



Newbury
Building Society



Members' Review

Incorporating Summary Financial
Statement for the year ended
31 October 2025

Our highlights



£281m

Gross mortgage lending
2024: £266m



£5.8m

Profit after tax
2024: £8.0m

19.5%

Total capital ratio
2024: 20.0%

91.6

The Institute of
Customer Service
Customer
Satisfaction
score

The Society has
been re-accredited
with the Institute of
Customer Service's
'ServiceMark' with
distinction.

Assets of
£1.75bn
2024: £1.65bn



We won the **Best Building
Society Savings Provider
Award** and **Best Building
Society** at the 2025 British
Bank Awards, run by Smart
Money People and the
**Trusted Quality Provider
Award** at the UK Customer
Satisfaction Awards.



£95m

Savings balances
growth

2024: £131m



£74k

Charitable donations
2024: £107k



Chairman's statement

This year has been marked by significant achievements and continued progress towards our strategic ambitions, including sustained investment in our branch and digital services. The Board remains committed to delivering long-term value for our customers, ensuring the Society's sustainability and maintaining robust financial foundations.

Piers Williamson,
Chairman of the Board



On behalf of the Board, I am delighted to report the Society continues to build on its solid customer and financial foundations and has achieved yet another strong performance for the year ended 31 October 2025. The year demonstrates another period in our long history as an independent, customer-owned Society, and I am proud to report that your Society continues to demonstrate resilience, responsibility, and ambition, and a deep care to do what is right by its customers and people.

As an independent customer-owned business, your Society has much to be proud of. Our core purpose of helping our customers build sustainable financially resilient futures through the Society being the trusted provider of mortgages and savings in our communities, has led to another year of improved asset growth, a solid profit performance, and a strong capital position, something which continues to characterise so many of our performances in recent years.

Throughout the year, we continued to offer competitive savings products and responsible mortgage options, alongside charitable donations and employee volunteering programmes, to

better serve those of greater need in our communities. These efforts reflect our commitment to mutuality and social responsibility, values that have guided us for many years.

Market conditions and the Society's performance

Despite the UK economic uncertainty throughout most of the financial year, coupled with other domestic and global challenges, and cost-of-living pressures remaining relevant to many households, your Society delivered a strong financial performance. Total assets grew to £1.75bn (2024: £1.65bn), representing 6.0% growth (2024: 6.7%).

The property market demonstrated remarkable resilience, with house prices rising despite the economic challenges. As a result, mortgage lending remained healthy, with mortgage balances growing by more than 8% (2024: 9.4%) and reaching £1.47bn (2024: £1.36bn).

Savings balances continued to grow steadily, although market conditions were much tougher to operate in. Our performance reflects the trust our members place in us, and the Society raised retail funding through its branch network and online services, with balances increasing by £95m including capitalised interest (2024: £131m).

As a result of the overall performance, I am pleased to report the Society fully repaid the Society's Bank of England's Term Funding Scheme (TFSME) borrowings, through retail funds, wholesale funds and other central bank facilities in line with our contractual responsibilities.

With a solid mortgage and savings performance, the Society delivered strong profit after tax of £5.8m (2024: £8.0m), enabling us to continue to invest in products and services to meet the needs of our customers. Our capital position remains strong, with reserves of more than £122m (2024: £116m), underpinning our ability to invest for the future and maintain financial resilience.

The Board is proud of the Society's resilience and adaptability, which have enabled us to deliver these results, with positive outcomes for our

customers, whilst maintaining high standards of service.

Supporting our Customers and Communities

The Board's collective commitment to excellence and responsible governance has been fundamental in navigating both opportunities and challenges. All initiatives and investments are designed to enhance customer experience, strengthen risk management, and ensure the long-term success of your Society, while protecting the interests of our customers.

This year has been marked by significant achievements and continued progress towards our strategic ambitions, including sustained investment in our branch and digital services. For example, we relocated and fully refurbished our branch in Didcot and we launched digital capability to allow a debit card payment to fund a savings account online. We have focused on strengthening our core operations, continuing to invest in our people, while deepening our engagement with partners and the communities we serve. Our 'Customer First Approach' is embedded in our culture of high values and principles and continues to go from strength to strength. It further supports our view that customers want to borrow and save with an organisation which understands their needs and delivers fair value. Our progression with our strategic investment programme continues to underpin our success.

Championing Social Responsibility and Community Impact

At the heart of our Society's ambition is a commitment to social responsibility and making a meaningful difference in the communities we serve. Over the past year, we have strengthened our support for those living and working in and around our Head Office and branch locations. Our dedication to community goes beyond our products and services – we actively invest our time, expertise, and resources to create positive change.

We have deepened our partnerships with local charities, engaging in a wide range of volunteering, sponsorship, and fundraising initiatives. Recognising that even small acts of support can have a significant impact, we aim to make a real difference in people's lives. The collective efforts of our members and colleagues are truly inspiring and reflect the values we hold as an organisation.

This year, we provided £33k in financial aid, building on the £30k contributed in 2024. Through our Community Support Scheme, we assisted 28 organisations in delivering essential services and care (2024: 38), with donations totalling £13k (2024: £13k). Our annual Charity Savings Account enabled us to donate £26k to members' chosen charities (2024: £55k).

We are proud to share these achievements and remain committed to supporting our communities in the years ahead. For further details on our community initiatives and the impact we are making, please refer to pages 17 and 18 of this report.

Board changes

The Board remains committed to delivering long-term value for our customers, ensuring the Society's sustainability and maintaining robust financial foundations. We believe that a diverse and inclusive Board is essential for effective governance, and I am pleased to report that we continue to operate as a strong, cohesive, and member-focused team.

During the year, I am delighted to announce that Ian Workman joined the Board as our newest Non-Executive Director. Ian brings a wealth of financial services experience and fresh perspective, further strengthening our Board's expertise and diversity. We look forward to his contributions as we continue to drive the Society's strategic ambitions.

I am also delighted to announce that Dean Scott has been appointed to our Board of Directors as Chief Operating Officer. Since joining the Society in 2022, Dean has played a pivotal role in ad-

vancing our product, marketing, and customer strategies. In his new role, Dean's remit expands to include leadership of our customer service and operational teams, ensuring we continue to deliver consistently high standards and meet the evolving needs of our customers. We look forward to the valuable expertise and fresh perspective Dean brings as we continue to drive the Society's ambitions forward.

Looking Ahead

As a customer owned Society, we recognise that recent changes in the Autumn Budget, especially those affecting Cash ISA allowances, bring new challenges for our customers. We remain dedicated to offering fair and accessible savings solutions and supporting financial resilience across our communities. Additionally, the increase in the FSCS (Financial Services Compensation Scheme) deposit protection limit to £120,000 per person is a positive development, further enhancing trust in the UK financial system and giving our customers even greater confidence in the security of their savings.

While economic uncertainty persists, we remain confident in our ability to navigate future challenges. Our strong capital base, careful management, and Customer First approach place our Society in a position to continue delivering value and safety to our customers and people. We will maintain our focus on sustainable growth, innovation, and community engagement, ensuring the Newbury Building Society remains a trusted partner for generations to come.

Finally, I would like to thank the Board, the senior leadership team and all Society colleagues for their dedication and professionalism in making the Society the strong and successful organisation it is today. I would also like to thank you, our members, for your continued support and loyalty. Together, we will build on the year's achievements and look forward to a future of shared success.

Piers Williamson, Chairman
22 December 2025

Chief Executive's *review*



Reflecting on the year, I am immensely proud of how the Society has adapted and flourished amidst a rapidly changing economic landscape. Despite ongoing cost-of-living pressures and uncertainty in the wider financial markets, we have remained constant in our commitment to our customers.

Philippa Cardno
Chief Executive



Reflections on the *Year*

In 2025, as the building society movement celebrates an incredible 250 years of empowering home ownership and helping savers prosper, your Society is not just honouring this legacy, we are moving forward, shaping our future with purpose and innovation. Your Society stands at the heart of this legacy, proving every day that our purpose is not just history, it is action. As our sector marks this milestone, we are more committed than ever to making a real difference, helping more people own their homes, grow their savings, and build brighter futures together.

Reflecting on the year, I am immensely proud of how the Society has adapted and flourished amidst a rapidly changing economic landscape. Despite ongoing cost-of-living pressures and uncertainty in the wider financial markets, we have remained constant in our commitment to our customers. We have continued to deliver exceptional customer service to both longstanding and new customers, supporting savers and borrowers alike through products, face-to-face services and enhanced digital solutions. Our branch network remains a cornerstone of our community presence, and our charitable initiatives and volunteering efforts continue to provide vital support to those most in need. These achievements are a testament to the dedication and resilience of our people, who have navigated both opportunities and challenges with great agility and thought, ensuring your Society remains financially strong, relevant, and responsive in an evolving economic environment.

