@ybs.co.uk

[01274 089767](tel:01274089767)

CAN'T POP IN? JUST LOG IN

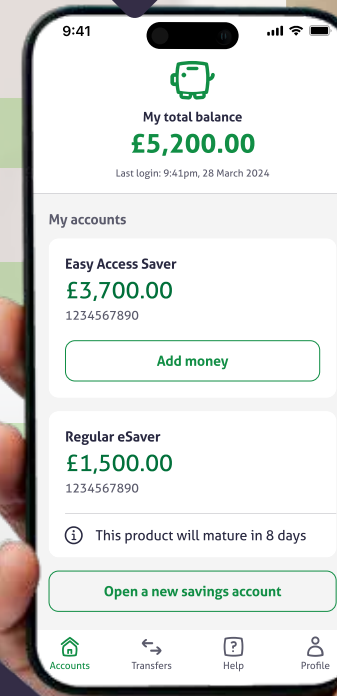
- Secure access with Face ID, fingerprint or a passcode
- View your account details
- See your balance and transactions
- Download your monthly statements
- Make payments into and out of your accounts
- Apply for savings accounts
- Update your details and preferences

DID YOU KNOW...

You can manage your accounts online or in our app?

And you can still pop into any of our branches or give us a call.

Together we've got you covered.



REGISTER NOW

Simply register your accounts for online access at ybs.co.uk/register and then download the app.

To find out more go to ybs.co.uk/savings-app

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IMPROVING FINANCIAL WELLBEING

and helping to build a nation of savers

We understand the importance of knowing what is relevant today.

That is why we speak to our members and do research, so we continue to support our members and their families the best we can.

3/4¹

of Gen Z who don't save "can't save" due to a lack of income or high debts.



31%¹

of Gen Z say that if their monthly outgoings went up by £100 they would be unable to afford them.



74%¹

of adults agree that Gen Z will find it harder to save due to increased house prices and rents.



39%¹

of Gen Z say they lack the knowledge to make key financial decisions.



Today's young adults are facing some big challenges.

In 2024, we took a look at how Generation Z (those aged 16-27) spends and saves. They are really struggling, with a big chunk of their monthly income going towards essentials like rent and bills.

WE ACT ON THE INSIGHT WE GET

In 2024 this included:

- ✓ Creating products to help our members, such as loyalty and regular saver accounts.
- ✓ Getting charity leaders, think-tank representatives, and MPs together to talk about the financial resilience of young people.
- ✓ Submitting evidence to the Government's Curriculum and Assessment Review, to support its calls for financial education to be mandatory in all schools.

HELPING FIRST TIME BUYERS GET ONTO THE LADDER

Did you know?

- Only 1 in 5 people (18%) feel they're knowledgeable about mortgages².
- Less than half (45%) realise that having a good credit score is important when applying for a mortgage².
- Just 22% say they learned anything about mortgages from financial education in secondary school².

Check out interactive lessons and quizzes on topics such as:

- When is the right time to buy a home?
- How to cut down on debt and keep your credit use low.
- Building strong credit history.

We've launched an exciting new hub for first time buyers, full of helpful resources and support. We've also teamed up with financial education tool, Doshi, to offer easy-to-understand online lessons that guide first-time buyers through the process.

Cut through the jargon and learn more about how to buy your own home
ybs.co.uk/first-time-buyers

¹ Yorkshire Building Society's Saving Generation Z report, research conducted by Opinium, May 2024.

² Survey of 2,000 UK adults, (weighted to be nationally representative), undertaken by Opinium 03 May – 12 May 2024.

WHO ARE YOU VOTING FOR?

Your Board is made up of a number of directors that represent you. You can vote on their election or re-election at the AGM. Directors will only get elected or re-elected if the majority of members vote in their favour. So your vote really does count.

Your Board plays an important role in ensuring that the Society is run with your interests at the heart of our decision making.

In 2024 we focused on Board and Executive succession, so we have the right people with the right skills and experience to support the delivery of Our Strategy. Not just now, but in the future.

We have five Board Committees, including the new Environmental and Social Purpose Committee. Committee membership is made up of Non-Executive Directors. Executive Directors are invited to attend as appropriate.

We make sure all your Non-Executive Directors have enough time for the responsibilities of their role. Availability and other commitments are reviewed as part of the recruitment process and on an ongoing basis.

