

2025

talk...

including notice of annual general meeting
and summary financial statement





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Chair's welcome

I am pleased to present the Society's Summary Financial Statement and report that the Society has, once again, delivered a very positive set of results for our members. We have achieved another record year of gross lending, strong net retail receipts, whilst also delivering excellent underlying profitability that will be used to help support the Society's future growth and development.

2024 Highlights

Although the external environment improved in 2024 compared to recent years, there remained significant economic and political uncertainty, dampening consumer sentiment and driving up competition in the mortgage and savings markets. This makes the Society's performance in 2024 even more impressive, reinforcing our belief that our Society and other regional building societies continue to play a vital role in offering customers choice, flexibility and personalised service.

At the beginning of 2024, Adam Evetts became our Chief Executive, and the Board have worked closely with Adam and his executive team to ensure the Society has a clear sense of purpose and direction as it considers the investment plans needed to support the Society's future growth, ensuring we continue to focus on delivering value to our members, developing our people, and strengthening our connection to our heartland.

The Financial Conduct Authority ("FCA") Consumer Duty regulations came into effect in 2024 and provided the Board with an opportunity to reflect on how well the Society delivers good outcomes to its retail customers, and particularly how this is evidenced to the Board. With the requirements of the Duty chiming so closely with the values and ethos of the Society, it was pleasing to see how closely our approach aligned to the expectations of the regulator

Board changes

Sally Veitch, Non-Executive Director ("NED"), and Chair of the Society's Audit Committee

notified the Board of her intention to resign from her role in July 2023, and she left the Board on 31 March 2024. The Board were pleased to appoint Janet Chapman as a NED and Chair of the Audit Committee from 25 April 2024. Janet's strong background in audit and finance has ensured the continued effective operation of the Audit Committee, as well as adding further strength and depth to the Board.

Outlook for 2025 and beyond

The Society is financially strong and well positioned to continue the positive progress of recent years. In what we expect to be another highly competitive year for mortgages and savings in 2025, we believe we can continue to grow and provide a great service to our customers.

Finally, on behalf of the Board I would like to thank our members and colleagues for their support and commitment to the Society, and we look forward to this continuing in 2025 and beyond.

Jeremy Cross
Chair of the Board
27 February 2025



Chief Executive Officer's review

As Jeremy has already highlighted, 2024 was again a very good year for the Society, that saw us deliver another year of record lending and healthy retail inflows, whilst our underlying profitability ensures our long-term sustainability. Our performance is testament to our clear strategic focus on targeting those specific customer segments where we are able to offer a range of competitively priced products, and whose customers value the outstanding customer service delivered by our incredible colleagues.

Financial performance

As a mutual organisation our profitability is used to reinforce our strong capital position and to support future investment, rather than paying shareholders. After several exceptionally strong years, profit before taxation reduced in 2024 to £2.3m (2023: £4.3m). Our management expense ratio for 2024 increased to 1.75% (2023: 1:59%). This performance reflected overall mortgage growth of 10%, together with tighter margins across mortgages and savings, and increased investment in our core processes and people. We anticipate that these investments will remain significant over the next few years in line with our strategy to ensure a successful and sustainable future.

Mortgages

The Society delivered another year of record gross mortgage lending with £119.6m lent in the year, exceeding the £115.5m achieved in 2023. During the year we increased our focus on shared ownership and entered the expat residential market, the latter enabling us to lend to individuals who are not paid in Sterling. With all of our mortgages manually underwritten we are able to offer a more personal approach to assessing cases, allowing us to take a more flexible and pragmatic approach than that applied by many of the larger lenders. This, combined with our strong focus on product

innovation, our ability to adapt our Lending Policy in response to changes in borrower need and our exceptional people, has delivered the strong lending volumes seen in 2024.

We have also improved our focus on borrower retention, engaging earlier with borrowers coming to the end of their product term with competitive products, helping them better manage any change to payments. This approach has paid off with our retention rate increasing by over 13% in 2024.

Our strong gross lending and retention performance has resulted in net lending of £45.7m for 2024, with mortgage assets growing by 10% over the year.

In order to improve our customer experience and to support the Society's future lending plans, in December 2024 we signed a contract with Mast Technologies Ltd to implement their mortgage origination platform, allowing us to provide a more streamlined and intuitive mortgage application journey whilst also simplifying our underwriting processes. Implementation of the platform started in January 2025, and our customers will benefit from these improvements from H2 2025.

Sadly, the challenging economic environment has meant we have seen a small increase in the number of customers in arrears by more than 90 days, though this was limited to a net increase

of 7, and stood at 15 customers at the year end. The Society is a signatory of the Mortgage Charter and, using a range of forbearance tools, we work closely with all customers in arrears to help them keep their home. During 2024 no properties were taken into possession, however, the Society maintains an appropriate level of impairment provisioning to ensure any future losses are adequately covered. As at the end of 2024 the Society's impairment coverage ratio stood at 0.28% (2023: 0.36%).

