

Darlington Building Society Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the members of Darlington Building Society will be held at 6.00pm on 25 April 2022 at Great North Air Ambulance, Progress House, Urray Nook Road, Eaglescliffe, TS16 0QB for the following purposes.

ORDINARY RESOLUTIONS

1. To receive the Directors' Report, Annual Accounts and Annual Business Statement together with the Auditor's Report thereon for the year ended 31 December 2021.
2. To consider and if thought fit pass an ordinary resolution to approve the Report of the Directors on Remuneration.
3. To consider and if thought fit pass an ordinary resolution to re-appoint PricewaterhouseCoopers as auditors until the conclusion of the next Annual General Meeting.

SPECIAL RESOLUTION

4. To consider a special resolution to approve alterations to the Society's Rules in line with the Building Societies Association's Model Rules. You will find details about the proposed changes on page 2 (explanatory notes).

RE-ELECTION OF DIRECTORS

5. To re-elect Andrew Keith Craddock
6. To re-elect Robert Cuffe
7. To re-elect John (Jack) Cullen
8. To re-elect Christopher David Hunter
9. To re-elect Katharine Sarah McIntyre
10. To re-elect Angela May Russell
11. To re-elect Christopher Ben White
12. To re-elect Jessica Abigail Williams
13. To re-elect Ian Douglas Wilson

By Order of the Board

D A Bews
Company Secretary
1 March 2022

NOTES

1. These Notes form part of the Notice of Meeting.
2. We are asking all members to vote in advance. All proxy votes are being appointed to the Chairman of the Meeting and they will be cast as per the wishes of the member.
4. Voting closes at 5.00pm 20 April 2022.
5. In order to appoint a proxy, you must qualify as either a shareholding member or a borrowing member.

Shareholding Members

(a) **To qualify as a shareholding member, you must:**

- (i) if you are an individual, be at least 18 years old on 25 April 2022, and
- (ii) have held shares to the value of not less than £100 in the Society on 31 December 2021, and
- (iii) not have ceased to hold a share or shares in the Society at any time between 31 December 2021 and the voting date, and
- (iv) hold a share or shares in the Society on the voting date.

- (b) Where the shares are held jointly by two or more persons, only the first named in the records of the Society in respect of those shares can have any voting rights.

Borrowing Members

(a) **To qualify as a borrowing member, you must:**

- (i) be at least 18 years old on 25 April 2022, and
- (ii) have owed the Society not less than £100 in respect of a mortgage debt on 31 December 2021, and
- (iii) owe the Society not less than £100 in respect of a mortgage debt on the voting date.

- (b) Where a mortgage debt is owed jointly by two or more persons, only the first named in the records of the Society in respect of that mortgage can have any voting rights.

6. In addition, **you can vote only once** as a member, irrespective of:
 - (a) the number of accounts you hold and whether you hold accounts in different capacities (for example, on your own behalf and as a trustee),
 - (b) whether you qualify to vote as both a Shareholding Member and a Borrowing Member, and
 - (c) the amount of your shareholding or of your mortgage debt.

Notice of AGM



7. Members attending the Meeting will be requested to produce their passbooks or other evidence of membership in order to obtain admission.

Explanatory notes on the Resolutions and details of the directors for election and re-election can be found overleaf and on a separate document.

EXPLANATORY NOTES ON THE RESOLUTIONS

<p>1 To receive the Annual Report and Accounts</p>	<p>A Summary Financial Statement for the year ended 31 December 2021 has been included in the Members’ Review enclosed within this pack. Most members do not wish to receive a copy of the full statutory Annual Report and Accounts but any member who does wish to see a copy may obtain one from the Society’s website (www.darlington.co.uk), any branch office or from the Secretary at Mutual House, Morton Road, Darlington, Co Durham DL1 4PT from 21st March 2022.</p> <p>This resolution meets the statutory requirement to lay the accounts for the last financial year before the members at the Annual General Meeting.</p> <p>The Board recommends that you vote FOR this resolution.</p>
<p>2 To approve the Report of the Directors on Remuneration</p>	<p>Although building societies are not required to do so, your board welcomes the views of members on the policy of remunerating executive and non-executive directors. The Report within the members review sets out that policy. As with companies listed on the London Stock Exchange, the vote is advisory only which means that in determining future policy, the Board will consider members’ views and what action, if any, may be necessary.</p> <p>The Board recommends that you vote FOR this resolution.</p>
<p>3 To re-appoint the Auditors</p>	<p>At the last Annual General Meeting, PricewaterhouseCoopers (PWC) were appointed as auditors. The Board continues to be satisfied with the performance of PWC and this resolution proposes that they are re-appointed as auditors until the conclusion of the next Annual General Meeting.</p> <p>The Board recommends that you vote FOR this resolution.</p>
<p>4 To approve the amendments to the rules as stated</p>	<p>Resolution 4 in the Notice of meeting refers to a special resolution to approve alterations to the Rules of the Society. The Rules contain certain provisions as to how the Society operates. The proposed alterations to the Society’s Rules, reflect very closely the wording of the Building Society Association Model Rules 7th edition. The Society adopted the 6th Edition Model Rules and the Deferred Shares Addendum in 2014 which was the last time the model rules were materially updated. The key changes to the rules, which are predominantly based on experience during the pandemic are:</p> <ul style="list-style-type: none"> • To allow members’ meetings to be held electronically and/or in more than one physical location; • To clarify the procedures for adjourned meetings; • To clarify the quorum requirements for meetings; • To improve the requirements regarding giving notice of meetings in the event of disruption to postal services; and • To reflect the requirements of The Mental Health (Discrimination) Act 2013. <p>The Financial Conduct Authority (FCA) has been consulted in the</p>

Notice of AGM

	<p>development of this edition and has indicated that it would regard its use by societies as helpful. It is a legal requirement that any amendments to Society Rules are approved by members. A full copy of the amendments, can be obtained:</p> <ul style="list-style-type: none">• From any branch; or• By emailing social@darlington.co.uk. <p>Subject to members passing the special resolution and the subsequent approval of the Financial Conduct Authority, it is intended that the Rule change will be effective from 1 July 2022.</p> <p>The Board recommends that you vote FOR this resolution.</p>
Re-election of Directors	<p>Re-elect Andrew Keith Craddock, Robert Cuffe, John (Jack) Cullen, Christopher David Hunter, Katharine Sarah McIntyre, Angela May Russell, Christopher Ben White, Jessica Abigail Williams and Ian Douglas Wilson. There are no other candidates.</p> <p>The Board considers that each of these Directors provides an important contribution to the Society and has the knowledge, skills and experience needed to continue the Society's success. For further details of the candidates please see our Summary Financial Statement at www.darlington.co.uk/AGM from 25 March 2022.</p> <p>The Board recommends that you vote FOR this resolution.</p>