Get to know more about our directors on the next few pages.



PETER BOLE

Independent Non-Executive Director

Joined the Board in September 2024

I am delighted to have joined the Board and to represent members on the Board and the Audit Committee. I am the Chief Financial Officer of an insurance company and have spent the last 25 years working for large retail banks and insurance companies. I previously worked in accountancy.

My executive roles have generally involved leading the finance function. I have often worked within organisations going through transformational change in response to evolving customer requirements and the changing market environment.

I joined the Society because I am a firm believer in the role of mutual organisations.

I admire Yorkshire Building Society, with its clear purpose and focus on members.

I'm committed to ensuring the financial and operational strength of the Society is maintained. Also that we continue to adapt to the world around us and to deliver crucial products and services to our members.

Society Committee membership

Member of Audit Committee.

External appointments

Chief Financial Officer of esure Group.



JANET POPE

Independent Non-Executive Director

Joined the Board in October 2024

My 40 years' experience in financial services has ranged across the public sector, commercial banking and the charity sector, with roles as varied as Retail Banking Director in Africa for Standard Chartered, Strategy Director at Visa and Savings Director at Lloyds Banking Group.

I have spent the past twelve years on the Group Executive Committee at Lloyds Banking Group, where I was Chief of Staff and Chief Sustainability Officer including responsibility for the Group's responsible business and inclusion and diversity activities.

I have been Chair at CAF Bank for seven years supporting charities to deliver support to those who need it most.

I will use my experience to support the Society as it grows, especially as it continues to help people

find a place to call home and to deliver value to savers.

I admire the role played by building societies, driven by a determination to help their members build a secure financial future.

As Chair of the new Environmental and Social Purpose Committee, I will help the Society to play its part in supporting the transition to net zero and support its work to help create a sustainable future for its members, its customers and in the communities it serves.

Society Committee membership

Chair of Environmental and Social Purpose Committee.
Member of Remuneration Committee.

External appointments

Chair of Charities Aid Foundation (CAF) Bank and Chair of Nominations and Remuneration Committee, Trustee of StepChange Debt Charity and The Camden School for Girls.



TOM RANGER
Chief Financial Officer
 Joined the Board in June 2024

I was delighted and privileged to join Yorkshire Building Society. My background makes me ideally placed to oversee the long-term financial stability of the Society.

I have spent over 25 years in UK retail banking. Most recently at Santander UK, where for the past seven years I was the UK Group Treasurer. My responsibilities included funding, capital and liquidity management, balance sheet management and stress testing.

2024 has been a challenging year for many, given increases in the cost of living over recent years. We continue to listen to our members and be guided by our purpose.

Our £5k deposit mortgage is a great example of how we have supported members. Helping first time buyers struggling with the deposit needed to buy their own home. Also our regular saver account, designed to kickstart the savings habit for people who have never saved before.

My focus is on ensuring adequate financial resources and risk management processes are in place. Not only to give us financial stability, but to allow the Society to continue to invest on behalf of its members.

Group subsidiary directorships
 Chair of Accord Mortgages Limited.

Directors for re-election



SUSAN ALLEN
Chief Executive
 Joined the Board in 2023

It is a privilege to serve as your Chief Executive. I have 30 years' experience in financial services. This covers retail, corporate and investment banking, operations, customer service and business leadership roles.

Most recently my focus was retail banking with roles such as CEO, Retail & Business Banking at Santander UK and Head of Customer Transformation leading Barclays' branch and contact centre teams.

I have always enjoyed leading teams with a strong customer focus. I see this brought to life every day across our brilliant branch and contact centre teams, and by all our colleagues who support these teams.

I am really proud of the improvements in service we made in 2024, including enhancements to

digital services, and our investment in innovative new products which make a meaningful difference for our members.

In 2025, we will all be focused on continuing to provide Real Help with Real Life, including through our fantastic partnerships with FareShare and Citizens Advice. I will listen to our members, and act on their feedback. I want to make sure we continue to support families across the UK, standing out as a modern mutual.

External appointments
 Director of TheCity UK. Member of the Board of Trustees for the Alzheimer's Society. Member of the Building Societies Association Council.



GUY BAINBRIDGE
Vice Chair and Independent Non-Executive Director
 Joined the Board in 2019

I am focused on the Society's purpose, and ensuring it remains financially and operationally sound for the years to come.

