



Suffolk Through and Through - Review of the Year 2024.

Including Summary Financial Statement for
Year Ended 30 November 2024

Suffolk

Building

Society



We're a good place to be.
For the savers. The house buyers.
The don't quite know-yet...ers.

Suffolk

Building

Society

A Good Place to Be

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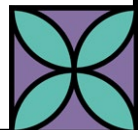
You are Invited.

Join us for our Annual General Meeting (AGM) and an evening with Chris Bales and Gemma Theobald, Cyber Security Advisors with Norfolk and Suffolk Constabularies.

When: Wednesday 26 March 2025

Where: Trinity Park, Ipswich, Suffolk

suffolkbildingsociety.co.uk/agm-2025



Chair's Review.

While the Society's vision and mission have changed little in 175 years, its strategy has continually adapted to meet the needs of its members. Over the past twelve months I have seen the Society hone its mortgage and savings portfolio, while remaining true to its values of accessibility, membership, and community.

Economic Conditions

Along with the rest of the industry, 2024 has presented significant uncertainty and volatility: a new government, and indeed change of party in the UK, the ongoing conflict in Ukraine, escalating conflict in the Middle East, and a US election.

The new Government's Autumn Budget saw changes to stamp duty and an increased surcharge for buying additional properties, which may impact the Society's mortgage book in the future. The announced changes to employers' National Insurance contributions have been factored into the Society's financial plan for 2024/25.

Financial Highlights

This financial year saw lower profitability than in the previous two years, although this had been anticipated. 2022 and 2023 profits were boosted by the effects on margin of the rising bank base rate environment in those years and the stabilisation and subsequent falls in bank base rate have had the effect of lowering net interest margin in 2024. This, allied to increasing competition in the market, especially from larger banks and building societies, has led to a return to more historic levels of profit, particularly for a society of our size.

A pre-tax profit of £2.2m (2023: £4.1m) has ensured that the Society has been able to add to its capital reserves.

Volumes of mortgage applications were lower than expected at the start of the year,

reflecting consumer uncertainty regarding bank base rate moves. This, as well as a smaller pipeline at the start of the year, led to lower than expected levels of completions during 2024. However, a surge of applications later in the year means we have built up a considerable pipeline with which to start the financial year 2024/2025.

Retail savings delivered a very strong performance despite rate reductions across the product range. This enabled the Society to repay part of its Bank of England Term Funding Scheme (TFSME) loan early. It has also allowed the Society to increase its treasury investments. At year end, the Society had £46m of such assets.

The Society continues its track record of low numbers of mortgage arrears, with the number of cases where payments are more than twelve months in arrears falling to just three (2023: five). Considering cost-of-living pressures, and many borrowers coming to the end of historically low fixed rate products, this is a good outcome.

Regulatory Changes

The Payment Systems Regulator made a significant enhancement this year in its fight against fraud when it widened the rollout of its name-checking service, Confirmation of Payee (CoP).

Members who carry out online banking will already be familiar with CoP. When someone tries to set up a new payee, or makes a one-off payment, CoP checks whether the details entered match up with a genuine payee name, bank and account details. This helps to avoid payments being transferred to another person or business in error, and it helps in the fight against fraud and scams. The Society successfully adopted CoP in April 2024, well ahead of the October 2024 deadline.

Environmental, Social and Governance (ESG)

We try to minimise our energy usage and carbon footprint across all areas of our operations. For example, we continue to generate power from our solar panels at Head

Office for electric vehicle charging and heating water at the site.

It was fantastic to be shortlisted at the Suffolk County Council-run Greenest County Awards, and even better to receive Highly Commended in the business category.

The Society's strategic charitable programme, formalised in 2022, has enjoyed considerable success, with members, staff and the general public all engaging with it. The decision has been made to continue supporting the same four strategic partner charities – Emmaus Suffolk, Ipswich Housing Action Group (ihAg), Lighthouse, and Suffolk Wildlife Trust – for at least another two years, into 2026.

Conclusion

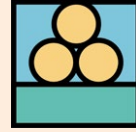
This year saw the Society move up to 20th place out of 42 building societies by asset size, and we are on track to grow sustainably and profitably.

The Society is in a strong position going into 2025 with a substantial mortgage pipeline, the new broker portal operational, and online savings established.