For borrowers looking for support or worried about their ability to pay their mortgage, further details around the help provided by the Mortgage Charter can be found on our website or you can call us on **0121 557 2551** to speak to someone directly about the support we can provide.

Savings

During the year we continued to ensure we provided good value to our savings customers through our product range, the service in our branches and, increasingly, through the convenience of our app. We paid attractive rates on our savings products, allowing us to both retain existing balances and attract new funds to help support future lending activity.

This saw us increase our retail deposits by £42m during the year by offering a range of competitive fixed and variable rate accounts via our branches, mobile app and postal channels. For our savings book as a whole, our savings rates are, on average, 1.45% higher than the market average.

We understand the importance of allowing customers to be able to interact with us through a range of different channels; in particular the role of our branch network in providing customers in our heartland with access to savings products in a friendly face-to-face

environment. We also continue to develop our mobile app to ensure it provides the security and resilience expected by our customers and we are seeking to open new branches within our heartland where we believe opportunities exist to extend our customer reach.

Consumer Duty

This important initiative from the FCA creates additional expectations on financial services companies in the way that they behave and interact with their customers. The Society implemented the FCA's Consumer Duty regulations well ahead of the July 2024 deadline. The core principle underlying the Duty, that firms should deliver good outcomes for retail customers, was already strongly embedded across the Society and sat at the heart of our ethos as a mutually owned building society. As such, the implementation has allowed us to embed this principle even more deeply, including expanding our governance and MI supporting the Duty, enhancing customer communications, reviewing our tariff of fees and delivering a range of training to all colleagues across the Society to reinforce our focus on putting the customer at the heart of everything we do.

Community and colleagues

Being a good employer and making a positive contribution to our local community are very important to us.

Our success during 2024 would not have been possible without the support and commitment of all our colleagues. During the year we welcomed 19 new employees, growing our headcount to 120 people, and continuing our support of job creation in our local area. Throughout the year we engaged regularly with colleagues via monthly CEO updates, quarterly pulse surveys, NED visits and colleague engagement events, helping to ensure colleagues understood the Society's priorities, and that the Board and the senior managers

Chief Executive Officer's review (continued)

were able to get feedback on colleague engagement and motivation.

Community and charity engagement further helps to strengthen colleague engagement, as well as reinforcing the Society's strong sense of citizenship within its heartland. During the year total charitable donations amounted to over £58,000. This included a donation of over £5,000 to our Charitable Foundation, £9,000 to the Midlands Air Ambulance Charity and £12,000 to the Black Country Foodbank.

The Foundation, which supports charitable activities within the Black Country area with the principal purposes of raising educational standards, increasing health provision, and supporting the hospice movement, received a donation of £5,000 as a result of members saving in our Community Saver accounts. The Foundation, which celebrated its 25th anniversary during the year, made donations to 20 charities supporting the local area, totalling over £18,000. Since its inception in 1999 the Foundation has donated more than £278,000 to 171 different charities.

Colleagues chose four highly deserving charities to support in 2024: Acorns Children's Hospice, the Midland Langar Seva Society, Heartlands Hospital Neonatal Unit and Balls to Cancer. They raised a total of £4,708 for them during the year through a range of fundraising events including a fashion show, a bake-off competition, a colleague spinathon, a sponsored walk, and a Christmas hamper raffle.

Colleagues also supported a number of other local initiatives during the year including food collections for Black Country Women's Aid and Russells Hall Hospital and volunteering at a range of local charities.

The Society also continued its long-standing support of numerous local clubs and associations, including ongoing support and sponsorship of Tipton Harriers Athletics Club and Tipton Town FC.

Focus for 2025

Our strategy is based on a clear statement of our purpose as a building society, supported by a vision statement of what we aspire to achieve. These statements, "helping our customers achieve their most important financial goals", and "to make a positive impact on everyone we interact with – customers, colleagues and community", are driving our decision making and planning activities, helping to ensure the Society remains a thriving mutual organisation, delivering value to its members and with its roots firmly embedded within the Black Country.

Adam Evetts
Chief Executive Officer
27 February 2025



Notice of Annual General Meeting

📅 The 124th Annual General Meeting (“AGM”) of the Tipton & Coseley Building Society will be held on Monday 28 April 2025 at Tipton & Coseley Building Society, 70 Owen Street, Tipton, DY4 8HG at 5.30pm. The AGM is your opportunity to consider and vote on the following matters:

Ordinary resolutions

1. To receive the Director’s Report, Annual Accounts, Annual Business Statement and Auditors Report

See the Summary Financial Statement for a summary of these items. Our full Annual Report and Accounts will be available from our Head Office, at any branch, at www.thetipton.co.uk or by calling **0121 557 2551**, from 21 March 2025.

