

2020 will always be remembered as the year of Covid 19. And what a difficult year it created for everyone – our own team, our members and our intermediary partners.

For me though; I can see how the pandemic has really been all about the effect on people it has brought concerns about health and wellbeing for many of our members and it's had a significant economic impact on them as well

But just as we've seen the wonderful way in which key workers throughout the country have kept us all looked after and cared for..... then in a similar way, all our people in the Society, have continued to deliver exceptional service to Members.

In fact the Governments new rules have allowed us to serve our members in many new ways

An example is with payment deferral applications.....We have processed 574 of these which have helped to make personal finances for members just that little bit easier to manage

We have also successfully introduced new ways of working including investing in key capabilities to enable our teams to serve members and partners safely.

Over 83% of our Head Office colleagues have been able to work from home which has then allowed safe distancing for those in the team who have remained in our offices.

None of our employees have been furloughed and we have worked closely with our team members to ensure that everyone has received strong levels of support through this time of uncertainty and change.

I have reported to Members before on the importance of our Risk Management capabilities and planning. These were never more important than last year as our overall resilience was tested at every level

So ...what did we do ??

Well we adapted procedures and found new ways of working together and in making these plans the Society's Risk Management Framework was an immense asset as we acted in response to the requirements of both our regulators and the pandemic itself.

It's important to note that delivering quality service in the pandemic would not have been possible without the investments in technology that we have made in recent years. These have been essential to support more effective remote workingallowing team members to stay connected whilst working apart.

And also, all of our branches and Head Office buildings were made Covid-secure with the introduction of key safety measures across all of our sites.

So – looking back - we do feel we have thoroughly tested the resilience of the business.

Butdespite all the difficulties I can report that, as well as the Society remaining firmly open for business, we have also seen continued growth in mortgages and savings and also that we have been able to improve our capital position.

I'd like to particularly identify some highlights of the year:

- Firstly, we reported increased mortgage completions of £123m and our more targeted approach again delivered a strong net interest margin of 1.8%. As a result, the total mortgage book increased to £568m at year end
- Secondly members savings balances increased by £21m and that took overall deposits to a high of £624m
- Also, despite the pressures of the pandemic, we recorded continued
- supportive feedback from members, the Society's overall Net Promoter Score held firm at 82.
- As I've already mentioned we were able to help many members with mortgage payment holidays but, as usual, our very sensible membership have responded well and we recorded a good arrears performance by the end of the year.
- And finally I can report that your Society's capital and liquidity continues to be strong the leverage ratio is holding at 5.1% and the Liquidity Coverage Ratio is at 195%considerably above the minimum requirement.

Now can I give a brief update on aspects of our Governance

The first thing to say is that in such a difficult yearit has been absolutely right that we have maintained a strong focus on governance and sound management.

Our governance and oversight are all about ensuring that the Society takes risks within appetite and that these risks are understood and are effectively managed.

In this respecta strong and effective Board is essential.

During the year a number of changes took place on the Board.

We said goodbye to our Deputy Chairman Peter Elcock who left the Board in March 2020.

Peter joined the Board in 2014 and has been a strong influence in building the modern Ipswich.

Our Board has been strengthened with two new appointments

Both joined us during the pandemic and, despite this, are already adding immense value to the Society's governance.

In April we were delighted to welcome Sian Hill to the Board as a Non-Executive Director.

Sian was a partner at KPMG for many years including over twenty years as a financial services tax partner advising a broad range of financial institutions.

In June we welcomed Paul Johnson as our new Finance Director. Paul brings with him considerable and very relevant experience having held a number of senior roles in UK financial service organisations.

Now to conclude this review a brief look ahead from me to what the rest of 2021 may hold for us

There is no doubt that the pandemic will affect us all for many months to come and so we do anticipate another challenging environment.

In the UK, overall savings balances continue to grow – as spending is restricted in the pandemic. And here at the Ipswich we see a similar position as we continue to stay true to our mission to provide a safe home for members' savings.

In the housing market, it is difficult to predict the level of consumer confidence. It has definitely been boosted by the announcement of the Stamp Duty holiday as well as the release of post-lockdown related demand.

But in the economy overall - job insecurity will continue to be a factor and a rise in unemployment is one of the biggest potential risks to the stability of the property market this year..... even though the Government's furlough scheme will be extended to September.

And the tapering off of the Stamp Duty holiday deadline for another 3 months, will also bring some welcome stability.

Looking ahead though, there are significant concerns around job security, and whilst many members will remain confident in their own personal finances, we will continue to support those who face payment difficulties.

My final reflection on the year takes me back to where I began this review – thinking about people.

My overriding conclusion is that for a committed Mutual the Building Society business model, as represented here at the Ipswich, has shone through in the extraordinary time of the pandemic.

We have opened our branches; we have maintained service levels to our intermediary partners; and we have been prominent in supporting our communities.

We have done so thanks to the people who make Ipswich Building Society so special – our staff and management in all the teams throughout the business.

They have stepped up and they've made a difference – they've made a difference to each other and to our members.

So I'd like to close this review by thanking firstly all my colleagues on the Board for their hard work and unstinting support but most especially thank the Society's employees for their valued personal and team contributions.

It has been an extraordinary year and it's been a year in which you have done extraordinary things.

Thank you.