

# Suffolk Building Society AGM 25 March 2026

## Speech by Peter Elcock - Chair

Good evening ladies and gentleman and a very warm welcome to this our 176th AGM of the Suffolk Building Society.

Thank you for being here today.

For those of you who don't know me, I am Peter Elcock the Chair.

Firstly, I would like to formally thank and welcome this evening our special guest: Iona Bain. Iona is an award-winning journalist, broadcaster and speaker specialising in personal finance. She has appeared extensively on radio and television including Question Time, Newsnight and Panorama and Iona will be talking tonight about the financial challenges faced by younger generations.

Thank you very much, Iona, for joining us and we look forward to your talk later.

There are a few points of administration I need to cover at this stage

- We are not expecting a fire but should the fire alarm sound, please make your way carefully and slowly to the nearest exit - members of the team will show the way and provide assistance if needed.
- Please can I ask that mobile phones be switched off or turned to silent.
- There is a Photographer present if anyone would prefer not to be in photographs, please make a member of staff aware and we will accommodate your request.

I would like to introduce to you my colleagues joining me on the stage (list of board members and roles).

- Steve Reid, deputy Chair and Chair of our Board Risk and Compliance Committee
- Fiona Ryder, Senior Independent Director
- Steve Liddell, Chair of our Audit Committee
- Elaine Lenc, Chair of our Remuneration Committee
- Sian Hill, Independent Director
- Richard Norrington, our Chief Executive who you will hear from shortly
- Rebecca Newman, our Chief Operating Officer
- Paul Johnson, Chief Financial Officer

I will now summarise the agenda for this evening:

The AGM is formal part of evening where we present you, our members, the report and accounts and ask for your approval of these and for the appointment and reappointment of our Directors and Auditors.

We also ask for your approval of our Directors' Remuneration report.

I will spend a couple of minutes highlighting my thoughts about the global picture, the UK economy, key aspects of the Society's performance last year and then I will ask you to vote on the various resolutions (If you have not already voted).

If, indeed, you have not already voted then you should have received a voting form as you arrived. If you do not have one, please raise your hand and a member of staff will bring one to you.

Thank you.

Later we will collect in your voting papers and whilst the votes are counted, I will take the opportunity to announce the winner of the David Coe customer service award for this year.

I will then hand over to Richard Norrington our Chief Executive who will share his reflections on the last year.

After this we will consider questions from members.

Finally, I will announce the results of the voting on the resolutions, before bringing the AGM to a close, following which Fiona Ryder will introduce our special guest Iona Bain.

So... we will now let the formal part of the AGM begin...

Starting with apologies for absence...6 members have given apologies for the meeting. Names are not read out, but the list can be inspected after the meeting.

Secondly The Minutes of the Annual General Meeting held on 26th March 2025 have been read and signed by (me) as Chair of that meeting.

I will take these as read, but if anyone would like to read them, please could you indicate now.

I am delighted to report that we delivered another excellent set of results for this last year and are very well positioned for this coming year and beyond.

For the last financial year, we delivered a respectable PBT of £1.4m, adding to our capital base again strengthening the Society's resilience and improving further our balance sheet.

This profit, whilst in line with forecast, was less than the previous year; one of the reasons for this was a charge to our profits of over £500k (last year c.£200k) in relation to adverse interest rate movements – this is recorded in our profit and loss statement in our accounts as ‘losses on instruments at fair value’. In essence we insure or ‘hedge’ ourselves against interest rate risk (ie the volatility between fixed and floating rate (products) for our savers and borrowers and we are obliged to ‘mark to market’ the economic value of such a position on an ongoing dynamic basis. Depending on interest movements during any particular month, and future forecasts, the ‘value’ incurs either a ‘profit’ or a ‘loss’ entry; some months we are net positive, others net negative. This last year’s interest rate volatility has resulted in an overall charge against profits for the year. However, we might reasonably expect this to reverse as next financial year progresses. For example in the first quarter of 2026, the Society experienced a neutral position and no net losses on interest rate movements year to date.

We have continued to invest in the business to ensure a competitive and market-leading proposition for our members going forward.

Pressures on our NIM (net interest margin ie the difference between what we pay savers and the rate we charge for our mortgages) has remained under pressure as it has for the building society sector generally.