I was very happy to take on the role of Vice Chair from 1 January 2025 which will include supporting the Board Chair in engaging with external stakeholders.

I am privileged to bring over 40 years of experience in retail banking, on your behalf, to the Board and its Committees.

As the Chair of the Audit Committee I make sure we spend time on quality external reporting and the controls supporting our financial and operational strength. Once again we have paid

particular attention to being fit for purpose not just for now, but also the future. This is crucial to continue to deliver relevant services to you, our members.

I am the Whistleblowing Champion for the Society, the key contact for anyone who may wish to report concerns about misconduct, fraud or unethical practices. I make sure that anyone, including our colleagues, can be confident that any concerns raised will be taken seriously and treated as confidential.

Society Committee membership
 Chair of Audit Committee.
 Member of Board Risk Committee.
 Member of Board Governance and Nominations Committee.

External appointments
 Non-Executive Director and Chair of the Audit Committee at ICE Clear Europe Ltd and a Non-Executive Director, Chair of the Audit Committee and a member of the Corporate Governance & Nominating Committee at Manulife Financial Corporation.



ANGELA DARLINGTON
Independent Non-Executive Director
 Joined the Board in 2022

As Chair of the Board Risk Committee, I focus on making sure that the Society has processes in place to identify, assess and manage the key risks to the Society, our members and our strategic objectives.

I have a wide range of financial services experience. Most of my career has been spent understanding, quantifying, and managing risk in insurance companies.

In 2024, the Society has remained resilient and continued to deliver its important purpose. Despite the continued external challenges.

I have been the Non-Executive Director for Workforce Engagement since January 2024.

My role is to make sure our colleagues' views are heard as part of discussions and decisions at Board level.

It is really important to me to be involved with a strong, diverse and successful building society, that's owned by its members. Also that it remains committed to its mutual business model and priorities of helping people find a place to call home and supporting greater financial wellbeing.

Society Committee membership
 Chair of Board Risk Committee.
 Member of Audit Committee.
 Member of Board Governance and Nominations Committee.

External appointments
 Independent Non-Executive Director of Rothesay Life (including member of the Risk Committee, Audit Committee, Governance & Nominations Committee and Customer and Conduct Committee), Member of Council for the London School of Hygiene and Tropical Medicine (including Chair of the Finance & Development Committee).



DEBRA DAVIES
Independent Non-Executive Director
Joined the Board in 2023

I'm delighted to have completed my first full year. I have been welcomed into the team by dedicated and talented colleagues and seen firsthand the desire to do the right thing for our members.

To understand your needs and concerns I've been out in our branches and listening to calls - hearing directly about what we do well and where we could improve.

I spent more than 30 years working in financial services in many countries, leading businesses, creating new products, serving customers and driving change. My experience shows me if we put our members needs at the front of our minds, we will do the right thing.

I will work closely with the management team to put your needs first, really bring to life what it means to be a member and help you navigate a sometimes difficult world.

As Chair of the Remuneration Committee I will ensure that we pay our colleagues fairly, reward excellent performance and member focus and retain and attract the talent we need to build the Society for the future.

Society Committee membership

Chair of Remuneration Committee.
Member of Board Risk Committee.
Member of Environmental and Social Purpose Committee.

External appointments

Non-Executive Director and Senior Independent Director at AXA UK plc, Chair of the Remuneration Committee and member of the Audit and Risk Committees. Non-Executive Director of Intrum AB and Chair of the Transformation Committee.



ANNEMARIE DURBIN
Chair of the Board
Joined the Board in 2023 as Chair Designate, became Chair in 2024

2024 was my first year as your Board Chair. During the year, I have used my 18 years of corporate governance experience to evolve how the Board operates so we continue to serve our members' interests to deliver Real Help with Real Life.

Together with my 35 years of international business and banking experience (in retail, commercial, corporate and institutional banking), the Board and I are focused on the key strategic topics that will make the biggest difference to the Society's success.

As a former CEO and a qualified executive coach, I have supported Susan, your Chief Executive, as she builds her executive leadership team.

During the year, it has been my privilege to spend time with our members, colleagues and charity partners in our branches, contact centres and online.

I have a real affinity with our brand and values, underpinned by true Yorkshire grit and determination. This is something that is aligned to my own personal values.