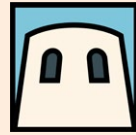
Our ambition for the coming year is to further enhance our online savings proposition, continue to innovate with mortgage criteria that set us apart, and further develop the branch and member offering.



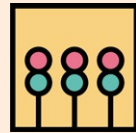
Peter Elcock
Chair



Pre-tax Profits
£2.2m (2023: £4.1m)



Mortgage Assets
£738m (2023: £727m)



Savings
£817m (2023: £738m)



Total Regulatory Capital
£45.5m (2023: £45m)

Chief Executive's Review.

It is a testament to the strength of the strategy and talented teams across the Society that we have continued to thrive despite the ongoing challenges of the UK economy and global backdrop. Low levels of mortgage applications in the first half of the year, a change of government in the UK, ongoing global conflicts, inflation, and volatility in swap rates on the back of the falling Bank of England base rate, have all contributed to a demanding year which has required skill to navigate.

Membership and Community

Members have continued to benefit from enhancements in the branch network, member events and a new programme of member discounts. Our financial education programme has been enhanced, and our activity in the local community, from fundraising and volunteering to support for our charitable partners, is embedded across the Society.

We moved to a larger branch in Sudbury, with a fresh new appearance, and this will provide a blueprint for future openings. It's with huge excitement that I announce the first branch in a new town for 15 years – the Society will open in Suffolk's fifth largest town, Felixstowe, in March 2025.

It was great to celebrate 20 years at our Head Office in Ipswich – Freehold House. This office is a collaborative space and is home to our many customer-facing staff, from mortgage sales and servicing, to savings operations and our member support centre.

Savings members have continued to invest with us despite interest rate decreases in the market, and our online service has now been running for a full year.

The Society has remained steadfast with its determination to offer innovative, niche mortgage products, backed with personal

service. There has been encouraging demand for the Society's niche mortgage product ranges. We remain committed to supporting self builders, older borrowers, expats and holiday let owners. We have also expanded our offering for family assisted mortgages with the introduction of a Joint Borrower Sole Proprietor (JBSP) option, boosting affordability for first time buyers.

We have also launched a large-scale brand advertising campaign which has seen us on billboards and buses across the county, as well as on digital media. With a brand film headlining the campaign, the goal is to increase brand recognition, attract new members, and convert awareness into new savings accounts and investments.

Transformation

We have continued to invest in digital transformation across both lending and savings. 2024 saw the successful launch of our new mortgage origination platform and broker portal, and significant progress in robotic processing automation for repetitive tasks, as the Society harnesses the latest technologies to meet its ambitious targets.

Charity Partnerships

Our two charity campaigns, Saving Suffolk and Safe Homes for Suffolk, supporting Emmaus Suffolk, ihAg, Lighthouse and Suffolk Wildlife Trust, have gone from strength to strength. Staff have continued to volunteer and thousands of pounds of additional monies have been raised with half marathons, charity walks and quizzes. Members have taken part in events with our charity partners and collections of donated goods in branch have proved effective. All these activities have strengthened the partnerships and their impact.

People

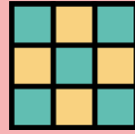
A comprehensive review of staff benefits was carried out this year, to ensure fairness across the workforce, give staff flexibility on annual leave, and enhance pension, sickness and family leave.

A key test of the engagement and motivation of the Society's staff is the annual staff survey. This year, the Society adopted a new survey which focuses on company culture. The result of 74.8% engagement gives us a good baseline to improve upon.

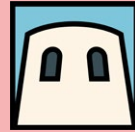
I would like to thank my fellow Board members, staff across the Society, and of course most of all our members, who continue to choose to invest with and borrow from us.



Richard Norrington
Chief Executive



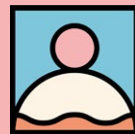
£40,000
Donated to Four Key
Charity Partners



£45,900
Invested in Training
Colleagues Across
the Society



4.8/5
Smart Money People
Score (All Reviews)



859
New Smart Money
People Reviews



Membership.

We exist to benefit our members – now and for the future. With us, membership means more than being a customer; as a saver or a borrower, you are part of our community.

Member Events

We love a bit of a do! As well as the annual AGM, we hold events throughout the year exclusively for members. In 2024, members got a chance to learn new skills with Suffolk Wildlife Trust – including willow weaving, wet felt artwork and Christmas wreath making.