Excellent Financial *Performance*

Despite a challenging economic environment and intense market competition, 2024/25 was a year of exceptional progress for your Society. We strengthened our financial position for the future, growing total assets to £1.75bn, up from £1.65bn in 2023/24. Gross mortgage lending reached £281m (2024: £266m), savings balances increased by £95m (2024: £131m), and we delivered strong profitability (post-tax profit £5.8m). Our capital strength remains a defining feature of the Society's resilience: the total capital ratio closed the year at 19.5%, slightly lower than last year's 20.0%, primarily due to strong mortgage growth of 8.1% (2024: 9.4%). This capital position is well above regulatory requirements and provides a secure foundation for future investment and stability.

Management expenses rose by just under 9% compared to the previous year, reflecting not only inflationary pressures but also our continued strategic investments in branch modernisation, digital transformation, and people development.

Our financial strength enables us to continue investing in what matters most: our customers, our communities, and our people. By keeping the needs of savers, borrowers, and colleagues at the heart of our strategy, we ensure that this balance remains central to our identity and is the leading force behind our ongoing success.

Outstanding Customer *Performance*

Our customer service strategy is centred on delivering outstanding experiences that create lasting, positive impacts for our customers, brokers, and communities. We are committed to building long-term value for our customers by driving purposeful, sustainable growth. Guided by our ambition to help customers secure brighter financial futures, we continue to be the trusted choice for mortgages and savings in our communities and beyond.

We are proud of our heritage as a customer-first, community-driven organisation, and we are embracing the future by harnessing digital innovation, evolving our products, and enhancing our service across every channel our customers choose. By continually adapting to changing needs and preferences, we ensure that every interaction, whether in-branch, online, or through our broker partners, reflects our dedication to service excellence and community impact. Therefore, it was extremely pleasing that our commitment to customer excellence was recognised on the national stage, where we won:

- Best Building Society and Best Building Society Savings Provider at the 2025 British Bank Awards.
- Trusted Quality Provider at the Institute of Customer Service – UK Customer Satisfaction Awards.

To add further to our success, we were re-credited by the Institute of Customer Service by being awarded a 'ServiceMark Accreditation' with distinction. An honour we have held for the last three years and will hold again for at least the next three years. We remain the only bank or building society to hold this level of recognition, and it further demonstrates our commitment to customer service excellence.

These achievements are not just accolades, they are proof of our commitment to delivering real value, even as the economic landscape shifts. Our people's dedication and our customers' loyalty drive us to keep raising the bar, setting new standards for what a modern, customer-focused building society can achieve.

Branch Network Commitment and *Digital Modernisation*

We remain committed to a customer service proposition that allows a customer to choose how and when they want to engage with us.

We remain steadfast in our commitment to a strong branch presence, and as a mutual, we are passionate about the difference our proposition makes to our customers and communities. Over the past year, our programme of branch modernisation has continued apace. Following refurbishments in recent years, in Abingdon, Newbury, Winchester, and Thatcham, we completed the relocation and transformation of our Didcot branch in Summer 2025. The project delivered a completely reimagined space for customers and colleagues, with positive feedback already received from the local community. Looking ahead, we are preparing to begin work on our Basingstoke branch, with plans in place for a 'pop-up' branch to ensure continuity of service during the refurbishment period.

Our ongoing investment in branches stands in contrast to the wider trend of high street closures. Recent data from Which? (September 2025) shows that major banks, including Lloyds, Halifax, and Bank of Scotland, have announced the closure of 136 branches between May 2025 and May 2026, with local closures affecting Newbury,

Didcot, and Winchester. The Post Office is also planning to close 115 branches, leaving many communities without access to in-person financial services. In this challenging environment, building societies now account for 30% of all high street branches in the UK, up from 14% in 2012. Notably, 72% of building society customers believe their provider is an important part of the community, compared to just 54% of bank customers. This underlines the vital role our branches play, not only in delivering essential services but also in supporting the vibrancy and resilience of our local communities.

Our strategy is clear, while others withdraw, we are investing for the future, ensuring our customers and communities continue to benefit from accessible, modern, and welcoming branches.

We also continued to advance our commitment to creating efficiencies and greater productivity through digital transformation and targeted process optimisation activities. Our strategy to use digital solutions to make it easier for customers to engage with us continued, ensuring that every customer interaction, whether in branch, online, or via mobile, benefits from our ongoing investment in service excellence.

During the year we launched a new website. The new website makes it easier for customers to access information and manage their savings accounts whenever and wherever they want. We also introduced access to mortgage account details for borrowers and introduced the ability to open a Cash ISA online or through our mobile app.

Our desire remains to be a fast follower of digital initiatives that add value to our customer experience without losing the 'human touch'. We continue to leverage current systems to gain greater process efficiencies and further improve the excellent service we provide.

Mortgage Market Overview and Performance

In 2025, the UK mortgage market has demonstrated resilience amid economic headwinds, with modest house price growth and stable

lending volumes. The Society's strong net lending and high existing borrower mortgage retention rates were particularly pleasing reflecting our ability to adapt to changing market dynamics. The Bank of England gradually reduced Bank Base Rate (BBR) during the year, improving mortgage affordability to some extent. The Society's mortgage book grew to £1.47bn (2024: £1.36bn), reflecting strong net lending of £110m (2024: £117m), exceeding planned targets and building on the previous year's solid growth. With respect to the high existing borrower mortgage retention rates, over 80% of customers opted to switch their mortgage rates within the Society rather than moving to a new lender (2024: over 80%).

The Society continues to offer a competitive range of fixed and discounted rate mortgages, catering to owner-occupiers, later life borrowers, buy-to-let landlords, and first-time buyers. Shared Ownership, through Housing Associations, remains a strategic focus, with new shared ownership mortgages representing 18.7% of total new lending, compared to 23.7% last year. This aligns with broader market trends, where first-time buyers are increasingly reliant on affordable housing schemes due to rising property prices and limited supply.

Despite ongoing affordability pressures, arrears remained low and within expectations. The Society ended the year with 63 cases two months or more in arrears (2024: 50), representing a very small proportion of the mortgage book. External data confirms that UK mortgage arrears have stabilised, supported by real wage growth and interest rate reductions. The Society's prudent lending policy and forbearance options, including participation in the Government's Mortgage Charter, continue to support borrowers in need.

Savings Market Overview and Performance

UK savers have continued to contend with persistent inflation, declining interest rates, and adjustments to tax allowances, factors that have collectively eroded the real value and growth potential of savings. The government's decision

to freeze personal tax thresholds and reduce allowances has resulted in more savers becoming liable for tax, further impacting their ability to grow their savings effectively.

The need to raise funding through retail savings remained a key focus as the Society continued its strategy to enable mortgage growth and repay the Bank of England's TFSME (Term Funding Scheme with additional incentives for Small and Medium-sized Enterprises) borrowing. In a year marked by intensified competition and the broader sector's scramble to replace TFSME funding, our savings performance, though below plan, reflected resilience and adaptability. We achieved £95m in savings balance growth, with 2,472 new savings relationships (2024: 2,948), primarily through our branch network. Product innovation primarily through ISA and fixed rate bonds, as well as strong retention of maturing fixed rate bonds supported these results, even as market conditions shifted.

The Society's focus on customer needs, product diversity, and service of choice remains central to navigating these challenges and supporting our customers' financial wellbeing.

Our *People*

The Society's success is driven by the dedication, expertise, and shared values of our people. This year, we have continued to nurture a vibrant and inclusive culture, one where every colleague is empowered to excel and contribute to our collective achievements. We know that delivering exceptional customer experiences and upholding the highest standards in service, policy, and risk management starts with ensuring every team member feels valued, heard, and supported.

We are committed to supporting our people's growth and development, prioritising their wellbeing and supporting them to be at their 'very best'.

This commitment is more than a set of policies; it's a lived culture that shapes our mutual ethos and drives our ongoing success. By investing in our people and fostering a culture of inclusion

and growth, we continue to deliver real value for colleagues, customers, and communities alike.

Pages 19 to 21 share examples of many of the highlights of 2024/25.

Like our Chair, I am delighted to welcome Dean Scott to our Board of Directors as Chief Operating Officer. Dean has played a central role in steering measurable improvements in customer service, operational efficiency, and strategic alignment across our savings and mortgage operations. With Dean now leading our customer service and operational teams, we are well positioned to maintain the highest standards and continue meeting the evolving needs of our customers.

This year, we also welcomed Michael Goddard to our executive leadership team as Chief Risk Officer. Michael brings over twenty years of risk management and audit experience, including a distinguished tenure leading internal audit services at Deloitte. Michael's deep expertise in regulatory compliance, risk culture, and strategic decision-making will be invaluable as we continue to grow and navigate an increasingly complex risk environment.

Together, these appointments further strengthen our executive leadership team and reinforce our commitment to customer and operational excellence, as well as robust risk management.

Green *ambition*

We are dedicated to setting the standard as a sustainable, socially responsible, and environmentally conscious organisation. Our Green Ambition is anchored in three pillars: Greener NBS, Greener Homes, and Greener Lives. Each pillar drives targeted initiatives that deliver tangible benefits for our company, our customers, and the wider community.