If re-elected by members at the AGM I will continue to dedicate my experience, energy, focus and determination to the Society's ongoing success.

Society Committee membership

Chair of Board Governance and Nominations Committee.

External appointments

Non-Executive Director, Chair of Remuneration Committee and member of Nomination Committee at Persimmon Plc. Non-Executive Director, Chair of Remuneration Committee and member of Management Engagement, Audit and Risk and Nominations Committees at Petershill Partners LLC.



DINA MATTA
Independent Non-Executive Director
Joined the Board in 2021

I am proud to be on the Board of Yorkshire Building Society. My experience in transforming financial services institutions, helps me ensure the Society continues to serve its members well today and in the future.

My career spans over 30 years, with experience in transformation, operations and technological innovation. I've worked in Europe and the US with HSBC/Midland Bank, UBS, British Telecom, ING Bank and more recently, the European Bank for Reconstruction & Development. As your representative I will make sure the priorities we choose, and the investments we make are taken with your interests at the heart of our decision making.

We are investing in developing new propositions and digital capabilities alongside our branch network. We aim to deliver a brilliant customer experience and great outcomes for all our members.

This is made possible by the dedication of our colleagues and their focus on delivering value to our members and communities. I am delighted to support them and be part of this wonderful Society.

Society Committee membership

Member of Remuneration Committee.

External appointments

Vice President and Chief Transformation Officer for the European Bank for Reconstruction and Development.



MARK PARSONS
Senior Independent Non-Executive Director
Joined the Board in 2020

I have worked in large financial services companies for 35 years. My executive responsibilities in that time have included finance, mortgages and savings, branches and telephone centres, human resources, IT investment and risk management.

I'm proud that I began my executive career at a building society and concluded it at a building society, as Chief Executive of Coventry Building Society.

A building society is privileged to be owned by its members. As your Board we have a duty to ensure the Society is run in your best interests. I'm pleased that through our strategy and our day-to-day actions we are focused on this.

Good examples in 2024 included sustaining competitive savings rates and member loyalty

products, ensuring we have a broad branch network and improving our app and online services.

As the Board's Member and Consumer Duty Champion I remain determined that we will continue this member focus.

I was also very glad to take on the role of Senior Independent Director from 1 January 2025 which will include assisting the Board Chair by being a point of contact for our directors.

Society Committee membership

Member of Audit Committee.
Member of Board Risk Committee.
Member of Board Governance and Nominations Committee.
Member of Environmental and Social Purpose Committee.

External appointments

Non-Executive Director of Fairstone Capital Group Ltd.

SUMMARY DIRECTORS' REMUNERATION REPORT 2024

Debra Davies, Chair of the Remuneration Committee.



Each year, we publish our Directors' Remuneration Report. It shows Executive Directors' remuneration and fees paid to Non- Executive Directors. The Remuneration Policy sets out the principles and policies for rewarding Executive and Non-Executive Directors and colleagues.

At the 2025 Annual General Meeting (AGM) the Directors' Remuneration Report will be subject to an advisory vote.

The remuneration reporting requirements apply to listed companies, and therefore are not legally applicable to the Society. However, in line with best practice the Society puts remuneration votes to members at the AGM and we take your views seriously, as this forms part of the feedback we consider as a Committee. As we are owned by our members it's only right they have the chance to vote.

There are no proposed changes to the Remuneration Policy requiring a vote at the 2025 AGM. The Remuneration Policy is voted on every three years (or sooner if required) and was last approved by members on 23 April 2024 with 92.31% of the votes cast being in favour of the resolution. The Remuneration Policy will be put forward at the 2027 AGM.

The Society has operated in line with the approved Remuneration Policy and always in the best interests of the Society's members. As such, the Remuneration Committee recommends that members vote in favour of the 2024 Directors' Remuneration Report at the AGM.

We delivered a solid performance in 2024

Our 2024 results are in line with our plan, strengthen our financial position and will support our plans for growth. I'm proud of our colleagues for continuing to provide real value and improve the service to our members. Against this backdrop, the Committee remained focused on remuneration solutions in the best interests for members and colleagues.

We welcomed Tom Ranger as Chief Financial Officer in 2024. Tom has over 25 years' experience in financial services, most recently with Santander. His experience is now helping the Society deliver its purpose of Real Help with Real Life, in a challenging external environment.