We have kept costs broadly flat despite inflationary pressures.

Notwithstanding this, we have grown our mortgage and savings book by 10.2% and 10% respectively and increased our regulatory capital from £45.5m to £47.1m.

Overall, I am delighted with our financial performance in what has been an extremely volatile and unpredictable last 12 months.

As mentioned earlier, I will now share some reflections about the world and the geopolitical situation, the UK economic picture and outlook and our plans for the rest of 2026.

As I am writing this speech, conflict in the Middle East continues unabated.

This time last year, I referred to *‘world affairs changing at pace; efforts being made to bring settlement to the Ukraine and the Middle East conflicts, as Europe as a collective and the world’s powers and G7 nations seek to find solutions;’*

Sadly, however, conflicts have continued and indeed spread. I suggest world order has deteriorated further and become even more unpredictable as the main powers become ever more isolationist and fragmented with past traditional alliances coming under strain.

Clearly, there is nothing we can do about world events or the global geopolitical situation other than to closely observe events and be ever mindful of how and when this might affect the UK and, therefore, us as the Suffolk Building Society; how we should plan and take actions accordingly.

Turning now to the UK, I am sure we would all agree it has been a challenging last 12 months and the next 12, I would suggest, will be more difficult still: oil price volatility, exacerbated by the crisis in the middle-east, is likely to lead to inflation and thus interest rate rises – or at least these not dropping as quickly or as low as incorporated in previous forecasts – this in turn will probably impede economic growth (which is already minimal) and unemployment will most likely continue to rise. In fact, latest forecasts just this week report that growth has halved.

Government finances are in a somewhat parlous state in the wake of lower tax income (receipts), higher borrowing rates (for government debt) and a rising welfare bill. Added to this is political unpredictability and unrest, with the outcome of the May elections perhaps adding to intra-governmental instability.

All of this is likely to hamper confidence and, therefore, investment. In addition, we may see house price growth slowing or even reversing and potentially higher arrears and defaults as borrowers struggle with higher interest rates, increased inflation (including energy bills) and employment uncertainty.

Despite this rather gloomy picture, I am pleased to say your building society is very well placed to rise to the challenge of the stormy conditions ahead.

We are now 20th out of 42 in terms of asset size and we remain ambitious and committed to further growth [and increased profitability] to strengthen our balance sheet. This is likely to be assisted somewhat as a result of new regulatory capital rules being introduced from 1st January 2027 which we expect will probably require us to hold less regulatory capital, giving us more options and flexibility.

Looking forward to 2026 and beyond, strategically, we will remain completely focused on you, our members; investing in branches, developing our range of savings products and our member-offering and developing new mortgage products.

For the wider community, we will continue to actively engage in member-events and to meaningfully support our local communities through volunteering, fundraising and donations.

Opportunities presented by Artificial Intelligence (AI) continue to be tracked closely and considered in the context of making us more efficient, reducing costs and enhancing the experience of our members when dealing with us, either face to face or online.

I would like to place on record my thanks to my colleagues, your board of directors and the CEO and executive management for supporting me in exercising strong governance throughout the Society. This is essential for the proper, thorough and correct running of our business and adherence to the corporate governance code and to meet the exacting standards set by the Regulators – and of course – the expectations of our members, partners, suppliers and the broader market.

I would like to commend our Society to you and iterate my confidence that we are very well placed to continue our growth and development about which your board and I feel most positive.

Thank you for your support and confidence in us. We look forward to serving you this year and to our ongoing work together.

Having concluded my personal reflections on what has been another successful year, I would;

- firstly, like to commend to you the Annual Report and Accounts to the Members which is the first Resolution;
- Resolution 2: To approve the Directors Remuneration report; this report is included on pages 31-32 of the Annual Report and was also included in the Review of the Year which was sent to members with the notice of this AGM;

(we are not required to seek your approval for this report, however we think it is in the interests of good governance and transparency that members have a say)

I propose that the Remuneration report is approved.

#### *REQUEST SECONDER*

- Resolution 3: To re-appoint BDO LLP as Auditor

An annual requirement for this meeting is for you to consider, and if thought fit, to pass an ordinary resolution to re-appoint our Auditors.

I propose that BDO is reappointed as auditor.