Over the past year, we have continued to make steps in reducing our operational carbon footprint. Key actions include further minimising our reliance on gas and expanding the use of renewable energy across our sites. These efforts form part of our ongoing commitment to achieving net

zero emissions and supporting the UK's climate objectives.

Education and engagement remain central to our approach. In 2024/25, we strengthened our partnership with Severn Wye Energy Agency, enabling a customer to retrofit their home with support from both Severn Wye and the Society. This initiative will help us better understand the impact of retrofitting on energy costs, with completion expected next year.

Our Green Ambition is a living commitment. We will continue to set ambitious targets, measure our progress transparently, and share our achievements and future plans with our members. For a detailed overview of our progress and next steps, please refer to pages 10 to 13 of this report.



Our future

As we look ahead, your Society stands on strong foundations built through another year of resilience, growth, and focused action. In 2024/25, we have not only navigated a challenging economic landscape, marked by cost-of-living pressures and intense market competition, but have also continued to deliver for our members, communities, and people.

Our commitment to exceptional customer service remains unwavering. We will continue to invest in both our people and our digital capabilities, ensuring that every customer can engage with us in the way that suits them best, whether

face-to-face in our branches, over the phone, or through enhanced online and mobile services. This 'bricks and clicks' approach is central to our strategy, allowing us to combine the personal touch with the convenience of digital innovation.

The Society's financial strength enables us to invest for the long term, supporting both current and future members. Our robust capital position, strong profitability, and prudent risk management mean we are well placed to withstand ongoing economic uncertainty and to seize opportunities as market conditions evolve. As interest rates begin to ease, we remain focused on supporting both savers and borrowers, helping more people achieve their financial goals.

Despite changes introduced by the Autumn 2025 Budget affecting Cash ISA allowances and the taxation of savings interest, your Society remains steadfast in its commitment to supporting customers. These measures pose new challenges for savers, potentially discouraging prudent saving and weakening financial resilience, especially as many households continue to face cost-of-living pressures. In response, we will focus on helping customers understand their options and making it easier for them to manage and grow their savings.

Looking forward, Newbury Building Society aspires for the brand to be instantly recognisable in our communities, synonymous with mutuality, customer-centric values, and a reputation for outstanding products and service. Our ongoing investments in sustainability, inclusion, and community engagement will ensure we continue to make a positive impact, setting us apart from traditional banks and reinforcing our role as a trusted, quality provider.

Finally, I want to thank all my colleagues for their dedication and contribution to our success. Together, we are ready to embrace the opportunities and challenges of the year ahead, always putting our customers and communities at the heart of everything we do.

Phillippa Cardno, Chief Executive
22 December 2025

Climate *risk*

The Board recognises that the Society's activities have both a direct and indirect impact on the world around us and has continued to make progress against this important area of Society strategy.

The Society's climate risk strategy is structured around three pillars:



Greener Newbury Building Society

Minimise our own carbon footprint

Continuing to improve the efficiency of our buildings and reducing the carbon emissions from our operations together with reductions in the consumption of paper, waste and plastics usage



Greener Homes

Improve the environmental standard of our borrowers' homes

Supporting initiatives to make the homes on which we lend to become more energy efficient and better prepared for regulatory and environmental change, and mitigating the impact on properties which are most at risk through new products together with policies and support for homeowners



Greener Lives

Support our branch communities

Providing access to educational resources, community funding and volunteering for environmental initiatives and product development to help members with environmentally friendly home improvements and to lead greener lives

Progress *made*

The Society has made significant progress since launching its Green Ambition to make the Society more sustainable, including: embedding climate change risk into strategic planning and governance processes; developing our base case data on energy usage; and reducing our energy consumption. Further progress was made in the financial year ended 31 October 2025, with additional activities planned for 2026 and beyond:

Progress in 2024/25	2025/26 onwards
<ul style="list-style-type: none"> • Our apprentice completed their Corporate Responsibility and Sustainability Practitioner L4 Qualification • Verification of carbon emissions data presented in 2023/24 • Refurbishments of our Thatcham and Didcot branches which improved Energy Performance Certificate (EPC) ratings from C to B. As part of each branch refurbishment the Society is able to report on the amount of waste generated by the refurbishment that has been diverted away from landfill. In respect of the refurbishment of our Didcot branch, completed in May 2025, 98% of all waste was recycled, with the other 2% being used for Energy from Waste. • Upgraded our pool van to electric • Further reduction in gas consumption through replacement of boilers • Upgraded and expanded the EV chargers at Head Office • Researched and developed Scope 3 emissions reporting – increasing the scope of emissions reported on to include purchased goods and services, and capital goods • Refined the methodology used for carbon reporting: <ul style="list-style-type: none"> • Incorporated actual meter readings for gas emissions instead of invoiced meters • Used DVLA emissions factors for our courier service instead of the conversion factor for Type III Diesel Van • Used individual employees' DVLA emissions factors for business travel for the majority of data instead of the conversion factor for average unknown fuel type • Incorporated the scenario of other people being in the household for home working emissions • Increased accuracy of commuting and home working reporting through improved response rates 	<p>Further activities are planned for the coming financial year and beyond, including:</p> <ul style="list-style-type: none"> • Further branch refurbishments and upgrades • Research into solar technologies and energy management systems • Continue to develop appropriate targets, supported by further improvements in analytical and reporting capability

Helping our members improve the warmth and efficiency *of their homes*

As part of our ongoing Green Ambition strategy, we continued our partnership with green energy agency Severn Wye throughout 2025. Between 2024 and 2025, the Society funded 12 energy assessments to support members to improve the comfort and energy efficiency of their homes.

This collaboration is now evolving further. The Society and Severn Wye are currently supporting one of the 12 members who participated in the pilot to implement some of the recommended improvements from their energy survey. These energy efficient upgrades are being fully funded by the Society, and the member has kindly agreed to let us follow their journey.

We'll be sharing insights and learnings from this project with our wider membership, so keep an eye out for updates in early 2026.

Metrics and *targets*

The Society uses a suite of metrics to help support the monitoring of climate risks through relevant governance channels. A summary is provided below.

Greenhouse gas (GHG) *reporting*

The Society's GHG reporting has been completed in accordance with requirements of The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013. Reported emissions have been calculated using the UK Government Conversion Factors, as supplied by the Department for Business, Energy Industrial Strategy and the Department for Environment, Food and Rural Affairs. The Society has set its organisational GHG emissions boundary using the operational control approach, which captures GHG emissions from operations under our control.

Reported emissions encompass the seven GHGs defined under the Kyoto protocol.

Emissions *assessment*

The Society's total emissions for the year ended 31 October 2025 is 9,777.6 tonnes of carbon dioxide equivalent (tCO₂e) (2024: 8,200.3 tCO₂e). The table on page 13 shows the breakdown between Scopes 1, 2 and 3 and is presented using both a location and market based methodology, with market based taking into account the use of renewable energy sources.

Following the market-based methodology Scope 1 and 2 emissions would be reduced from 91.7 to 16.0 tCO₂e (2024: reduced from 91.5 to 16.4 tCO₂e).

The Society's total emissions for 2024 and 2025 have been independently verified by the Carbon Footprint Company.



Darren Garner (left) and Michael Goddard (right) gave their time to support West Berks Foodbank, helping to organise deliveries and donations.



Driving change, powered by energy. Our new van is on the road to a cleaner, greener future.

		t(CO2e)	
Scope		2025	2024
1	Direct emissions that originate from assets that the Society owns or controls	11.9	12.5
2	Indirect emissions from the generation of purchased electricity	79.8	79.0
1&2	Location based	91.7	91.5
1&2	Market based	16.0	16.4
3	All other indirect emissions that occur across the Society's operations	9,685.9	8,108.8
1,2 & 3	Total emissions – location based	9,777.6	8,200.3
1,2 & 3	Total emissions – market based	9,701.9	8,125.2

The year-on-year reduction in Scope 1 emissions can be attributed to changes in methodology for our gas consumption, and from a reduction in emissions of our pool vehicles from the change to an electric van. The continued switch away from gas-powered heating to electricity powered heating and ventilation systems has resulted in increased electrical consumption within some branches, leading to a slight increase in Scope 2 emissions for this financial year. As of June 2025, all of the Society's branch facilities have electricity purchased from renewable sources; because of a higher electrical usage at the beginning of the financial year, our market-based electricity emissions have increased slightly. Previously measured Scope 3 emissions were at a similar level to the previous year as an increase in employee travel-related emissions back to pre-covid levels was offset by a reduction in the use of external couriers. The significant increase in reported Scope 3 emissions can be attributed to the inclusion of more emissions categories being reported for the first time.