2. To approve the Report of the Remuneration Committee for the year ended 31 December 2024

This vote is advisory and the Directors’ entitlement to remuneration is not conditional on this resolution being passed. The Directors’ Remuneration Report appears in the Annual Report and Accounts and in the Summary Financial Statement.

3. To appoint Forvis Mazars LLP as auditors

As a building society we are required by law at each AGM to appoint external auditors who are to hold office until the end of the next AGM. The Board is proposing the appointment of Forvis Mazars LLP as our Auditors for the financial year ending 31 December 2025.

Election and re-election of Directors

4. To re-elect Alastair Shand

5. To elect Janet Chapman

When proposing Directors for re-election the Board carefully considers succession, skills mix and the individual contribution of each Director. You can find out more about the Director standing for re-election in the Summary Financial Statement.

Your Board recommends that you vote for all of these resolutions and the election and re-election of Directors.

By Order of the Board

Mark Ferguson, *Secretary*, 27 February 2025

The following notes form part of the Notice of Annual General Meeting.

1. You are encouraged to vote in person by attending the Annual General Meeting. Alternatively, you may use the proxy voting form or go online to appoint a proxy to attend and vote at the Meeting on your behalf. You may appoint the Chair of the Meeting or anyone else as your proxy, and your proxy does not have to be a member of the Society.
2. Your proxy may vote for you at the Meeting, but only on a poll. You may direct your proxy how to vote at the Meeting.
3. Your proxy may not speak at the Meeting other than to demand or join in demanding a poll.
4. If you appoint a proxy and they do not attend the Meeting, then your vote cannot be counted.
5. Ordinary resolutions will be passed if a majority of members who vote, vote in favour.



Monday
28 April
2025

2024 Community highlights



PROUD SPONSORS
OF THE AWARD FOR
BEST COMMUNITY PROJECT OR GROUP
AT THE DUDLEY BOROUGH COMMUNITY AWARDS



8 YEARS
SUPPORTING
MIDLANDS AIR
AMBULANCE CHARITY

OVER
£18,000
DONATED
BY OUR
CHARITABLE
FOUNDATION



£5,000
DONATED TO
OUR CHARITABLE
FOUNDATION



£12,000
DONATED TO
BLACK COUNTRY
FOODBANK

OVER
£4,700
RAISED BY
COLLEAGUES
FOR OUR FOUR
CHOSEN CHARITIES



**EASTER &
CHRISTMAS**
DONATIONS
TO DUDLEY GROUP
NHS CHARITY



21 LOCAL
COMMUNITY
AND SPORTS
GROUPS
SUPPORTED



Giving back to those in need

At the Tipton, we're committed to helping the communities we serve, including those who are facing difficulties or experiencing hardship.



Each year, we fundraise for charities chosen by our colleagues, resulting in individual donations of £2,500 to Acorns Children's Hospice, Balls to Cancer, Heartlands Hospital Neonatal Unit and Midland Langar Seva Society.

We extended our support for Black Country Foodbank, donating £12,000 for the second year in a row and introducing collection points to all four of our branches.

The Tipton & Coseley Charitable Foundation issues grants twice a year for a variety of local healthcare and educational charities up to a total value of £10,000. Grants are partially funded as a result of members saving in our Community Saver account.

In May, the Foundation supported Acorns Children's Hospice, Beacon Centre for the Blind, Better Understanding of Dementia for Sandwell (BUDS), Dementia UK, Diabetes UK, FoodCycle, George Betts Primary Academy, Muscular Dystrophy Support Centre, Midland Freewheelers, Omega, Sandwell Advocacy and University Hospitals Birmingham Charity.

Then, in October additional grants went to Birmingham and Black Country Wildlife Trust, Birmingham Hospice, Cash for Kids, Honeypot Children's Charity, Kids Cancer Charity, the National Institute of Conductive Education, React and Read for Good.

Smaller community groups and clubs reach out to the Society for assistance and we always help where we can. Contributions to organisations such as Beacon Hill Academy, Bloomfield Court Care Home, Coseley Cricket Club and the Tipton and Princes End Domino League were all gratefully received.

During the summer, we were proud sponsors of the Tipton Canal & Community Festival, bringing the popular event back to the town after a five-year absence.

It was also a busy year for Society volunteering, with colleagues collectively offering around 160 hours of their time to deliver community projects. We tended the grounds at the Black Country Living Museum, wrapped Christmas gifts for Black Country Women's Aid, and attended street feeds with the Midland Langar Seva Society.



Save money, save lives

Whether it's for financial stability, or to help fund a big purchase, we all know saving is a good thing to do.

But what if your savings could do good for other people too? That's the beauty of products like our Midlands Air Ambulance Saver account.