We took a group of members on a tour of the Adnams brewery, and a trip up the 113 steps of Southwold Lighthouse to see the stunning views of Sole Bay. And we also heard from dialect specialist Charlie Haylock, who coached Ralph Fiennes and the cast of the Netflix film *'The Dig'* on

an authentic Suffolk accent. As ever, our activities are rooted in local community, so we chose a venue for Charlie's Q&A that would 'give back' to the community – the Emmaus Suffolk community café, The Royal Oak. These events were hugely popular, well attended and received glowing feedback.

Member Discounts

Those who are signed up to our email newsletter not only hear about the latest Society news first – they're also treated to exclusive discounts with independent Suffolk businesses. In 2024, members have been able to access online discounts for Adnams, Paddy and Scott's coffee, Thompson & Morgan seeds, Stokes Sauces, and King Street Cinema in Ipswich. Discounts are updated each month to keep them fresh.

You can sign up to our email newsletter here:
suffolkbingsociety.co.uk/newsletter



Brand Campaign

In October the Society launched a major brand awareness campaign in Suffolk.

The messaging includes our new slogan 'A Good Place to Be' which is a way of talking about our member benefits, our nine (soon to be ten!) branches, our values, our support for local communities and of course our home county of Suffolk.

The adverts have appeared on bus shelters and billboards, and are also sited on the sides and backs of buses along major routes. There is also activity running on digital channels, such as Facebook and Instagram. This campaign will run through 2025.





Community and Charitable Partnerships.

The two charity campaigns, Saving Suffolk and Safe Homes for Suffolk, have gone from strength to strength. The films we created for ihAg and Suffolk Wildlife Trust reached the finals of the Smiley Charity Film Awards. Staff have boosted our donations with half marathons, charity walks and a spinning class with a live drummer!

A long-term supporter of Suffolk Community Foundation and its annual Surviving Winter campaign, we once again welcomed donations in branch and used our reach to communicate the message of both donating and signposting people to apply for a grant. This year's appeal is helping those aged 66 and over who meet the criteria for support. The funds raised by the campaign make a huge difference to people struggling to both eat and to heat their homes.

Volunteering and Fundraising

Staff wellbeing and social purpose come together within the Society's established volunteering programme. This year, 200 hours were spent volunteering, by 27 staff members across a range of activities, such as trustee positions with our partner charities ihAg and Emmaus Suffolk, a beach clean, and volunteering days with Suffolk Wildlife Trust.

Staff volunteered to do a beach clean at Felixstowe, and did their bit for nature with Wild at Work Days with charity partner Suffolk Wildlife Trust. At Blaxhall Common – a 64-hectare nature reserve near Aldeburgh – staff from branches and Head Office braved the cold weather, getting stuck into some seasonal cutting, which controls invasive scrub and maintains the many different types of habitats.

The active Social Committee arranged events which combined socialising with colleagues with social purpose. A cruise on the River Orwell featured an onboard talk from Suffolk Wildlife Trust, and a fundraising quiz night was held at Emmaus Suffolk's Royal Oak venue.

The Society has a long history of providing financial education. This year, branch staff have focused on a 30 minute financial education session in schools for 16-18 year olds. An enhanced volunteering plan is being explored to take financial education further into the community in 2025.



We've also launched a new educational section of our website. It includes articles written by Society staff on topics including budgeting, setting financial goals, different types of savings accounts, borrowing and credit, and frauds and scams.

Community Outreach

Strong supporters of their local communities, branch staff embraced events in their town calendars, such as the Hadleigh Show, Suffolk Day, Suffolk Pride, Woodbridge Festival, and the Capel St Mary village floral display.

When we were approached by charity Great War Huts with a request for help, we were only too pleased to lend our support. Following the end of the First World War, the Society converted multiple war huts in Ipswich into residential homes for returning veterans. Great War Huts, based near Bury St Edmunds, is an organisation seeking to preserve and restore similar war huts. It plans to open an immersive museum and visitor centre soon.

We donated to the project reproductions of two original ballot notices used in the sale of the Ipswich bungalows, along with a booklet detailing the work completed. These will be on display in the Great War Huts Museum, when it opens. We presented them to the Great War Huts team in October.