Energy *consumption*

	2025	2024
Energy consumption - Natural gas (MWh)	59.0	61.1
Energy consumption - Vehicles (MWh)	14.4	15.9
Energy consumption - Electricity (MWh)	446.7	380.8
Total energy consumption (MWh)	520.1	457.8



A green-fingered group from Head Office and branches join Newbury Friends of the Earth for a day of weeding, planting, and mulching at John Rankin School in Newbury.

Water *consumption*

Water: The Society monitors its water consumption across its Head Office and branch properties. Consumption data is derived from meter readings for each property and reported under category 1 (purchased goods and services). This year we have also reported on our water waste emissions, which are included in our Scope 3 emissions (category 5: waste generated in company operations). Waste water is reported at an average of 95% of our total water consumption.

	2025	2024
Water consumption (m3)	1,056	1,698
Water treatment (m3)	1,003	1,613



Louisa



Receiving one of our two awards at the 2025 British Bank Awards, run by Smart Money People.

Our customers

The financial year ended 31 October 2025 marked an excellent year for the Society in its ongoing commitment to delivering exceptional customer service and embedding the principles of Consumer Duty across all areas of the business. With a continued strategic focus on customer outcomes, the Society has demonstrated measurable progress, innovation, and resilience in meeting regulatory expectations while maintaining its reputation for a high quality, personalised service.

Elevating Customer Experience

The Society's customer satisfaction and advocacy reached record highs in 2025. The Institute of Customer Service (ICS) Business Benchmarking survey (issued in January 2025) resulted in a Customer Satisfaction Score of 91.6 (90.5 issued in July 2023) and a Net Promoter Score (NPS) of 73.9 (71.4), placing the Society well above the banks and building society sector averages (80.0 and 31.0 respectively in January 2025).

Furthermore, 90.5% said we got it right first time; 94% said that they intended to remain a customer and 91% said they would recommend Newbury Building Society. The Society scored highly in all areas, with customer ethos, emotional connection and ethics all exceeding 91%. Complaint handling scores improved by 22% compared to the survey in 2023.

Our people were also surveyed by the ICS and scored Newbury's commitment to customer service 88.6%, covering the 3 key areas of strategy & leadership, culture & engaged people, and operational delivery. Our people are the cornerstone of our customer service, so it is important for us to understand what they think and where we can improve.

During 2025 the Society won three awards: 'Best Building Society' and 'Best Building Society Savings Provider' at the British Bank Awards, and 'Trusted Quality Provider' at the Institute of Customer Service Awards.

In September, after a rigorous assessment, the ICS re-accredited the Society with their Service-Mark at Distinction level. The Society is the only bank or building society to hold the Distinction level ServiceMark and one of only c.25 organisations in the UK.

Customer *Improvements*

There have been several tangible improvements made for customers this business year, including the relocation and refurbishment of our Didcot branch; launch of debit card payments online; and the modernisation of our website.

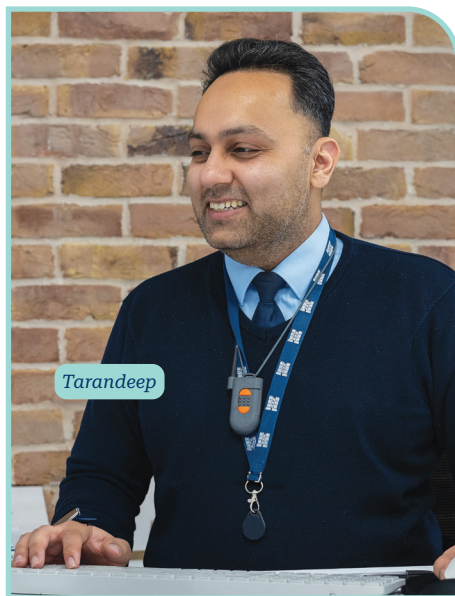
Following the launch of our Mobile App last year, we have seen popularity increase both for savers and borrowers, meeting the demand for accessing financial services 'on the go'. There is more to do, and in 2025/26 we will be enhancing our online offering further, introducing digital onboarding and identification capabilities. This is an area that has been prominent in customer feedback, and we are excited to see the benefits. Also prominent in customer feedback is the ability to open Cash ISAs online; and in September this year we did exactly that.

In addition to our more strategic changes, our people continue to suggest and implement improvements to our processes. One of the key areas under review has been the service we provide to the relatives of customers who have passed away. This is a distressing time for them, so making the experience as smooth as possible is a priority. As a result, we launched an online notification service, enhanced communications, and reduced the level of information we need to release funds.

Another area of improvement has been our savings rate change notifications, which are now issued by email as default, not only reducing cost but also reducing paper production. In 2025/26 we will be introducing online savings statements, a further commitment to streamlining processes and supporting our green agenda.



Phillippa Cardno (centre) and Dean Scott (second from left) cut the ribbon of our newly located Didcot branch, joined by representatives from Morgan Lovell and the Mayor of Didcot.



Tarandeep

Embedding *Consumer Duty*

The Society's Consumer Duty programme has matured into a robust framework that supports fair outcomes for all customers, including those with vulnerabilities. The Society retained its Board Champion role to ensure strategic oversight and accountability, even though it is no longer a specific regulatory requirement.

Key achievements during the year include:

- **Launch of a new Customer Committee**, which is responsible for monitoring customer experience to ensure good outcomes for customers, consistent with the Society's Customer Service Strategy, Conduct Risk Framework and Consumer Duty;
- **Overhaul of the Consumer Duty performance dashboard**, with c45 key performance indicators designed to measure compliance with the Duty's principle 12 "A firm must act to deliver good outcomes for retail customers";
- **A comprehensive review of c300 communications**, tailored to improve customer understanding, and a revised communications strategy, which includes internal and external testing/review of key correspondence and documentation; and
- **Embedding of outcomes testing**, which involves reviewing end-to-end customer journeys to ensure good outcomes are achieved, and adjustments are made to support even better outcomes.

Consumer Duty continues to be a focus but it's not just about meeting regulations, it's about challenging ourselves further to drive the best customer experience and outcomes.

Our People

Everyone within our business has a role to play in ensuring customers have good outcomes, whether they interact directly with customers or support those who do.

We continue to ensure all our colleagues are clear about Consumer Duty, what it is and their part to play. Our Customer Charter helps with this. The Charter was designed by our colleagues and gives clarity about the behaviours expected of them when dealing with customers and each other.

We have dedicated learning around the Duty and have integrated the concepts into our existing customer service learning programs. For example, all new employees attend our Thinking Like Customers workshop which covers our Customer First ethos and expectations. The workshop also dives into what this looks like in practice, including an opportunity to mystery shop other organisations in Newbury town centre to assess good and poor practice, and apply that internally to what we do.

We continue to enhance our learning for our people, and 2025/26 will see a refresh of our customer service-learning paths. We have engaged with the ICS to explore bespoke learning and several of our people are enrolled on their customer service excellence learning programs.

Your Feedback

In addition to the ICS survey which has an 18-month cycle, we regularly ask for feedback via Smart Money People's review website. The qualitative feedback is extremely important to us, as it gives us the opportunity to understand what's on your mind right now and enables us to consider your thoughts in our strategic and operational change program.

The main themes this year have been related to improving online servicing, and branch environment, and these have been our key focus in the last few years and will be into 2025/26. Also continuing to improve processes to ensure we are easy to do business with, and this will continue to be a priority.

Please continue to give us your feedback, it matters.

The Alton branch team get stuck in to planting a Jane Austen themed border at Chawton House.



Our communities

Supporting our branch towns is a core part of who we are. Our charity and community work is valued highly by both members and employees, who share our belief that mutual organisations should support the communities they're part of.

Together, through fundraising, events, and our charity savings account, we raised over £74,000 for our ten charity partners in 2025:

- Newbury Soup Kitchen
- Helen & Douglas House
- St Michael's Hospice
- Prior's Court
- Newbury Cancer Care
- Trinity Winchester
- Sue Ryder
- Countess of Brecknock Hospice
- Dementia Friendly Alton
- Swings & Smiles



Team Thatcham show off their delicious bakes whilst fundraising at a local event.

2025 fundraising highlights:

- A summer quiz night and our first-ever bingo event at Head Office for **Newbury Soup Kitchen**, collectively raising over £300.
- Andover branch completed a challenge for **Countess of Brecknock Hospice** where they swam, walked, ran, or cycled the 175 mile distance between our branches, raising an amazing £910.
- Thatcham branch supported **Swings & Smiles** with a range of events, including a charity golf day, stalls at local events, and a bake sale and Connect 4 challenge in branch.

Our Community Support Scheme supported 28 (2024: 38) organisations, donating £12,500 (2024: £17,500), including to:

1. **Didcot TRAIN (£1,000)** to support free football for young people who face economic, social, or behavioural challenges and cannot take part in regular football sessions.
2. **Fairclose Men's Shed (£250)** to buy materials and tools for their men's social woodworking club.
3. **Thrive (£500)** to support their 'Pots and Petals' horticulture therapy project.