You earn interest on your savings, then at the end of each year the Society makes a donation

to Midlands Air Ambulance Charity based on the average balances held across all accounts.

In the five years since its launch, our members have helped contribute £36,500 by saving in the account. Alongside the fundraising efforts of our colleagues, together we're truly supporting Midlands Air Ambulance Charity in their lifesaving mission!



Make saving simple

Everyone has different reasons for saving, which is why we offer a wide range of accounts.

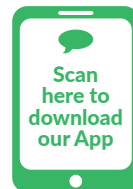
Our current savings range features:

- Easy access savings;
- Tax free ISAs;
- Notice savings accounts;
- Fixed rate savings;
- Accounts for young savers; and
- Affinity savings accounts for Midlands Air Ambulance Charity, the Tipton & Coseley Charitable Foundation and Wolverhampton Wanderers FC.

Terms and Conditions apply. These products may be withdrawn at any time.

There are certain things to consider when choosing a savings account, such as how you plan to manage it. This could be at your local branch, by post, or via the Tipton App.

The App allows you to open new savings accounts, view your existing savings account transactions, and mortgage account information. The App is available via both the Apple App Store and Google Play Console.



Our range of mortgage products



FIRST TIME BUYERS

- 🏠 FAMILY ASSISTED
 - 🏠 LOW DEPOSIT
 - 🏠 JOINT BORROWER
SOLE PROPRIETOR
 - 🏠 SHARED OWNERSHIP
-



HOME OWNERS

- 🏠 RESIDENTIAL
PURCHASE
 - 🏠 RESIDENTIAL
REMORTGAGE
 - 🏠 LENDING INTO
RETIREMENT
 - 🏠 EX PAT RESIDENTIAL
-



BUY TO LET INVESTORS

- 🏠 EX PAT
 - 🏠 LTD. COMPANY
-

YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE.

All applications are subject to status, valuation and our lending policy. Terms and conditions apply. These products may be withdrawn at any time.

A better online experience

If you've visited the Tipton website recently, you will have noticed our smart new look!

The site, at www.thetipton.co.uk, has been redesigned to give a clean and professional feel. It's now your one stop shop for everything from product information and personal finance tips, to Society news and FAQs.

However, this is far more than just a visual makeover. The website's layout and functionality has also been developed to include product finders, a savings interest calculator to show what returns you could get from your investments, and our newly designed handy savings and mortgage guides to help you on your journey.

Learn about our history and our values, how we commit to supporting local charities in the communities we serve, and why our members choose us by reading our customer stories.

The improved website complements the Tipton app, and our branch and postal services, creating choice and convenience for how members deal with us. Whichever suits you best, your Society is ready and waiting to help.



Summary Financial Statement

This financial statement is a summary of information in the audited Annual Accounts, Directors' Report and Annual Business Statement, all of which will be available to members and depositors free of charge on demand at every office of Tipton & Coseley Building Society from 21 March 2025.

Summary Directors' Report

The Summary Directors' Report for the year ended 31 December 2024 comprises the Chair's Welcome on page 3, and the Chief Executive Officer's review on pages 4 to 6.

Approved by the Board on 27 February 2025.

Jeremy Cross, Chair
Adam Evetts, Chief Executive
Alastair Shand, Finance Director

Key Financial Ratios

	2024	2023
Summary of Key Financial Ratios	%	%
Gross capital as a percentage of shares and borrowings	9.22	9.38
Liquid assets as a percentage of shares and borrowings	20.00	23.76
Profit for the year as a percentage of mean total assets	0.27	0.57
Management expenses as a percentage of mean total assets	1.75	1.59

Explanation of Key Financial Ratios

Gross capital as a percentage of shares and borrowings - gross capital consists of profits accumulated over many years in the form of reserves. It provides a financial cushion against any difficulties which may arise from the Society's activities and, therefore, protects investors.

Our strong level of capital, together with the prudent nature in which the Society is managed ensures the Society's intention to provide a safe and secure home for members' savings is fulfilled.

Liquid assets as a percentage of shares and borrowings measures the proportion of the Society's assets that are held in the form of cash, short term deposits and government securities in relation to shares and borrowings. As liquid assets are by their nature readily realisable, this ensures the Society is able to meet requests by investors for withdrawals from their accounts, to make new mortgage loans to borrowers and to fund its general business activities.

Profit for the year as a percentage of mean total assets measures the proportion of profit after taxation for the year in relation to the average balance of total assets during the year. The Society needs to make a reasonable level of profit each year to maintain the capital ratio at a suitable level to protect investors.

Management expenses as a percentage of mean total assets measures the proportion of administrative expenses as detailed in this document (which includes depreciation and amortisation) in relation to the average balance of total assets during the year. Expenses need to be controlled so that the Society operates as efficiently as possible while providing the service that members require.