Tom's remuneration package takes into account remuneration levels in the market, his extensive financial services experience and is in line with our Remuneration Policy. As is usual, we have agreed to compensate Tom for the loss of deferred bonus forfeited on his resignation from Santander. These replacement awards are not more than the original awards and will be paid in line with the prior vesting schedules.

Our approach to remuneration

We ensure our remuneration aligns with what we do every day to support our members. This helps us attract and retain our strong Senior Leadership Team. This is critical to achieve our objectives and deliver long-term value for members. We ask for colleague feedback on our remuneration framework and ensure our Policy is gender neutral and fair.

How we manage remuneration

The Committee is made up of three independent Non-Executive Directors. The Committee ensures that we have the right policies and processes in place for all our colleagues, Executive and Non-Executive Directors. The Remuneration Policy is in place to support all of our colleagues in working together for the benefit of the Society, our members and customers, with the Committee's oversight of remuneration across the workforce featuring prominently on its agenda within the year.

We ensure our remuneration aligns with what we do every day to support our members.

This helps us attract and retain our strong Senior Leadership Team.

Changes to Executive Directors' salaries in 2024

In 2024 Susan Allen was awarded a pay increase of 3.18% effective 1 May 2024. This uplift was lower than those provided to all colleagues and remains in line with our analysis of the broader market. Given that Tom Ranger started with us during the year, there was no change to his salary.

THE COMMITTEE REMAINED FOCUSED

on remuneration solutions in the best interest for members and colleagues

A new approach to variable pay

For 2024, we have implemented a new approach to bonus. There are two separate, main schemes. One for Senior Leaders (including Executive Directors): 'Our Senior Leader Bonus', and one for all colleagues (excluding Senior Leaders): 'Our Bonus'.

For both schemes, the Society's threshold performance levels for core profit before tax (core PBT) and Net Promoter Score (NPS) need to be achieved, before any bonus award is granted. Our Bonus scheme performance against these two measures also determines the bonus pool.

For Our Senior Leader Bonus scheme, Society performance across all the Scorecard measures (including core PBT and NPS) determines the bonus award. An additional percentage of bonus may be awarded based on individual performance. Individual performance is measured against individual objectives and behaviours. Objectives may include financial and non-financial measures.

Our Bonus

A strong Society performance resulted in eligible colleagues being awarded with an average bonus of 8% of salary.

Our Senior Leader Bonus

Individual objectives for each colleague are agreed at the start of the year. The Society's solid performance in delivering value for members and colleagues despite ongoing economic uncertainty, has resulted in above target bonus awards for eligible Senior Leaders. All bonus awards are subject to the operation of a Business Controls Overlay Process as outlined in the Remuneration Policy.

All variable pay for Executive Directors is deferred

In line with relevant remuneration regulations, variable pay awards for Executive Directors (and other colleagues whose total variable pay amount means

they are subject to these regulations) are subject to deferral over a multi-year period. In these cases, variable pay will be spread over a longer period and delivered partly through Share Equivalent Instruments instead of cash, which will also have a holding period. This deferral approach helps manage risks while achieving the level of sustainable performance.

Non-Executive Directors do not participate in any variable pay scheme.

The Committee feels confident that our strong financial performance places us in a good position to enhance member value sustainably over the long term.

Executive Directors' Remuneration

The table below shows the remuneration of the Society's Executive Directors for the year ended 31 December 2024. This information has been extracted from the 2024 audited Annual Report and Accounts.

Executive Director	Fixed Remuneration				Variable Remuneration			Total Remuneration Including Replacement Awards	Total Remuneration Excluding Replacement Awards
	Base Salary	Taxable Benefits	Pension	Total Fixed	Bonus	Replacement Awards	Total Variable		
2024	£000	£000	£000	£000	£000	£000	£000	£000	£000
Susan Allen CEO	798	32	88	918	777	0	777	1,695	1,695
Tom Ranger ¹ CFO	259	19	29	307	426	869	1,295	1,602	733
Alasdair Lenman ² CFO	246	16	25	287	144	0	144	431	431
David Morris ³ CCO	281	9	31	321	0	0	0	321	321

1 Tom Ranger – joined the Society as Chief Financial Officer on 18 June 2024 and was awarded an annual base salary of £485,000. Replacement awards include £868,937 awarded to compensate for deferred awards forfeited on leaving his previous employer. In line with remuneration regulatory expectations these replacement awards will vest in line with the prior vesting schedule. The bonus awarded to Tom for the 2024 Performance Period under the 'Our Senior Leader Bonus' scheme has been calculated based on his 2024 eligible pay; plus the lost incentive opportunity award for the period of 2024 prior to joining the Society; and an additional £26,000 discretionary award awarded by the CEO.