Financial education

We refreshed our Junior Newbury Building Society (JNBS) scheme for primary school pupils, making it easier for schools to deliver educational content to pupils. We now provide a comprehensive financial education lesson which teachers or a member of our team can deliver, depending on the school. We have so far delivered the new-look JNBS to 120 children, with more to come in 2026.

For secondary schools, we've continued our partnership with financial education charity, WizeUp, to deliver over 60 hours of money learning to over 1,600 students. Topics covered include budgeting, tax, national insurance, mortgages, and cryptocurrencies.

Volunteering

Colleagues volunteered for a total of 106.8 days in 2025, using their volunteering days to support a range of diverse charities and projects across Berkshire, Hampshire, and Oxfordshire, including:

- **The Pink Place (Basingstoke)**, helping at a wellbeing craft session for those with cancer.
- **Chawton House (Alton)**, planting a flower border to celebrate the 250th anniversary of Jane Austen's birth.



Justine Ransom, Wokingham Branch Manager (second from left), presents a £500 grant to Thrive, a gardening for health and wellbeing charity based near Reading.



£1,000 for First Great Western Society to support their family fun days. The grant helped pay for low-income families to enjoy the event for free.

- **West Berks Food Bank (Newbury)**, sorting food deliveries and donations.
- **Restore (Didcot)**, tidying and weeding to prepare the charity's garden for springtime.

Sponsorships and events

We have continued to sponsor nearby events, with donations totalling £18,000. These enable the Society to reach a wider audience as well as support the longevity of clubs and events that enrich people's lives.

These included:

- Play to the Crowd, Winchester
- Abingdon Air Show
- The Lights, Andover
- Hungerford Town FC

Our *people*

The financial year ended 31 October 2025 saw a year of sustained focus on everyday colleague experience whilst enhancing our culture for sustainable growth.

We understand the importance of our people. They are at the heart of our award-winning customer experience.

Being able to uphold the values that make us unique, whilst embracing the future, is essential for the Society to stay relevant; and those principles guide how we plan, refine and deliver our people experience every day.

As our Society grows, we continue taking extra steps to ensure we stay connected to our people, so they feel heard, valued, supported and included. Our purpose is clear; we enable and support everyone here to be the best they can be.



Some highlights of the places we've increased focus over the last year include:



Boosting colleague voice

We know our employees have important views and ideas on how to shape and make our Society even better. Our open and inclusive culture has always seen colleagues willing to step up and contribute, but we've boosted involvement and listening through:

- **A new, energised Employee Forum** – A refresh of our existing Staff Association, has brought together a group of 14 colleagues from across the Society to focus on how we can improve our employee experience. The group have brought fresh perspective to social events and cross Society collaboration ideas, regularly seeking feedback from employees.
- **Enabling employees through deeper listening** – We ran a series of interactive workshops, designed to “deep dive” into everyday lived experiences and stories behind working at the Society. Our Chief Executive and Director of People were present throughout every session. Thought provoking sessions, with direct Executive involvement, gave us powerful insights to unlock small continuous improvement opportunities in a swift and impactful way.
- **Employee centred design** – We've introduced more opportunities for leaders and colleagues to input to how we create and update people policies and activities. Their involvement in designing important parts of their experience here – like the best method to run a more regular, short employee survey to track employee sentiment – ensures what we deliver meets their needs in the best possible way.



Fostering continuous learning and *self development*

We believe the mindset and skills to keep learning and adapting are prerequisites for sustainable success.

- **Empowering everyone to grow** – We've continued to expand and enhance what's offered on our new learning platform, launched in October 2024, to make learning more accessible, inclusive, interesting and fun. The platform empowers employees to take personal responsibility for continuous learning and personal growth, elevating curiosity and appetite for personal learning.
- **Growing future skills** – Four employees completed professional qualifications through studying via an apprenticeship route. We focused on investing in skills important for the Society's future including people development, corporate and social responsibility, data and analytics and leadership.

We've invested in a further 14 colleagues supporting them to undertake professional qualifications in important professional areas such as Customer Service, Mortgage Advice, Risk and Project Management.



Elevating conditions for growth

Sustaining a vibrant organisational culture, that enables and empowers colleagues to be, and achieve, their best, is carefully thought through. We've been evolving the mindsets and behaviours needed to support our future ambitions, including:

- **Keeping leaders connected** with peers across the organisation enables them to build the clarity and confidence needed to help their teams stay connected with our purpose and Society goals. Our "Leading for our future" leadership programme has supported this. We've introduced more opportunities for leadership network conversations and support through additional workshops.
- **A continuous improvement culture** underpins our process, systems and procedure enhancements. We've used employee survey feedback, and encouragement and support from our Business Improvement team as a spring-board for team level discussions about ways of working and opportunities to find and initiate positive actions.
- **A place where our people can learn and grow.** Our employee turnover was 10.3% in the last year (2024: 14.2%). In the period 1 November 2024 to 31 October 2025 we achieved 25 internal promotions and four secondments.



Wellbeing and Inclusion

- **Unlocking individual contributions and potential** requires leadership, care, and support tailored to each employees' needs. Our wellbeing and inclusion agenda has extended to new workshops covering menopause, men's health and neurodiversity; and we've shaped learning support for leaders based on their direct feedback about what they most need to help diverse teams achieve at their best.
- **Measuring our progress.** We've chosen to measure diverse characteristics in our workforce as we believe diverse perspectives help us deliver great outcomes for customers.
 - Over the past three years our people choosing to disclose personal characteristics has risen from 52% to 77%
 - 21% of our workforce have disclosed a disability or long term health condition
 - 7% disclosed a different ethnic origin other than White British
 - In our mid-year probation reviews and exit interviews our employees score us 8.8 out of 10 as an inclusive Society which reassures us we are responding equitably and inclusively to our peoples' needs.

We're confident that we're creating a Society for our employees and members that we can be proud of as we enter our *170th year*.

An assessor from the Institute of Customer Service discussed a strong, positive culture that is deeply rooted in shared values and member-first ethos.

Employees consistently report feeling motivated, valued, and proud of the service they deliver to members. The assessor noted a tangible sense of alignment between personal values and organisational purpose, which creates a cohesive environment where colleagues support one another and take pride in both their individual contributions and the organisation's achievements.

93%

of surveyed employees reported feeling proud to work here (Internal pulse survey, August 2025)



Emma

The Board of *Directors*



Phillippa Cardno
Chief Executive

Phillippa joined the Society in 1996. She joined the Executive team in 2007 and was appointed to the Board of Directors in February 2015. Phillippa was appointed Chief Executive in March 2022 and is responsible for the Society's strategic development and providing leadership and direction throughout the Society and for setting and maintaining culture and standards. Phillippa has many years of credit risk and housing sector experience, and also contributes to financial services nationally as Chair of the UK Finance Mortgage Product and Service Board, and as Chair of the BSA's Green Taskforce.



Darren Garner
Chief Financial Officer

Darren joined the Society and the Board of Directors in August 2020. A qualified accountant, he has worked in financial services for over 20 years, half of which as a Finance Director in the building society sector. Darren is responsible for the Society's finance and treasury activities, ensuring the integrity of financial and regulatory reporting and managing the Society's liquidity, funding and capital positions. He also holds executive responsibility for IT and Business Change and Data and Governance.



Dean Scott
Chief Operating Officer

Dean joined the Society in 2022 as Head of Sales and Marketing following 14 years at Nationwide Building Society. In 2024, he was appointed Director of Propositions and Distribution, expanding his remit to include the Society's network of 10 branches alongside responsibility for sales, marketing, and product strategy. On 1 September 2025, Dean joined the Board of Directors as Chief Operating Officer and is now also responsible for the leadership of the customer service and operations functions.



Piers Williamson
Non-Executive Director

Piers was appointed to the Board of Directors in January 2018 and appointed Chairman of the Board on 23 February 2022. He has more than 35 years' financial markets experience specialising in treasury risk management and in 2024 retired as Chief Executive of The Housing Finance Corporation, a mutual company that lends funds to Housing Associations. In 2024 Piers took up the position of the Chair of Sustainability for Housing. Piers is also Chair of the Nomination Committee, a member of the Remuneration Committee and Risk Committee and attends and advises the Executive-led Sales, Marketing and Product Committee.



Debbie Beaven
Non-Executive Director

Debbie was appointed to the Board of Directors in February 2022. She is a Fellow of the Institute of Chartered Management Accountants with an extensive career in financial leadership roles. Debbie is an experienced board director, with her last executive role being Chief Financial Officer at Simplyhealth, a regulated financial services business providing health plans and services to the UK. Debbie is currently Chair of Audit and Risk for two other mutuals; Boundless (CSMA Ltd) and Southern Coop. Debbie is Chair of the Society's Audit Committee and attends and advises the Executive-led Assets & Liabilities Committee. She is also a qualified Executive Coach.



