

Richard Norrington CEO.

Transcript of AGM speech Wednesday 27 March 2024

Good evening to you all.

I would like to echo Peter's words, and warmly welcome you... our members and guests...to our Annual General Meeting. It is a huge honour to have special guest Miranda Krestovnikoff join us this evening. I very much look forward to hearing her talk about her experiences walking our Suffolk coast and about her passion for the underwater world.

This year the Society has reached some significant milestones and, in particular, I'm delighted and proud to have seen the Society roll out its first online savings platform, allowing members to view their mortgage and savings accounts online. At the same time, we launched an online only savings account and look forward to offering a wider range of online accounts in the future.

Offering online savings will improve the experience for you and ensure the sustainability of the Society for future generations. It is a welcome and significant development as we continue with our digital transformation journey, and I'm delighted to report that the feedback we have received so far is overwhelmingly positive.

Whilst offering online savings is very important in the evolution of the Society, we remain fully committed to our high street presence, which we know is highly valued by our members. This 'bricks and clicks' model is all about combining the best of modern convenience with the traditional face-to-face friendly service which we know our members love.

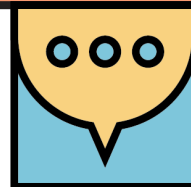
It is our people who make the difference in our mortgage business too, the majority of which is arranged in collaboration with the broker market. We have secured an excellent reputation for our manual underwriting and flexible approach. And our mortgage teams regularly score top marks when benchmarked against competitors. In March we were delighted to find that we had been shortlisted for a 'What Mortgage' award in the Best Variable Rate mortgage Lender category. What is really exciting is that this nomination has come from What Mortgage readers, and customer votes will determine the eventual winners, to be announced in July.

Against a continued backdrop of inflationary pressure, rising interest rates and cost of living increases, we have continued to think carefully about how we support our borrowing members as much as possible from the impact of increased mortgage rates. Thankfully, our mortgage arrears have remained broadly stable year on year, with repossessions at a very low level. This is testament to our responsible lending policies, and the support we offer to our customers through our dedicated arrears team.

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In July 2023, a Mortgage Charter was introduced to ensure that those struggling with mortgage payments are supported. The Society signed the Charter at the earliest opportunity, and it was reassuring to see that many of the options available under the Charter already existed to our members.

Of course, we recognise that inflation and the cost-of-living crisis has had an impact on savers too, and so we have launched new fixed rate savings products, and increased variable savings rates on more occasions than we have raised our mortgage standard variable rate. I'm pleased to report that despite a competitive savings environment our Society remains attractive to new customers - we opened 2,172 accounts with new members during the year.

Our win for Best Building Society at the British Bank Awards in 2022 was always going to be a tough act to follow, but we were delighted to reach the finals again in 2023 in three categories. In the last week, we have heard that this year, we've also reached the finals in not 3 but 4 categories - Best Building Society, Best Building Society Savings Provider, Best Specialist Mortgage Provider and Treating Customers Fairly. The winners will be announced in May and we will, of course, let you know how we get on.

What means the most to us about these awards is that it is our members who vote for us and who write our excellent reviews.

At the heart of our success is people; you our members, but also the helpful, knowledgeable and dedicated staff who support you. More widely, supporting the Suffolk Community is central to our identity. After all, we've been doing this since we were founded in 1849.

ESG

Over the last year we've made tremendous strides with our Environmental, Social and Governance, or "ESG", strategy; in November 2023, we increased the amount committed to our two social and environmental change campaigns, Saving Suffolk and Safe Homes for Suffolk, from £25,000 to £45,000.

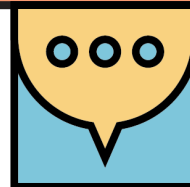
During the year, we supported one of our Charity partners, Suffolk Wildlife Trust, in achieving its ambitious target of raising £1million to purchase its new nature reserve, Martlesham Wilds; formerly arable land that will be returned to nature through a wilding project. For our other 3 charity partners, we have provided funding which has helped with core costs, essential to smaller charities for whom grant funding is usually only provided for specific project work.

Of course, our support extends well beyond just the financial; we've also produced four short films to help highlight the extraordinary work of our four charity partners: Emmaus Suffolk, Ipswich Housing Action Group, Lighthouse Women's Aid and the Suffolk Wildlife Trust; why they are so needed; and why we have chosen to support them. We will shortly show you a compilation of these powerful films, and you can also see each of the films in full on our website.

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I am delighted to welcome key representatives from 3 of our charity partners to our AGM this evening, and they will be available afterwards for you to learn more about the vital work they do in Suffolk.

Our colleagues at the Society have also used their volunteering hours to offer support at the charities, with some taking trustee roles, whilst others have provided 'boots on the ground' assistance.