2 Alasdair Lenman – retired from the Society as Chief Finance Officer on 30 June 2024, all data disclosed above reflect payment for time in role. Alasdair was granted Good Leaver status which enabled Alasdair to keep all deferred awards. Please note that Alasdair was awarded a bonus of £143,749 in 2024, which performance metrics were assessed at point of retirement and then reviewed at year end. The payment made to Alasdair was calculated based on his 2024 eligible pay and therefore prorated in line with time in role.

3 David Morris – resigned from the Society as Chief Commercial Officer on 4 October 2024, all data disclosed above reflect payment for time in role. Please note that David forfeited his 2024 bonus award.

Please note that as all four Executive Directors have not been in their stated YBS role for the full two year reporting period, their relevant remuneration reflects time in role.

Non-Executive Directors' Remuneration

The Chair of the Board and Non-Executive Director (NED) fees are usually reviewed annually. Following analysis of the market data available, and in line with the award provided to all colleagues the NED fees were increased in July 2024 as outlined below.

Non-Executive Director fees (annual equivalents)	Annual Fees as at 1 July 2024	Annual Fees as at 1 July 2023
	£000	£000
Chair of the Board basic fee	225	216.2
Vice Chair of the Board basic fee	84.8	81.5
Non-Executive Director basic fee	59.8	57.5
Additional fee for:		
Audit Committee - Chair	24.3	23.4
Audit Committee - Member	10.1	9.7
Remuneration Committee – Chair	19.9	19.1
Remuneration Committee – Member	7.3	7.0
Board Risk Committee ⁴ – Chair	24.3	23.4
Board Risk Committee ⁴ – Member	10.1	9.7
Board Governance and Nominations Committee (N.B. Additional fee does not apply to the Chair or Vice Chair)	7.3	7.0

4 Please note that until 1 January 2025, the Board Risk Committee was named the Group Risk Committee

During 2024 a review of the Board and Committee Architecture was completed and was approved by the Board in December 2024. In conjunction with this a review of time commitment and Non-Executive Director fees has also been undertaken, including external benchmarking. As a result of the review, taking into account the increased requirements of the Non-Executive Director role, and including the outcomes of the time commitment review and the revised Board and Committee Architecture, the following fees were agreed effective from 1 January 2025:

Non-Executive Director fees (annual equivalents)	Fee effective from 1 January 2025
Non-Executive Director	£62,000
Additional Fees:	
Vice Chair ¹	£12,500 (in addition to Non-Executive Director base fee)
Senior Independent Director (SID) ¹	£25,000 (in addition to Non-Executive Director base fee)
Audit Committee Chair	£27,000
Audit Committee Member	£13,500
Remuneration Committee Chair	£20,000
Remuneration Committee Member	£10,000
Board Risk Committee Chair	£27,000
Board Risk Committee Member	£13,500
Board Governance and Nominations Committee Member (excluding Board Chair and Senior Independent Director)	£10,000
Environmental and Social Purpose Committee Chair (new Committee with effect from 1 January 2025)	£20,000
Environmental and Social Purpose Committee Member (new Committee with effect from 1 January 2025)	£10,000
Board Champion Roles (excluding the Whistleblowing Champion Role and/or where Champion Roles are held by the Vice Chair or Senior Independent Director)	£3,000

¹ From 1 January 2025, the role of Vice Chair/Senior Independent Director has been split into two separate roles. There will be no further review of Non-Executive Director fees in 2025. The Board Chair fee was not included in the process and will, therefore, be subject to the normal annual review process in 2025.

Single total figure of remuneration for each Non-Executive Director

The Non-Executive Directors basic and committee fees earned in 2024 are outlined below. Non-Executive Directors do not receive any benefits or variable pay, but are reimbursed for any expenses incurred, such as travel and subsistence. This information has been extracted from the 2024 audited Annual Report and Accounts.