Chris Brown
Non-Executive Director

Chris was appointed to the Board of Directors in June 2019. She is the Group IT Director of Manpower Northern Europe. She has almost 20 years' experience in leading all aspects of technology and digital in commercial organisations, of which over half have been spent in financial services. Chris is the Senior Independent Director, Chair of the Remuneration Committee and a member of the Audit and Nomination Committees and the Digital Advisory Panel.



Nailesh Rambhai
Non-Executive Director

Nailesh was appointed to the Board of Directors in September 2022. He graduated from the University of Oxford in 1995 and, following an early career in the City of London, he undertook executive roles at Coventry Building Society and Petronas. Nailesh has lived and worked all over the world, including in China, the USA and Canada. He is currently a non-executive director at several organisations, including University College London Hospital and Birmingham Women's & Children's Hospital where he is Deputy Chair. Nailesh is Chair of the Risk Committee and a member of the Audit Committee.



Alistair Welham
Non-Executive Director

Alistair was appointed to the Board of Directors in February 2020. Alistair has more than 25 years' experience in marketing and digital communications having specialised in financial services, real estate, car retailing industries, and is an Executive member of the Financial Services Forum and programme faculty member of Imperial College Business School on digital transformation. Alistair also holds positions with NOW: Pensions as Director of Marketing and Communications and is a Trustee of the Brighton Student Union. Alistair is a member of the Risk, Remuneration and Nomination Committees and is the Board's Consumer Duty Champion.



Ian Workman
Non-Executive Director

Ian was appointed to the Board of Directors in February 2025. He brings with him over 25 years' expertise in financial services, having previously held roles at Barclays and Yorkshire Building Society. He is currently Chief Customer Officer for Homes England, the government's housing agency, a position he has held since 2022. Ian is a member of the Risk Committee and the Digital Advisory Panel.



Profit before tax of £7.9m represents a solid financial performance against a backdrop of falling interest rates and increased operating costs, maintaining strong capital ratios as mortgage balances grew by over 8% taking total assets to £1.75bn. With interest rates expected to fall in the near term the Society's financial strength allows the Society to support members today whilst investing for tomorrow.

Darren Garner
Chief Financial Officer



Summary financial *statement*

This Financial Statement is a summary of the information in the Audited Annual Accounts, the Directors' Report and Annual Business Statement, all of which will be available to members and depositors free of charge from all Newbury Building Society offices from 1 February 2026 or can be downloaded from www.newbury.co.uk from 3 January 2026.

As a mutual the Society has no shareholders and does not seek to maximise profits. All profits are retained in the business to underpin the provision of fair, competitive and sustainable rates of interest to members – both current and prospective, and continued investment in infrastructure to provide outstanding service and support to members under all economic conditions.

		2025	2024
Balance sheet	Assets	£1.75bn	£1.65bn
	Loans to customers	£1.47bn	£1.36bn
	Retail shares and deposits	£1.55bn	£1.45bn
Operating performance	Management expenses as a % of mean total assets	1.04%	1.01%
	Interest margin as a % of mean total assets	1.60%	1.76%
	Mortgage arrears - on accounts two months or more in arrears	£0.38m	£0.32m
	Profit after tax	£5.8m	£8.0m
Financial strength	Regulatory capital	£123.0m	£117.3m
	Total capital ratio	19.5%	20.0%
	Liquid assets as a % of shares and borrowings	15.7%	17.7%
Members	Members - numbers	79,538	78,439
	Complaints - as a % of members	0.09%	0.12%

The decrease in profits can be principally attributed to a £1.4m increase in costs, £1.0m reduction in net interest income and a lower release from loan impairments. As a percentage of mean total assets profit after tax decreased from 0.50% in 2024 to 0.34% in 2025, following growth of 6.0% in total assets.

Net interest income decreased by £1.0m to £27.2m (2024: £28.2m) as the Society's assets and liabilities repriced into a lower interest rate environment. Whilst interest payable decreased by £5.1m interest receivable decreased by £6.1m as the Society continued to strike an appropriate balance between rewarding all members with fair and

sustainable rates whilst protecting the Society's competitive positioning.

Coupled with net interest income from the Society's derivative contracts, the Society's interest margin decreased by 0.16% to 1.60%.

The Society's plans assume that bank rate will fall further in the near term, resulting in a further reduction in the income earned on the Society's liquid assets and net interest receipts from derivative contracts. Despite the expected reduction in interest income, as bank rate falls the Board will continue to take the same balanced view of interest rate decisions in the best long-term interest of the Society and its borrowing and depositing members as it did as bank rate increased.

The Board has planned for a further reduction in margin next year, reflecting the continued impact of an expected reduction in bank rate on income from the Society's liquid assets and derivative contracts, together with a continuation of pressure on mortgage pricing and competition for retail deposits.

The Society's results for the year were also, once again impacted by fair value charges on derivatives with a charge of £1,625k (2024: £2,099k). This loss comprises an additional year's amortisation of previously reported (net) fair value gains, together with fair value losses in respect of derivative contracts entered into in the current financial year to hedge fixed rate mortgage offers.

The Board recognises that only by careful management of costs can the Society continue to provide competitively priced products to members. At the same time the Board continues to place importance on the need to make continued investment in the Society's operations. In total management expenses increased by almost £1.4m (8.6%) during the year.

People costs, which represent over half the Society's total costs, accounted for almost two thirds of the increase, increasing by £0.9m or 10%, reflecting 5.3% growth in average headcount (2024: 7.7%) and pay awards made during the year. Of the remaining £0.5m increase in costs this can be mostly attributed to: growth in the costs in-

curred to run, maintain and develop the Society's information technology systems to ensure it can continue to provide best practice security measures in an environment where the threat of cyber attacks are ever-present and increasing; and audit and compliance costs. There was no material change in depreciation and amortisation charges and no impairment charges made in respect of the Society's freehold properties.

Despite advancing £281m of mortgages (2024: £266m) and growing mortgage balances by £110m (2024: £117m) the total amount set aside for loan impairment decreased by £134k (2024: decrease of £999k) including a higher requirement following an increase in the management judgement applied to consider how property values could be expected to move across a loss emergence period, which assumes a decline of 0.9%, compared with no decline in 2024. It also remains an assumption that there will be no material increase in the number of loans being identified as impaired as the personal finances of households continue to be impacted by persistent inflation and increasingly uncertain economic conditions as recent changes to bank rate continues to feed through into mortgage costs.

Mortgage *arrears*

The value of arrears for cases more than two months in arrears increased from £0.32m to £0.38m with the number of borrowers in this category increasing from 50 to 63 accounts. Including possession cases there were 18 cases in serious arrears of twelve months or more at 31 October 2025 (2024: 15 cases). The total amount of arrears outstanding on these accounts was £207k (2024: £219k) and the aggregate balances were £1,835k (2024: £1,747k).

At 31 October 2025 there were 44 accounts (2024: 51) where customers were benefitting from a forbearance action such as temporary interest only concessions, payment plans or reduced payment concessions. This includes 15 cases of forbearance entered into as part of the Society's commitment to the Mortgage Charter, announced by HM Government in July 2023 (2024: 23 cases). Forbearance cases represent total outstanding balances of £3.8m (2024: £3.0m).

At 31 October 2025 the Society had two properties in possession (2024: four).

Although increasing, the Society's arrears and possession statistics continue to remain low both for the building society sector and for the industry as a whole. The further increase in reported arrears at 31 October 2025 was expected. Whilst low levels of unemployment continue to support the servicing of mortgages, many borrowers experienced higher monthly repayments as interest rates increased across 2023 and 2024 however it is recognised that the full extent of these increases may not have fully materialised as many customers still remain on fixed rate products entered into in a period of lower interest rates.

Although interest rates have fallen and are predicted to fall further, there remains uncertainty as to how fiscal policy announcements made could further impact on household incomes and manifest in future arrears and possession figures. The Society may therefore expect to see further increases in arrears in the near term.

As a responsible lender, and as demonstrated through the Covid-19 pandemic and the Society's ongoing commitment to the Mortgage Charter, the Society remains ready to assist and support members experiencing difficulty servicing their mortgage.

The Society's mortgage book remains very high quality with an average indexed loan to value of 29.4% (2024: 30.0%) with 0.8% (2024: 1.0%) of the balances in the book more than 80% of the current indexed value of the properties on which their mortgages are secured.

Funding and liquidity

Retail savings and deposits continue to be the cornerstone of our funding and it remains a strategic priority of the Society to continue offering a range of good quality savings products paying consistently competitive rates of interest relative to available market rates. During the year ended 31 October 2025 retail savings and deposit balances increased by £95.4m (2024: £130.9m) taking the Society's total shares and deposits

balances to £1,548.1m (2024: £1,452.7m), with the Society's ISAs and range of fixed-rate bonds accounting for the majority of balance growth.

Total liquid assets decreased to £252.8m (2024: £268.9m) including £228m held in the form of deposits placed at the Bank of England (2024: £248m). The reduction in amounts held with the Bank of England was in part due to the Society further diversifying its liquid assets into other types of assets that qualify for inclusion in regulatory measures of liquidity.