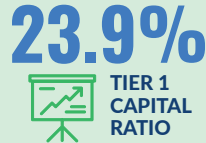
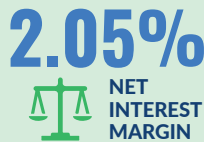
Summary Financial Statement

for the year ended 31 December 2024

	2024	2023
Results for the Year	£'000	£'000
Net interest receivable	12,650	14,075
Other income and charges	144	(101)
Fair value gains/(losses)	32	(189)
Administrative expenses	(10,809)	(9,096)
Provisions for bad and doubtful debts	260	(351)
Profit before tax	2,277	4,338
Taxation	(599)	(1,055)
Profit for the year	1,678	3,283

	2024	2023
Financial position at end of Year	£'000	£'000
Assets		
Liquid assets	115,238	130,299
Derivative financial instruments	3,355	5,616
Mortgages	511,243	464,249
Fixed and other assets	2,847	3,378
Total assets	632,683	603,542

Liabilities		
Shares	523,945	479,581
Borrowings	52,389	68,798
Derivative financial instruments	805	1,735
Other liabilities	2,389	1,951
Provisions	16	16
Reserves	53,139	51,461
Total liabilities	632,683	603,542



Independent auditor's statement

Independent Auditor's statement to the Members and Depositors of The Tipton and Coseley Building Society

We have examined the Summary Financial Statement of The Tipton and Coseley Building Society (the "Society") set out on pages 13 to 14.

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 Talk magazine with the full annual accounts, the Annual Business Statement

Independent auditor's statement (continued)

and the Directors' Report and its conformity with the relevant requirements of Section 76 of the Building Societies Act 1986 and regulations made under it.

Basis for opinion

Our examination of the Summary Financial Statement consisted primarily of:

- Agreeing the amounts included in the Summary Financial Statement to the corresponding items within the full annual accounts, the Annual Business Statement and the Directors' Report of the Society for the year ended 31 December 2024 including consideration of whether, in our opinion, the information in the Summary Financial Statement has been summarised in a manner which is not consistent with the full annual accounts, the Annual Business Statement and Directors' Report of the Society for the year;
- Checking that the format and content of the Summary Financial Statement is consistent with the requirements of section 76 of the Building Societies Act 1986 and regulations made under it; and
- Considering whether information has been omitted which although not specifically prescribed by section 76 of the Building Societies Act 1986 and regulations made under it, in our opinion, is necessary to ensure consistency with the full annual accounts, the Annual Business Statement and the Directors' Report of the Society for the year ended 31 December 2024.

We also read the other information contained in the Talk magazine and consider the implications for our statement if we become aware of any apparent misstatements or material inconsistencies with the summary financial statement.

Our report on the Society's full annual accounts describes the basis of our 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 The Tipton and Coseley 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 regulations made under it.

Use of the statement

This statement is made solely to the Society's members as a body and the Society's depositors as a body in accordance with section 76(5) of the Building Societies Act 1986. Our audit work has been undertaken so that we might state to the Society's members and depositors those matters we are required to state to them in such a statement 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 and the Society's depositors as a body for our audit work, for this statement, or for the opinions we have formed.

Michael Davidson
(Senior Statutory Auditor)

for and behalf of Forvis Mazars LLP
Chartered Accountants and Statutory Auditor
Leeds
27 February 2025

Board of Directors

as at 31 December 2024

Non-Executive Directors



Jeremy Cross

Chair

Jeremy was appointed to the Board in 2022 as Chair and also Chairs the Nominations Committee. He has been a Chartered Accountant for 30 years with a background in retail and financial services.

Prior to joining the

Society, Jeremy was Chair of another regional building society and has worked within the mutual sector for over 10 years. In addition, he serves on the Board of his local NHS Foundation Trust, as well as chairing the Board of a children's hospice and Roseville Court Management Ltd.



Keith Rolfe

Vice Chairman

Keith was appointed to the Board in 2015. He has extensive risk management experience gained from front line risk roles in leading global financial institutions, latterly in an executive role within Barclays

Corporate as Chief Credit Officer. He has also worked for UBS and Credit Suisse in risk management roles. He is Chair of the Risk & Compliance Committee and a member of the Nominations Committee.



Belinda Moore

Senior Independent Director

Belinda was appointed to the Board in 2020. She has extensive experience across a wide spectrum of marketing disciplines gained from a career of over 30 years in the UK and overseas. She holds

non-executive roles at Benenden Healthcare, Moat House and LGPS Central. She is a member of the Audit and Remuneration Committees.