Our team of 12 ESG champions continues to drive forward our programme of new initiatives and change both inside and outside the Society; their work this year has included a particular focus on Diversity and Inclusion.

I would now like to turn my attention to the first of our three brand values - membership – and what it means to us.

As a member-owned Society, our annual general meeting is more than a mere formality. Just as we regularly measure the engagement of our staff, our AGM allows us to measure the engagement levels of our members. Every member who attends, and every vote received, counts. And we welcome every question posed to us this evening.

Our customer facing staff gain feedback from members on a daily basis, but for staff in non-customer facing roles, our AGM is a great opportunity to meet you.

As we grow, we continue to consider new ways to support our members. In 2023, we created a new Head Office team called the Member Support Centre. This team is now the first port of call for any members with telephone, email or postal queries relating to savings accounts.

With wellbeing a key priority for us, we have helped members with advice on avoiding scams for Safer Internet Day and shared tips on budget management with our savings basics guides.

Our member events to Martlesham Wilds were exceptionally popular and will continue into 2024.

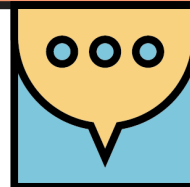
Our second brand value is accessibility.

Our proposition now offers tremendous flexibility and choice, with members able to check savings balances and open accounts online, but with the reassurance of our hugely important face to face service, and dedicated team for online enquiries. Our very recent move to new premises in Sudbury allows us a bigger and better presence in the town, and we are looking at new and innovative ways to expand our face to face presence.

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On the lending side, we were delighted to see our new mortgage origination platform, Suffolk Online, rolled out to one of our mortgage networks. Suffolk Online will enable our intermediary partners to support digital customer onboarding and allow a faster mortgage application process.

As a mutual we're driven by doing what's right for our members, our colleagues and for our local area - which leads me onto our third and final brand value – community.

Once again, the Society has proudly played an active role in supporting our local communities. We have supported Suffolk Community Foundation's Surviving Winter campaign since it began 13 years ago, and it has never felt so important: both by raising awareness of the campaign and collecting donations through our branches.

Over the course of the year, our colleagues have completed over 400 hours of volunteering. While much of this has been to support our charity partners, we have gone further - offering financial education in Schools, cleaning beaches, and organising events for Suffolk Pride.

We've also offered our support to the charity Suffolk Libraries with whom we have the shared commitment to local communities. At a local level, our branches have relished taking part in a wonderful variety of local events such as the 75th anniversary of the Windrush, Hadleigh show and a local festival of arts and music. In addition to the funds donated to our strategic charity partners, the Society has raised over £9,000 for local and national worthwhile causes.

At the heart of our own community are the Society's 170 colleagues who support our members.

We all take enormous pride in the Society's staff culture, and it improves every year. It's a supportive environment where colleagues can speak up and know their views will be respected. We also nurture a diverse and inclusive working culture in which everyone is treated and valued equally. This year and through 2024 we will build on work already underway on our Diversity and Inclusion agenda, covering more than just the 'protected characteristics' outlined in the Equality Act 2010 and including areas such as socio-economic background, carer status and educational background.

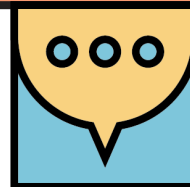
Every six months we invite our staff to tell us anonymously how engaged they are with the Society. I'm delighted to report that our staff engagement score rose by two percentage points from the previous survey to 77.9%, and we're now even further into the 'engaged employer' quadrant.

The Society has an ongoing welfare programme for all colleagues. In February 2023 the Society signed up as a Mindful Employer, with our acceptance to the Charter for Employers Positive about Mental Health.

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We also received an accreditation for being a Menopause Friendly Employer this year.

Our people are central to achieving our aspirations, and we will continue to look at all areas of our people strategy to ensure that we have a Society where all colleagues have the skills, tools and support needed to undertake their roles effectively.

Conclusion

This has been a milestone year for the Society, successfully rolling out a significant change agenda alongside a carefully managed financial performance. The introduction of online savings has been a particular highlight of the year. The Society is firmly on course for a successful and sustainable future, in line with our vision of being a strong, growing and fiercely independent building society.

We will continue, proudly, to take our place in and contribute to our local communities, and we thank you for your support. Before I hand back to Peter for the voting results and questions, I would like to make a small request. As is customary, we would like a photo to commemorate our 174th AGM. This photo will be shared on our website and on social media. Please do make a member of staff aware if you would rather not participate.... I'd now like to welcome our photographer Cherry to come up to the stage to take this photo of you, the members who make up this successful Society

Richard Norrington
Chief Executive Officer
Wednesday 27 March 2024

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