As a percentage of shares and deposits liquid assets decreased to 15.7% (2024: 17.7%). The decrease in liquidity arose as growth in retail savings balances, coupled with an increase in wholesale funding (see below) was not sufficient to fund mortgage growth of over £110m and the repayment of the final £49m of TFSME balances. The Society also returned a further £11m of cash deposits to counterparties held as collateral in accordance with the terms of derivative contracts.

The Society also has access to funding from other financial institutions and local authorities with typical repayment profiles of up to one year. At 31 October 2025 the Society had sourced £26m of such funding (2024: £17m).

Capital

Financial strength protects the Society against its principal risks and uncertainties and safeguards member funds. Given the continuing emphasis on high quality capital by world banking authorities, the Board sets a strategy to ensure that capital is maintained at an appropriate level to cater not only for its day-to-day business needs but also for significant stresses in the marketplace.

Profit after tax for the year ended 31 October 2025 of £5.8m (2024: £8.0m) has supported balance sheet growth of 6.0%. After regulatory deductions, the Society's regulatory capital stood at £123.0m at 31 October 2025 (2024: £117.3m). The gross capital ratio was 7.56% (2024: 7.64%).

Summary financial *statement*

	2025 £000	2024 £000
Society results for the year		
Net interest receivable	27,162	28,153
Other income and charges	(43)	(206)
Net loss from derivatives	(1,625)	(2,099)
Administrative expenses, including depreciation and amortisation	(17,596)	(16,203)
Impairment of loans and advances to customers	29	989
Profit for the financial year before taxation	7,927	10,634
Taxation	(2,111)	(2,608)
Profit for the year	5,816	8,026
Financial position at the end of year		
Assets		
Liquid assets	252,820	268,857
Derivative financial instruments	2,695	11,228
Loans and advances to customers	1,475,291	1,357,562
Fixed and other assets	16,485	11,424
	1,747,291	1,649,071
Liabilities		
Shares	1,524,687	1,423,116
Borrowings	90,022	96,967
Derivative financial instruments	5,685	1,563
Other liabilities	4,752	11,294
Reserves	122,145	116,131
Total reserves and liabilities	1,747,291	1,649,071
Key financial ratios	%	%
Gross capital as a percentage of shares and borrowings (note 1)	7.56	7.64
Liquid assets as a percentage of shares and borrowings (note 2)	15.7	17.7
Profit for the year as a percentage of mean total assets (note 3)	0.34	0.50
Management expenses as a percentage of mean total assets (note 4)	1.04	1.01

Piers Williamson
Chairman

Phillippa Cardno
Chief Executive

Darren Garner
Chief Financial Officer

22 December 2025

Notes to the Summary Financial Statement

1. The gross capital ratio measures the Society's capital as a proportion of its shares and borrowings. The Society's gross capital consists of general reserves and revaluation reserve which have been accumulated over many years.
2. The liquid assets ratio represents the total of cash, deposits and government securities held by the Society as a proportion of the Society's shares and borrowings. Liquid assets are held by the Society for prudential purposes in order to meet investor withdrawals from their accounts, make mortgage advances to borrowers and to fund general business activities.
3. Profit for the year as a percentage of mean total assets represents the Society's profit for the year (after tax) as a proportion of the average total assets held during the year.
4. The ratio of management expenses to mean total assets is one of a range of ratios, widely used in the industry, to measure administrative efficiency.
5. An Audit Report is included in the Annual Report & Accounts.

Independent auditor's statement to the members and depositors of Newbury Building Society

We have examined the Summary Financial Statement of Newbury Building Society ("the Society") for the year ended 31 October 2025 which comprises Summary Income Statement and Statement of Financial Position at the end of the year and key financial ratios together with the Summary Other Information.

Respective responsibilities of directors and auditor

The directors are responsible for preparing the Summary Financial Statement, in accordance with applicable United Kingdom law.

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

We also read the other information contained in the Business Review and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the Summary Financial Statement.

Basis of opinion

Our examination involved agreeing the balances in the Summary Financial Statement to the full financial statements, Annual Business Statement and Directors' Report. Our report on the Society's

full financial statements describes the basis of our audit opinion on those full financial statements.

Opinion on Summary Financial Statement

In our opinion, the Summary Financial Statement is consistent with the full financial statements, the Annual Business Statement and the Directors' Report of Newbury Building Society for the year ended 31 October 2025 and complies with the applicable requirements of Section 76 of the Building Societies Act 1986 and regulations made thereunder.

Use of our report

This report is made solely to the Society's members, as a body, in accordance with Section 76(5) of the Building Societies Act 1986. Our work has been undertaken so that we might state to the Society's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's members as a body, for our audit work, for this report, for our audit report, or for the opinions we have formed.

Deloitte LLP

Statutory Auditor

Birmingham, United Kingdom
22 December 2025



The Remuneration Committee will continue to ensure we have the right reward structures in place ensuring appropriate alignment between delivering an ambitious but credible growth plan for the Society and its members and the promotion of a healthy and inclusive culture where we continue to attract and retain talent

Chris Brown

Chair of the Remuneration Committee



Directors' Remuneration *report*

This report explains how the Society applies the principles of the UK Corporate Governance Code (relating to remuneration). It also explains how the Society's remuneration policy complies with relevant regulations including the Remuneration Part of the Prudential Regulation Authority's Rulebook and the Financial Conduct Authority's Remuneration Code for dual regulated firms (SYSC 19D). The Remuneration Committee has determined that, at 31 October 2025, all of the Non-Executive Directors and Executive Directors, as well as the other members of the Executive management team, were classified as Material Risk Takers (MRTs) and subject to the Remuneration Code.

The level and components of remuneration

Code Principle:

P. Remuneration policies and practices should be designed to support strategy and promote long-term sustainable success. Executive remuneration should be aligned to company purpose and values and be clearly linked to the successful delivery of the company's long-term strategy.

The Society's objective when setting remuneration is to ensure that it is in line with the Society's business strategy, risk appetite and long-term objectives, by being consistent with the interests

of the Society's members. Remuneration is set at a level to retain and attract individuals of the calibre necessary to operate and meet the Society's objectives.

Executive Directors' emoluments

The remuneration of the individual Directors is provided on pages 32 and 33. The remuneration reflects the Directors' specific responsibilities and comprises basic salary, annual performance related pay and various benefits detailed below.

Basic salaries

Basic salaries are reviewed and benchmarked annually in line with comparable organisations across location, industry and job function.

Performance Related Pay schemes

The Society operates two simple and transparent performance related pay schemes for the Executive Management team, with objectives relating to a balance of financial performance, customer service and sustainable growth over a multi-year timeframe:

1. An annual scheme based on the Society's key performance measures of profitability, control of costs, risk management controls, growth in mortgages, and

increases in member numbers. A maximum of 10% of salary (prior to any salary sacrifice) can be earned annually for achievement of these targets, which includes a maximum 2% of salary based on personal contribution.

2. A two-year medium-term incentive plan based on successful delivery of our corporate plan objectives. This pays a maximum of 20% of salary after two years. There is no acknowledgement of personal performance in this scheme, instead it makes a requirement of the Executives to come together to deliver the strategic plan as a team.

Performance related payments are not pensionable and are paid in cash through payroll.

As a mutual, the Society has no share option scheme, and none of the Directors has any beneficial interest in, or any rights to subscribe for shares in or debentures of, any connected undertaking of the Society.

Benefits

The Society makes a contribution of up to 15.25% of salary (before salary sacrifice where applicable) to Executive Directors' private pension arrangements.

Executive Directors receive other benefits comprising private healthcare, cash health plan, death in service and income protection insurance. The Society does not provide concessionary home loans to Directors.

Executive Directors' contractual terms

Phillippa Cardno, Darren Garner and Dean Scott each have a service contract with the Society, terminable by either party giving twelve months' notice.

The Society meets contractual obligations for loss of office and whilst the Remuneration Committee has discretion to provide better terms, this is disclosed to Members if used.

An Executive Director is permitted to take a role as a Non-Executive Director with another firm provided the firm is not a competitor and the associated time commitment can be accommodated. Any such arrangements must be agreed in advance by the Nomination Committee. There were no new arrangements of this nature entered into during the year.

Non-Executive Directors

The level of fees payable to Non-Executive Directors is assessed using information from comparable organisations and national publications from Non-Executive Director recruiters. The salaries of the Non-Executive Directors were reviewed by the Chief Executive and recommended to the Remuneration Committee in 2025 after a benchmarking exercise.

Remuneration comprises a basic fee with supplementary payments for the Chair of the Board and the other Non-Executive Directors classified as Senior Managers, for regulatory purposes, to reflect the additional responsibilities of these positions. Fees for Non-Executive Directors are not pensionable and Non-Executive Directors do not participate in any incentive schemes or receive any other benefits. Non-Executive Directors have letters of appointment and these are available for inspection prior to the AGM or at the Society's registered address.