Non-Executive Director	2024 Basic Fees	2024 Committee Fees	Total
	£000	£000	£000
Annemarie Durbin (Board Chair from 23 April 2024)	220.6	0	220.6
John Heaps (Board Chair and stepped down from the Board on 23 April)	82.1	0	82.1
Guy Bainbridge	58.7	40.9	99.6
Peter Bole (joined the Board on 1 September 2024)	19.9	3.4	23.3
Angela Darlington	58.7	33.7	92.4
Debra Davies	58.7	29.4	88.1
Alison Hutchinson (stepped down from the Board on 31 December 2024)	83.2	17.0	100.2
Dina Matta	58.7	7.1	65.8
Mark Parsons	58.7	19.8	78.5
Janet Pope (joined the Board on 29 October 2024)	10.7	0	10.7
Jennelle Tilling (stepped down from the Board on 31 December 2024)	58.7	7.1	65.8

Remuneration Policy

For 2025, there are no proposed changes to the Remuneration Policy. The current Policy was approved by members at the Annual General Meeting (AGM) on 23 April 2024 with 92.31% of the votes cast in favour. The Policy is intended to apply for three years to the AGM in 2027. It is intended that no payments to Directors will be made outside of this Policy, unless required as a result of regulatory change. Details of the Society's full Remuneration Policy are available in the 2024 Annual Report and Accounts online at ybs.co.uk/annualreport

For the full Directors' Remuneration Report which includes all information on the Remuneration Policy and variable pay awards please go to ybs.co.uk/annualreport

NOTICE OF MEETING

The Annual General Meeting (AGM) of Yorkshire Building Society (Society) will be held at 2.30pm on Tuesday 29 April 2025 at The Queens Hotel, City Square, Leeds LS1 1PJ and online for the following purposes:

Ordinary resolutions

1. To receive the Directors' Report, the Annual Accounts, the Annual Business Statement and the Auditor's Report for the year ended 31 December 2024.

A Summary Financial Statement is included on pages 12 to 13 in the Annual Review booklet.

2. To re-appoint PricewaterhouseCoopers LLP as auditor of the Society to hold office until the conclusion of the next Annual General Meeting.

To comply with legislation, the Society's members have to appoint an auditor each year.

3. To approve the Directors' Remuneration Report for the year ended 31 December 2024.

This is an advisory vote as explained in the Summary Directors' Remuneration Report on pages 24 to 29 of the Annual Review booklet. There is a full version of the Directors' Remuneration Report in the Annual Report and Accounts 2024.

Election and re-election of directors

4. To elect Peter Douglas Bole
5. To elect Janet Edna Pope
6. To elect Thomas Allan Ranger
7. To re-elect Susan Mary Allen
8. To re-elect Guy Lawrence Tarn Bainbridge
9. To re-elect Angela Jane Darlington
10. To re-elect Debra Jane Davies
11. To re-elect Annemarie Verna Florence Durbin
12. To re-elect Dina Matta
13. To re-elect Mark Alistair Parsons

Having formally evaluated their performance, the Board considers that the directors seeking election and re-election continue to be effective and demonstrate the necessary commitment to the role.

By order of the Board
Robert K Moorhouse, Group Secretary
26 February 2025

Find out more

- For a copy of the full Annual Report and Accounts 2024, visit ybs.co.uk/annualreport, email agm@ybs.co.uk or contact us.
- Find out more about your directors on pages 18 to 23 of the Annual Review booklet.

How to vote

- **Vote before the AGM by post or online**

Voting by post or online prior to the meeting means that you are appointing someone else (known as your proxy) to attend the AGM and vote on your behalf. You can tell them how to vote on each item of business when you complete your voting form or vote online. Your proxy does not have to be a member of the Society.

Details on appointing a proxy and how they can attend on the day are included in the important notes about voting on the back of your voting form, or on the online voting site.

OR

- **Vote at the AGM by attending or participating online on 29 April 2025**

You'll find more details opposite.

Completed voting forms submitted by post or online must be received by the Society's scrutineers by 5pm on Friday 25 April 2025. For more information on how to vote, see the Chair's letter and voting form.

THE MEETING

Attend the meeting

We would love to see you at the meeting. You'll find all the details you need including directions and timings in the Chair's letter.

Join in online

Join our AGM live online at 2.30pm on Tuesday 29 April 2025.

