

**The Midcounties Co-operative Limited
Minutes of the Half Year Meetings of Members
held in person and online on
7 October 2025 at 6.15pm
Co-operative House, Warwick, CV34 6DA**

Directors present:

Irene Kirkman, President
Heather Richardson, Vice-
President
Vivian Woodell, Vice-President
Ellie Boyle
Bernadette Connor
Amanda Davis
Callum Dunne
Vicky Green
Harvey Griffiths
Stephen Hawksworth
Paul Mather
Nick Milton
Barbara Rainford
Fiona Ravenscroft
Helen Wiseman
Janson Woodall

Society Officers present:

Phil Ponsonby, Group Chief Executive Officer
Edward Parker, Society Secretary & Head of Governance
Peter Kelly, Chief Financial Officer
The Executive Team

In total 238 members attended; 31 attended in person and 207 members attended online.

25/18 Welcome and Introductions

The Chair welcomed members to the meeting and ran through the agenda.

25/19 Half Year report

Phil Ponsonby set out the context of this year, including the Co-op group cyber attack. It was noted that the associated impact on supply in the Society's Food business had been significant and only partly offset by recovery through insurance. The work done by Food colleagues to minimise the impact and serve members was recognised.

He presented an overview of the Society's results and performance for the half year under the five headings of the Society's strategic TRUST Pillars – Thriving Co-operative, Remarkable colleagues, Uniquely engaged members, Sustainable impact, and Thought-leading pioneers.

Peter Kelly presented an overview of the Society's results and performance for the first six months of the year as part of the Thriving Co-operative pillar. He noted that gross sales from continuing operations had decreased to £767.7m compared to £782m last year and revenue had also decreased to £420.6m compared to £438.9m last year. The Society had made a loss of £5.1m and net debt had increased to £57.5m, reflecting the Society's investment in capital and contributions to reduce the pension deficit.

Phil Ponsonby presented the Society's co-operative difference under the remaining TRUST pillars, which included:

- Remarkable colleagues – the inaugural remarkable colleagues awards event had been held to celebrate colleague success; internal development of 164 colleagues; and colleague satisfaction of 77%
- Uniquely engagement members – 60,000 new members; new member investment portal launched; 44% member trade; first anniversary of the Doing Good Together fund providing funding for local causes that matter to members
- Sustainable impact – Grocer Gold award win for member-led sustainability initiative of the year; the Society's partnership with Big Solar Coop with over 550 panels installed; electricity usage had reduced by 3%
- Thought leading pioneers –the fairer future programme with Miss Macaroon aiding 60 young people into employment; 5 year anniversary of supporting survivors of modern slavery into employment through Bright Future Co-operative; and various awards.

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Phil highlighted the Society's non-financial performance. He presented the Society's 15 TRUST measures and highlighted movements compared to last year. Phil highlighted the Doing Good Together Funding and encouraged members to submit requests.

Phil Ponsonby presented a short video highlighting the 20th anniversary of what had been achieved since the merger of Oxford, Swindon and Gloucester Co-op, and West Midlands Co-op.

25/20 Question & Answer session

- Cyber incident – the significant financial impact as a result of supply chain disruption and that member data had not been affected
- Cyber insurance - the Society had cyber insurance that included third party incidents impacting our business; this policy covered the impact of the Coop Group incident, although it would not extend to the full amount of the Society's losses
- Colleague engagement with elections – colleague members were encouraged to be democratically engaged; it was noted that colleague members currently sat on the Board and MEC.

25/21 Minutes and matters arising

The minutes of the Half Year Meetings held in October 2024 were presented. Members would be asked to vote on the approval of the minutes later in the meeting.

The minutes of the AGM held on 24 May 2025 were noted; formal approval of these minutes would be sought at the AGM in May 2026.

There were no matters arising.

25/22 Voting

A test vote was taken.

.1 Half Year Report

The Half Year Report for the period ended 26 July 2025 was adopted.

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	For	Against	Abstain
TOTAL	226	2	2

.2 Minutes

The minutes of the Half Year Meetings held in October 2024 were approved:

	For	Against	Abstain
TOTAL	228	0	2

.3 Minutes

The minutes of the Special Meetings held on 24 May 2025 and 15 July 2025 were approved:

	For	Against	Abstain
TOTAL	223	2	5

25/23 Society Announcement

The President presented a short video of Irene Kirkman, Phil Ponsonby, Elaine Dean of Central Coop, and Deborah Robinson of Central Co-op announcing the advanced discussions of the proposed merger of the Society with Central Co-op.