Other material risk takers

The Remuneration Committee is also responsible for determining the terms and conditions of other members of the Executive management team, who are considered Material Risk Takers or undertake Senior Manager Functions, in consultation with the Chief Executive. These are the Director of Data and Governance and Company Secretary, the Chief Risk Officer, the Director of Customer Service and the Director of People. These individuals are subject to the same variable pay performance targets and rewards as the Executive Directors and they also receive pension contributions from the Society of up to 15.25% of salary (prior to any salary sacrifice).

The procedure for determining remuneration

Code Principle:

Q. A formal and transparent procedure for developing policy on executive remuneration and determining director and senior management remuneration should be established. No director should be involved in deciding their own remuneration.

R. Directors should exercise independent judgement and discretion when authorising remuneration outcomes, taking account of company and individual performance, and wider circumstances.

The remuneration of the Non-Executive Directors, Executive Directors and other members of the Executive team is overseen by the Remuneration Committee, which consists of three Non-Executive Directors and meets four times a year. During the reporting period the composition of the Committee satisfied the Code provisions regarding independence. The Chief Executive, and Director of People attend by invitation but take no part in the discussion of their own salaries. Minutes of the Committee meetings are distributed to all Board members.

The Remuneration Committee reviews and updates the Society's Remuneration Policy, principles and the PRA policy statement annually taking note of the policy and communications that applies to all employees to check alignment with wider company pay policy. The Committee maintains a list of the Society's Material Risk Takers detailing the composition of their respective remuneration. In setting remuneration, the Committee considers the remuneration levels and structure provided by building societies that are similar in size and complexity. A report may be commissioned from external consultants to assist in this process. The Committee did not use the services of an external consultant during the reporting period. The Committee also ensures that variable remuneration does not undermine the objectivity of the risk and compliance functions.

Non-Executive Directors

The fees payable to Non-Executive Directors are proposed by the Chief Executive, taking into consideration an objective market comparison of peer organisations. The fees are approved by the Board, following recommendation by the Remuneration Committee.

Executive Directors

The performance related pay schemes are designed to encourage the achievement of key business objectives relating to a balance of financial performance, customer service and sustainable growth over a multi-year timeframe. In setting variable remuneration targets the Committee considers the balance between the fixed and variable components of remuneration to ensure that the ratio is appropriately balanced and in line with the risk profile of the Society. The Committee believes that the performance related targets set for 2025 were suitably balanced and hence risk adjusted.

The Remuneration Committee assesses whether any performance related payments should be made taking into account reports, where applicable, from the Risk and Compliance functions.

AGM vote

Whilst a binding vote on Remuneration Policy is not considered appropriate for a building society of our size and nature, if more than 25% of the turnout vote against the report, the Remuneration Committee will take steps to ascertain and address the concerns of the Membership.

On behalf of the Committee, I recommend that you endorse our report.

Chris Brown,
Chair of the Remuneration Committee
22 December 2025

Directors’ remuneration and *transactions*

The emoluments for both Executive and Non-Executive Directors totalled £829,000 for the year (2024: £824,000).

Executive Directors’ emoluments

2025	Salary £000	Performance related pay		Taxable benefits £000	Pension contribution ¹ £000	TOTAL £000
		Short Term £000	Medium Term ² £000			
Phillippa Cardno	239	25	-	3	51	318
Darren Garner	186	19	-	3	40	248
Dean Scott (appointed 01/09/25)	23	10	-	-	5	38
TOTAL	448	54	-	6	96	604
2024						
Phillippa Cardno	225	25	45	4	48	347
Darren Garner	179	19	36	3	38	275
TOTAL	404	44	81	7	86	622

Notes

- 1. The Executive Directors have the option to sacrifice part of their salary in exchange for the Society making additional pension contributions on their behalf. During the year Phillippa Cardno, Darren Garner and Dean Scott took advantage of this option.
- 2. Amounts payable under the MTIP for performance across the two financial years ended 31 October 2024.

Further details on the components of Directors’ emoluments can be found in the Remuneration Committee report on pages 29 to 31.

Non-Executive Directors’ emoluments (comprising fees only)

	2025 £000	2024 £000
Piers Williamson (Chairman)	54	52
Debbie Beaven	37	35
Chris Brown	37	35
Nailesh Rambhai	37	36
William Roberts (retired 20/02/24)	-	12
Alistair Welham	34	32
Ian Workman (appointed 12/02/25)	26	-
TOTAL	225	202

Loans to Directors and connected persons

The aggregate outstanding balance at the end of the financial year in respect of loans from the Society to Directors and connected persons was £nil (2024: £nil) representing loans to no persons (2024: no persons). The terms and conditions are in line with standard mortgage ending and the loan is secured on residential property with the nature of any final settlement being on a cash basis.

There are no guarantees given or received. A register of loans to and transactions with Directors and connected persons is maintained. It is available for inspection by members at the Society’s Head Office for the period of fifteen days prior to the Annual General Meeting and at the Annual General Meeting.

Notice of the Annual General Meeting



When: 11:00am on Thursday 26 February 2026



Where: Owners Club, Newbury Racecourse, Racecourse Rd, Newbury RG14 7NZ

Members need to pre-register their attendance at the AGM by visiting www.newbury.co.uk/about-us/corporate-governance/ or by contacting their local branch.

The deadline for registration is **3pm on Tuesday 24 February 2026**.

How can I *vote*?



Online – At www.cesvotes.com/newbury2026. Type this directly into your URL/address bar and use the security codes in your pack.



In person – If registered, at the AGM on Thursday 26 February 2026 at 11am.



In branch – complete the form in your member pack and hand it in at your branch in the pre-paid envelope by 5pm on 20 February 2026.



By Freepost – complete the form in your member pack and return it in the enclosed envelope to arrive by 3pm on 24 February 2026.



We would love to see you, our members, at this year's AGM where we will be updating you on our previous year's performance and providing updates on what we are working on over the next year.

The meeting will commence at 11:00am on Thursday 26 February 2026 for the following purposes:

1. To receive the Auditor's Report, the Directors' Report, Annual Accounts and Annual Business Statement for the year ended 31 October 2025.
2. To consider and if thought fit pass an Ordinary Resolution to re-appoint Deloitte LLP as the Society's Auditor, to hold office until the conclusion of the next AGM at which accounts are laid before the Society, and for its remuneration to be fixed by the Directors.
3. To consider and if thought fit pass Ordinary Resolutions to re-elect Deborah Jane Beaven, Christine Margaret Brown, Phillippa Cardno, Darren Lee Garner, Nailesh Kantilal Rambhai, Alistair Richard Norton Welham, and John Piers Williamson and to elect Dean Peter Scott and Ian Scott Workman as Directors of the Board.
4. To consider and if thought fit pass an Ordinary Resolution to approve the Directors' Remuneration Report for the year ended 31 October 2025 (see f below).



Voting conditions (forming part of the notice of the meeting):

- a) A member may attend and vote at the Annual General Meeting as described above. Members must bring evidence of their membership to gain admission. This must be a current passbook, mortgage statement, or documentary evidence with their name and address.
- b) A member may appoint one proxy to attend and vote on their behalf. A member may appoint the Chair of the meeting or anyone else as their proxy. A proxy does not have to be a member of the Society. A proxy may vote at the meeting, but only on a poll. A proxy must attend the meeting and bring a form of identification to vote on behalf of a member. A proxy, if other than the Chair, may not speak at the meeting except to demand or join in a poll. A member may instruct their proxy how to vote at the meeting by following the instructions on the Proxy Voting form. If you appoint a proxy to vote on your behalf and your proxy does not attend the meeting, your vote will not be counted.
- c) To qualify as a voting shareholding member, you must be an individual of at least 18 years of age on 26 February 2026; have held at least £100 in any Society share account on 31 October 2025; continue to hold shares at all times up to and including the voting date; and be first named on the account in the records of the Society.
- d) To qualify as a voting borrowing member, you must be an individual of at least 18 years of age on 26 February 2026; have held a mortgage with the Society to the value of at least £100 on 31 October 2025; hold a mortgage with the Society to the value of at least £100 on the voting date; and be first named on the account in the records of the Society.
- e) You may only vote once as a member, irrespective of the number of accounts you hold, whether you hold accounts in different capacities and whether you qualify to vote as both a shareholding and borrowing member.
- f) Resolution 4 in this Notice of Meeting relates to a resolution for members to vote on the Directors' Remuneration Report for 2025 set out on pages 29 to 31 of this booklet. As a building society, we are not obliged to ask members to vote on this, but in accordance with best practice we are asking for an advisory vote and the Board will consider the result and decide what action if any is appropriate.
- g) The deadline for postal or online votes is 3pm on 24 February 2026.

By Order of the Board
Erika Neves – Society Secretary
January 2026

Notes: The Board considers that all Directors continue to have the required skills, knowledge and experience and demonstrate the necessary commitment to their roles. Biographical details of the Directors standing for election or re-election are included on pages 22 and 23 of this booklet.

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