#### *REQUEST SECONDER*

- Resolution 4: To Re-elect the Society's Directors

I propose that Richard Norrington, Rebecca Newman, Paul Johnson, Steve Reid, Elaine Lenc, Fiona Ryder, Sian Hill, Steve Liddell and Peter Elcock are elected as directors.

#### *REQUEST PROPOSER AND SECONDER*

For those of you who had not already voted and requested a form earlier please you kindly cast your votes now on papers provided and pass to member of team.

These will be collected and added to votes which have been cast online, posted to us or collected in branches.

We now come to our annual award presentation...

I am delighted to present the David Coe award.

The winner of the David Coe award is defined by providing outstanding customer service that exceeds the normal requirements of the job.

It is based on nominations from Society employees and can be awarded to head office and branch staff.

It is always a tough decision, and we received some wonderful nominations this year, but after much consideration I am very pleased to announce this year's winner.

Around 90% of mortgage applications are arranged via mortgage brokers and I'm pleased to be able to say that the Society is generally held in high regard by the broker community. Our Business Development Representatives play a very important role as part of the team that's responsible for providing a market leading service to these brokers.

This individual joined the Society in 2020 and completed her apprenticeship in 2021. She then became a Mortgage Sales Administrator, before her promotion to Business Development Representative later that year.

They are described as a helpful and supportive colleague, committed to doing an outstanding job, and her consistently excellent support as part of the wider team helps to cement our very strong broker relationships, as evidenced by the feedback we receive via Smart Money People reviews.

This colleague, along with other team members deliver consistently high quality outcomes, no matter how busy they are.

The Board of Directors and I would like to thank this individual for their true dedication and commitment to providing excellent support in their role. They are an asset to the Society.

It gives me great pleasure to present this year's David Coe Award to Sian Chapman.

I will now hand over to your Chief Executive, Richard Norrington.  
*(Richard Norrington gives his CEO speech)*

I will now talk to the questions we have had submitted to us.

We have received 38 questions and comments, in writing, in advance of the meeting.

All have received individual replies, and the questions and answers are posted at the back of the room.

A further 8 questions have come through to us in the last day or so, and we will respond to these members individually but these questions are not displayed tonight.

There are 4 main themes to questions that we have received so far.

The first theme relates to our branches and in particular whether we will open in more towns across the region.

In response we have said that we currently have ten branches in Suffolk, having opened our newest branch in Felixstowe in March 2025. We are committed to maintaining our local presence and serving our local community, but we do have to balance this with the need to manage our expense base, to ensure that we can also continue to provide competitive products for our members. We are actively looking at how we can best continue to serve as much of the local population as possible .

The second theme relates to the first theme, and that is whether we have plans to close any branches.

I can confirm that there are currently no plans to close any of our branches. We remain committed to maintaining our local presence.

The third theme relates to providing online banking and a mobile app.

In response we have said that as a Building Society, we are focussed on providing savings and mortgage services and don't currently plan to offer internet banking services. Our online savings service provides the ability for members to open new online accounts and view their existing savings account(s) and mortgage balances (if applicable) online and we will continue to review and expand the online product range.

With regard to a mobile app, we are currently assessing the levels of demand for a mobile savings application, but we are not in a position to confirm any plans at this point.

The fourth theme relates to savings rates.

In response, we do monitor the market to ensure that we offer competitive rates, but we do of course have to consider the interests and needs of our mortgage members as well as our savings members. All of our products are also regularly reviewed to ensure they provide fair value, as is required by the FCA's Consumer Duty regulations.

I will now open the floor to further questions.

Thank you, ladies and gentlemen. We will now conclude this evening's formalities and I will now read out the results of the voting:

- I declare BDO LLP duly re-appointed as the Society's Auditor.
- I declare that Richard Norrington, Rebecca Newman, Paul Johnson, Steve Reid, Elaine Lenc, Fiona Ryder, Sian Hill, Steve Liddell and Peter Elcock are all re-elected as Directors

The full results will be available on our website within a week of this meeting.

Ladies and Gentlemen, thank you for your attendance and your attention. I will now formally close the Annual General Meeting and hand over to our Senior Independent Director Fiona Ryder to introduce our guest for this evening, Iona Bain.

Peter Elcock

Chair

Wednesday 25 March 2026