Phil provided some additional information regarding the combined Society, including £1.8 billion in combined revenue, one million active members, more than 13,000 colleagues, 500 Food stores, 170 funeral homes, 70 travel agencies, almost 50 nurseries, and more than 500 investment properties.

Phil explained that the proposed merger would help face into headwinds in the longer term with greater resilience, scale and influence. He set out benefits for members, colleagues and communities, including improved products and services for members, greater career opportunities for colleagues, and more sustainable investment in our communities.

25/24 Questions

- Merger factors – competitive landscape and change in consumer behaviour;

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recognise the need to combine resources to compete in longer term; scale and efficiency

- Alternatives to a merger – strategic options, the Society had alternatives to ensure efficiency in the longer term; merger with Central reflected the best option with shared values and similar size, merger of equals; worked with Central previously; this represented the best long term business decision at this time
- Central Pension scheme – the pension deficit but supported through a property asset vehicle that funds the pension deficit; both societies had independent pension trustees and both would look at the proposed merger to ensure it is in the best interest of pension holders
- Competition authorities – clearance would be required from CMA in respect of Food business; work had been conducted through clean room environment supported by competition law specialists; that analysis includes drive time between stores and competition in the vicinity and the view of the Societies is that there are very few sites that overlap; a briefing note would be submitted to the CMA to agree the competition perspective, we are hopeful that CMA will support based on work we have done
- Co-op movement – both societies were significantly committed to UK and international co-op arena through ICA and Europe Co-op; also support to other organisations including Plunket; an important consideration for members is that we maintain that support
- Redundancies – frontline operations should see this positively as improved ability to invest and grow; merger would lead to efficiencies and over time societies integrate, impacted colleagues would be consulted fully in a co-operative manner
- Timeline for completion – expectation is to put proposals to members and expect a series of member engagement meetings by location to consult properly before a formal vote; two formal votes would be later this year with legal completion in early next year, if approved; timing may be dictated by work with regulatory bodies
- What are Central really good at – Central run a good Food and Funeral business; so many areas where we work closely together and the aim is to bring strengths from both sides
- Co-op activities to be retained – a thriving co-operative has comprehensive engagement with member base.
- Cost of integration - economies of scale expected to be recognized; first year would be £8m synergy costs but once all delivered then the benefit is c£17m per annum; both head offices are owned and no HQ has been chosen going forward, the new Society can take the decision regarding the location.
- New name – how chosen is being discussed; to be new name and to reflect

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heritage, it has been decided that it won't include Central or Midcounties; both societies recognise the international co-operative alliance mark; front end trading unlikely to see significant change.

- Range of businesses and activities – the diversity of the businesses recognised and the 5 year business plan incorporates the various businesses; the new Board will want consider the strategy and opportunities in the longer term
- If merger doesn't proceed – lot of time and effort put into the proposed merger; it is expected that members would support the proposed merger, if members declined the opportunity we would want to understand the reasons why; if so, we would continue and take decisions to look at other strategic options and reduce debt in the longer term.

25/25 Society elections

The Secretary advised the formal results of the recent elections to the Board of Directors and Member Engagement Committee. Votes had been cast by 16,000 members, representing a turnout of 9.80%. This was a reduction against last year where c35k members voted, which was disappointing and reflected that moved to online only elections.

Member Engagement Committee – 3 positions available, 9 candidates

Susannah Griffiths	8,956	ELECTED
David Sadler	6,019	ELECTED
Dipal Patel	5,544	ELECTED
Hannah Sherlock	5,399	
Rosemary Cairns	4,798	
Parm Kalirai	4,635	
Christopher Holland	1,852	
Jessica Barned	1,728	
Gina Shelton	1,591	
Megan Heaton		ELECTED Unopposed

Board of directors – The results were shared but it was confirmed that no appointments to the Board would be made in light of the proposed merger being likely to proceed. It was noted that any new director would have to get up to speed on the proposed merger in short time and accordingly it was in the best interests of members for the Board to remain unchanged ahead of the proposed merger.

Susannah Griffiths	8,921
Clare Downs	7,375
Suzanne Bennett	6,970
Fiona Ravenscroft	6,883
Stephen Hawksworth	6,150
Sam Webb	5,788
Suzanne Clucas	4,338
Andrew Robinson	4,269
Julie Windass	3,942
Richard Dunmore	3,903
Subash Ludhra	3,755
Rosemary Cairns	3,705
Henri Brett	3,422
Alex Horsfall-Turner	3,400

25/26 Any Other Business

There were no other matters raised.

25/27 Meeting close

The Chair thanked members for attending.

The meeting closed at 8.00pm.

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Date:

President