Myron Hrycyk

Non-Executive Director

Myron was appointed to the Board in 2017. He has an MBA from Birmingham University and is a chartered member of the British Computer Society. During his career he has been Group Chief

Digital and Information Officer and Chief Procurement Officer at Severn Trent plc, and IT Director at Unipart Advanced Logistics. He recently stepped back from his Cabinet Office Crown Representative role working with the UK Government's strategic digital technology suppliers to focus on his HMG appointment as a Commissioner to Birmingham City Council. Myron is a Non-Executive Director at Rooftop Housing Association. He is Chair of the Remuneration Committee and a member of the Audit and Risk & Compliance Committees.

Board of Directors (continued)



Janet Chapman **Non-Executive Director**

Janet joined the Board in April 2024. She has many years of experience in financial services, most recently leading the Member Service teams at Nationwide Building Society where she also

served as Chief Internal Auditor. Her career has encompassed internal audit and IT roles in banks, asset management and retail brokerage in both the UK and the US. Janet now also serves as a Trustee at the Museum of the Home and as Deputy Chair of the Regal Tenbury Trust which operates a theatre near her home in Worcestershire. She is Chair of the Audit Committee and a member of the Remuneration and Risk & Compliance Committees.



Jill Bentley **Non-Executive Director**

Jill was appointed to the Board in 2022. She has over 30 years risk management and prudential risk experience gained from senior roles across several large financial services firms.

During her career she has also had several external secondments, including serving as Chief Risk Officer at what was then the Department of Communities and Local Government, and Policy Director at what was then the British Bankers Association. She is a Non-Executive Director of ACT Medical Ltd. Jill is a member of the Audit, Risk & Compliance and Nominations Committees.

Executive Directors



Adam Evetts **Chief Executive**

Adam joined the Society in 2020 and was appointed to the Board in 2022, taking on the role of Chief Executive from January 2024. He has worked within the building society sector for nearly 30 years, including 23 years working

in risk and compliance roles. He holds an MBA from Leicester University. He is a member of the Nominations Committee. Adam is also a Non-Executive Director of Roseville Court Management Ltd.



Alastair Shand **Finance Director**

Alastair was appointed to the Board as Finance Director upon joining the Society in 2021. He is a Chartered Accountant, qualifying in 1993, and holds an MBA from the University of Warwick.

Prior to joining the Society, Alastair had worked in financial services for over 20 years, most recently in a senior finance role at Skipton Building Society.

Janet Chapman is standing for election and Alastair Shand re-election at the next AGM.

Report of the Remuneration Committee

The Society's success is built on having brilliant people working for it. Remuneration practices therefore need to help both attract and retain committed and engaged colleagues which will support the Society's long-term sustainability and represent value to members. The Remuneration Committee is responsible for overseeing the Society's approach, and in doing so ensuring it meets the remuneration requirements set out by the PRA and FCA and has regard for the requirements set out in the UK Corporate Governance Code.

2024 Remuneration review

The development and delivery of our People Plan, supporting policies and working practices helps us ensure we can attract and retain the right people by creating a vibrant workplace that encourages colleagues to thrive. This in turn helps to support our long-term sustainability and strengthen our position as a local employer of choice. Remuneration is one element of this, and our remuneration strategy has been developed around five key objectives:

- Attract, motivate, and retain talented colleagues;
- Promote and reward behaviours that support the Society's values and deliver fair outcomes to customers;
- Keep the Society safe;
- Ensure pay is fair and equitable for all colleagues; and
- Motivate colleagues to increase their engagement, productivity, and performance.

While the inflationary pressures seen throughout much of 2023 eased further during 2024, average earnings remained elevated relative to inflation. As a result, in April 2024 we increased colleague salaries by 5.6% on average, as well as increasing our minimum full-time salary from £21,000 to £22,200. In order to further support our commitment to ensure our pay is fair and equitable, we formally signed up to paying The Living Wage Foundation's Real

Living Wage, a minimum hourly wage rate that is based on the actual cost of living.

We continue to keep our approach to remuneration under close review, including benchmarking ourselves against our peers and the wider financial services industry, and monitoring colleague turnover rates and exit interview feedback.

During 2024 the Committee considers that its approach to setting remuneration has been effective and has supported the Society in delivering its wider strategic ambitions.

Role of the Remuneration Committee

The Committee comprises only Non-Executive Directors, all of whom are independent. The Chair of the Board is not permitted to be a member of the Committee. The Chair of the Committee must have previously been a member of a Remuneration Committee for at least 12 months prior to appointment.

The Committee is responsible for the remuneration policy for all colleagues, ensuring it is fair, aligns with the wider organisational culture, and supports the Society's strategic objectives. The Committee also makes independent recommendations to the Board regarding remuneration, incentive schemes and the contractual arrangements for Executive Directors and the other members of the Society's Executive Committee.

Report of the Remuneration Committee (continued)

The Committee has responsibility for ensuring that the Society complies with the relevant aspects of the regulators' remuneration codes and reviews the Society's Remuneration Policy annually, recommending its approval to the Board.