Any votes cast during the meeting will be used as your final vote, even if you have already voted by post or used the online voting site.

If you receive your AGM information by post:

- Visit ybs.co.uk/agm2025, log in using your voting codes on your Chair's letter and the meeting code 30350

If you receive your AGM information online:

- We'll send you a personal link by email to go direct to the meeting on the day.

When you log in you'll find details of how to ask questions, vote live in the meeting and technical assistance and information. You'll be able to log in 30 minutes before the meeting starts.

If you have any online problems on the day:

Please contact our voting scrutineers, Civica Election Services at: support@cesjoinin.com

Can't join on the day?

You can watch a recording of the AGM, which will be available from Thursday 1 to 31 May 2025:

ybs.co.uk/agmrecording

We don't expect anything to stop the meeting going ahead but if we do need to make any changes we'll communicate these:

- On our website, ybs.co.uk/agm2025
- In our branches and agencies
- On our Facebook and X pages.



ANY QUERIES

📞 0345 1200 888 📧 AGM@YBS.CO.UK

OUR MEMBERS SAY IT BEST

From online discussions and surveys to quick polls. We'd love to hear what you think.

2024 gave us a lot of really useful feedback from our online panel. From what could help members in later life to behaviours and attitudes around changes to interest rates and savings goals. It all helps us improve our products and services.

Whether you have a few minutes or half an hour to spare. Register online and we'll be in touch next time we recruit new members.

joinmyvoice.co.uk

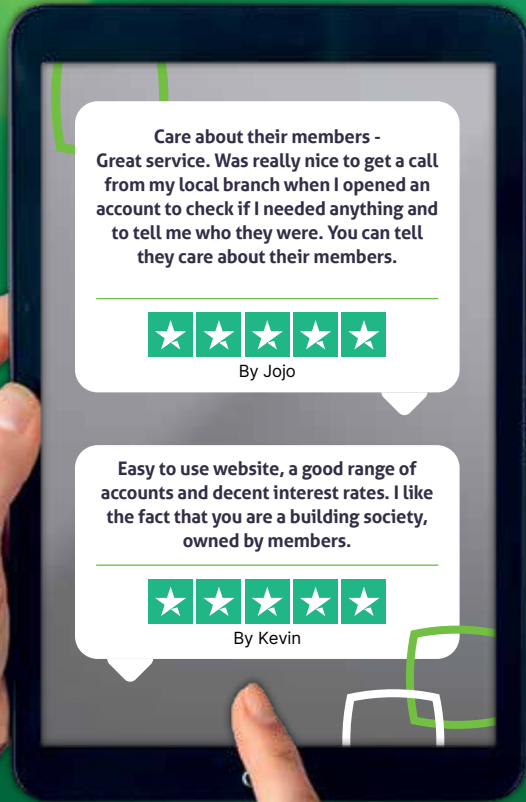
Yorkshire Building Society is rated Excellent

Based on 7,262 reviews



 Trustpilot

These are verified reviews of YBS members. Correct on 01.01.25



 **YORKSHIRE BUILDING SOCIETY**



This document contains certain forward-looking statements, which are made in good faith based on the information available up to the time of the approval of this report. Such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

All communications with us may be monitored/recorded to improve the quality of our service and for your protection and security. Calls to 03 numbers are charged at the same standard network rate as 01 or 02 landline numbers, even when calling from a mobile.

References to 'YBS Group' or 'Yorkshire Group' refer to Yorkshire Building Society, the trading names under which it operates (Barnsley Building Society, Barnsley, Chelsea Building Society, Chelsea, Norwich & Peterborough Building Society, N&P and Egg) and its subsidiary companies.

Yorkshire Building Society Charitable Foundation is a Registered Charity (No:1069082). Registered Office: Yorkshire House, Yorkshire Drive, Bradford BD5 8LJ.

FareShare is a registered charity in England & Wales (1100051) and Scotland (SC052672).

Citizens Advice is an operating name of The National Association of Citizens Advice Bureaux. Registered charity number 279057.

Yorkshire Building Society is a member of the Building Societies Association and is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Yorkshire Building Society is entered in the Financial Services Register and its registration number is 106085. Head Office: Yorkshire House, Yorkshire Drive, Bradford BD5 8LJ. ybs.co.uk