Where required the Committee will seek external professional advice on matters such as market remuneration trends, remuneration governance best practice and, where appropriate, comparable remuneration packages for specific roles.

In assessing Executive Director remuneration, including that for new appointments, the Committee considers individual performance, information from external sources including comparable building society data, the performance of the Society as a whole, including its performance in delivering fair outcomes to customers, customer feedback scores and complaint levels, and relevant factors from the external economic environment. It then makes recommendations to the Board regarding the level of salaries, benefits, and performance related pay awards.

The Committee annually reviews the Society's gender pay gap report, helping it to determine whether the Society's remuneration practices are fair and equitable, and whether changes are needed to the Society's remuneration strategy or its Remuneration Policy.

The minutes of the Committee are circulated to all Board members and the Chair of the Committee reports to the Board at the next Board meeting.

Overview of Executive Directors remuneration

The remuneration for Executive Directors reflects their responsibilities, expertise, experience, and overall contribution to the

successful performance of the Society. Their benefits package is designed to motivate decision making in the interests of the Society's members as a whole and is aligned to delivery of the Corporate Plan. This year the overall package comprised basic salary, a performance related pay scheme, and other benefits. Performance related payments are non-contractual and non-pensionable.

The Society does not have a 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 commercial undertaking of the Society.

Executive Director remuneration comprises of three elements:

- **Basic Salary:** The Society requires professional and highly competent individuals in leadership roles each of whom require regulatory approval under the Senior Managers Regime. Basic salary is set having regard for these requirements, the consequential regulatory accountability, and having had consideration of information from external sources including comparable building society data.
- **Performance Related Pay Scheme:** This annual scheme has regard for best practice by emphasising the need for sustainable performance and recognises that ensuring effective risk management and a sustainable business model are vital requirements for the long-term well-being of the Society. It has been aligned to the corporate objectives and provides an incentive to perform at the highest level in a manner consistent with the long-term interests of the Society's members.

The scheme requires high performance across a range of measures before the maximum award of 20% of basic salary can be achieved. The Committee recommends to the

non-executive members of the Board the scheme target measures, which are designed to ensure the continuing security and financial strength of the Society, recognise corporate and individual performance including good risk management, delivering fair outcomes to customers, upholding excellent customer service and maintaining a high standard of work.

The Non-Executive Directors of the Board have sole discretion on awards made under the scheme which includes overriding formulaic outcomes where such an approach would undermine the aims of the scheme. Such discretion would typically only be applied where performance metrics had been materially impacted by market conditions, or where a material breach of regulations had been identified. For the 2024 reporting period no such adjustments were made.

The Society does not apply any malus or clawback provisions to Executive Director performance related pay awards, reflecting the materiality of the awards payable.

- Other Benefits: Executive Directors are members of the Society's Defined Contribution Pension Scheme. The Society makes a contractual contribution of 15% of basic salary for Executive Directors pension payments and this is taken into consideration when assessing their overall remuneration package. The pension scheme provider for the Executive Directors is the same as for other employees.

Executive Directors also receive benefits including a car allowance and private health cover (covering only themselves). The Society does not provide subsidised mortgages.

Each year the Executive Directors are appraised by the Chair of the Board in respect of their individual performance as members of the Board. The Chief Executive assesses the Finance Director's performance in respect of his executive duties, while the Chair of the Board

will assess the Chief Executive's executive performance.

Executive Directors have contracts of employment as set out below:

Executive	Date contract signed	Notice required by:	
		Executive	Society
Alastair Shand	05/05/21	6 months	6 months
Adam Evetts	09/11/23	12 months	12 months

There are no special terms in the event of amalgamation, transfer of engagements or transfer of business where employment is to be terminated.

Executive Directors who hold outside directorships do not receive any remuneration from those organisations.

Overview of Non-Executive Directors fees

Fees relating to Non-Executive Directors are considered by the Chief Executive and Finance Director, with the Board Chair in attendance, having regard for the amount permissible under the Society's Rules. No Director is involved in setting their own fees.

The basic fee payable to Non-Executive Directors is assessed using information from comparable organisations, the time commitment required and responsibilities of the role. A supplementary fee is paid to the Chair of the Board, the Chair of Audit Committee, and the Chair of Risk & Compliance Committee to reflect the additional responsibilities and time commitment required of these roles. Non-Executive Directors do not participate in any incentive schemes or receive any other benefits. Non-Executive Directors have a letter of appointment rather than a contract of employment.

Member engagement

The Society presents this Report of the Remuneration Committee to its members to vote on as a Resolution at its Annual General Meeting (AGM). While this is a non-binding vote, the Board considers the results when determining its remuneration policies and practices. At the last AGM (April 2024) the

vote on the 2023 Report of the Remuneration Committee resulted in 94.6% of members voting in favour of it, which the Committee considers an endorsement of its approach.

Myron Hrycyk

Chair of the Remuneration Committee
27 February 2025

Directors' remuneration

Non-Executive Directors		2024		2023	
		Total fees		Total fees	
		£'000		£'000	
J Y Bentley		34		33	
J P Chapman (appointed 25 April 2024)		30		-	
J D Cross		48		47	
M Hrycyk		34		33	
B M Moore		34		33	
K A Rolfe		39		38	
S J Veitch (resigned 31 March 2024)		10		38	
Total		229		222	

Executive Directors	Salary	Performance related pay	Benefits	Sub-total	Pension contributions	Total
	£'000	£'000	£'000	£'000	£'000	£'000
2024						
A J Evetts	195	37	11	243	41	284
A J Shand	158	32	10	200	44	244
Total	353	69	21	443	85	528

Executive Directors	Salary	Performance related pay	Benefits	Sub-total	Pension contributions	Total
	£'000	£'000	£'000	£'000	£'000	£'000
2023						
R J Newton (resigned 31 December 2023)	182	36	11	229	36	265
A J Evetts	140	28	8	176	24	200
A J Shand	154	31	9	194	29	223
Total	476	95	28	599	89	688

All Executive Directors are eligible to be members of the Society's defined contribution pension scheme.

Protecting you against fraud

Financial crime is a major threat and has the potential to affect us all. Fortunately, if the worst does happen, there is now more protection for customers under new rules introduced by the Payment Systems Regulator. These protections aim to support victims of Authorised Push Payment (APP) scams.

APP scams occur when you are encouraged to transfer money to a scammer via a bank transfer. As a result, savings providers must now follow standard reimbursement guidelines to ensure a guaranteed minimum level of protection for customers.

This applies to payments made from a UK account to another using either the Faster Payments or CHAPS system and allows you to claim for any amount lost due to APP fraud from 7 October 2024 onwards. For more information on the policy and how to apply, go to www.thetipton.co.uk, call us on **0121 557 2551**, or visit one of our branches.



Keep yourself safe

Take Five is a national campaign offering impartial advice to help everyone protect themselves from preventable financial fraud.

Fraudsters will use all sorts of tricks to try and catch you out, so if you receive an email, phone call or text message asking for your personal information, remember these tips:

- **Stop:** Taking a moment to stop and think before acting can help to keep you safe;
- **Challenge:** Could it be fake? It's ok to reject, refuse or ignore any requests. Only criminals will try to rush or panic you; and
- **Protect:** Contact your financial services provider immediately if you think you've fallen for a scam and report it to Action Fraud by calling them on **0300 123 2040**.



Regulatory and other notices

Cheque clearance

Our normal practice is to allow withdrawals against a cheque six banking days after the date of deposit, provided we have no reason to think it has not cleared or it might not clear. If the day of deposit is a non-banking day, the period of six banking days will start the day after the next banking day. Non-banking days include Saturdays, Sundays and bank holidays.

Complaints

We are committed to providing you with a great service, however we recognise there may be occasions when we have not met your expectations and you wish to make a complaint. When we receive your complaint we will investigate it thoroughly and always try to resolve it as soon as possible to ensure a fair outcome. Our internal complaints process is available on our website at www.thetipton.co.uk/complaints, or by visiting your local branch. If you do not agree with the outcome of our investigation you may be able to refer your complaint to the Financial Ombudsman Service.

Passbooks

If you think an error has been made in your passbook please notify us immediately so it can be investigated.

Counterfeit notes

Please be advised we will not return any counterfeit bank notes handed over our counters, or credit accounts with the same. All counterfeit notes are returned to the Bank of England.

Withdrawal limits

Withdrawals from accounts are subject to terms and conditions and normal office limits, which are £500 cash per account per day and £20,000 cheque on demand. Higher amounts require two banking days' notice subject to a maximum cash limit of £2,500 per day. The minimum cheque withdrawal is £10.

Deposits

The maximum amount you can pay into your account by cash is £10,000 per customer per week. Where a third party is paying in on your behalf, the maximum cash they can pay in is £500 per day.

Fraud reimbursement

All firms who provide payment services must reimburse customers who have fallen victim to an Authorised Push Payment (APP) fraud. APP fraud happens when someone is tricked into sending money to a fraudster posing as a genuine payee by Faster Payments or CHAPS. Further information and details of our claims process are available at www.thetipton.co.uk, from our branches, or by calling us on 0121 557 2551.

Call recording

We monitor and record phone calls for your security and our training purposes.

Privacy notices

You can view our privacy notices at www.thetipton.co.uk/privacy

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 **0121 557 2551**

 **thetipton.co.uk**

Tipton and Coseley Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. The Society's Firm Reference Number is 159601. The Society is a member of the Building Societies Association.