Charitable Donations.

£40,000

Strategic charity partners:

- Suffolk Wildlife Trust
- Emmaus Suffolk
- ihAg
- Lighthouse

£5,000

Suffolk Giving Fund – administered by Suffolk Community Foundation

£5,400

Donated to other causes, including:

- Breast Cancer Now
- Cancer Research
- Age UK
- MND

Total: £50,400
(2023: £59,158)



Accessibility and People.

Looking After Our Members

We know how important it is to know that if you speak with us on the phone, or online, there's a real person at the other end who's there for you.

Some of our staff are just starting their careers at the Society. And some have been here for a little longer.

We sat down with Hayley Nessling, Head of Compliance, and Jack Davies-Edwards, Member Assistant in our Woodbridge branch, to hear about how they support our members.

Meet Hayley Nessling

Now the Society's Head of Compliance, Hayley started her career in the Woodbridge branch in 2001. Having left school at 16, she worked in a few customer service roles before joining the Society at 21.

"It wasn't a set career path for me to become Head of Compliance" she explains. "I have been given lots of opportunities to gain formal qualifications and been encouraged by managers to explore opportunities in other areas of the Society, which has helped me to achieve in my career."



"I worked for several years in the branch network, eventually becoming Assistant Manager. From there, I moved to the Mortgage Sales team and was involved in the training and competency development of our mortgage consultants, which led to my interest in regulation. I became part of the Compliance team in 2018, where I have been able to use my regulatory knowledge and experience from my previous branch and mortgage roles."

"Whilst I am no longer dealing directly with members, I do very much see my role as protecting both the Society and our members by helping the Society to stay compliant with required regulation."



Meet Jack Davies-Edwards

Member Assistant in the Woodbridge branch, Jack's job is helping customers with their daily queries, carrying out transactions and in his words "offering the best customer service I possibly can".

"Aside from this, I am part of the ESG champion network, and will soon start helping members with home insurance in branch.

"The thing that motivates me most is customers. At the end of the day, we are member-focused and that gives you the flexibility to be as engaging as you need to be. Sometimes people just need an excuse to talk and if you can be that ear, you've made their day. They also bring challenges, and it pushes me to find new solutions. That's probably my favourite part of the job.

"My highlight since working here is my collaboration with Emmaus Suffolk. I contacted their Chief Executive and built a rapport. I wanted the branch to take a more active role in its support of our charities, and since then we've become a mini hub. We rotate our window displays to raise awareness as well as funds, we have a food collection point and more. I'm definitely excited to see where we can take it next year."

Staying on the High Street

When it comes to face-to-face customer service, we have a continued commitment to keeping a physical presence in our community.

Sudbury

The Society moved its Sudbury branch to new, larger premises in February 2024. The new branch, at 98 North Street, includes a banking counter for day-to-day transactions, as well as a casual seating area for a chat with our friendly staff. There are also two meeting rooms for more confidential discussions. Members have told us what a well-designed and spacious branch it is.

Felixstowe

2025 will see us opening a full branch in Felixstowe for the first time. Suffolk's fifth largest town, Felixstowe was home to an agency for a few years, and we've listened to members who have requested our return! The Felixstowe branch will open in the spring, co-located with East of England Co-op Travel, between the town's main high street, a free car park, and the train station.



Summary Financial Statement.

This Financial Statement is a summary of the information included in the Annual Report which will be available to members and depositors online from 19 February 2025. The Summary Financial Statement was approved by the Board of Directors on 11 February 2025.

Summary Strategic Report

Since 1849, the Society has brought together savers and borrowers for mutual benefit. Staying true to its mission of delivering simple, straightforward savings products to investing members and providing mortgages to help borrowing members purchase homes.

Our strategic focus remained consistent, aiming to steadily grow membership, mortgage balances, and the savings book while maintaining strong asset quality and increasing Tier 1 capital. This report outlines the Society's progress against its strategic objectives and provides an update on performance relative to key indicators.

The Society attracts savings deposits from members and retail customers, using these funds to offer a range of mortgage products through its extensive broker network and Direct Sales team. It operates through nine full-service branches across Suffolk, one agency, and its online savings platform.

Mortgage Assets and Mortgage Advances

The Society's lending proposition is to provide mortgages through a network of approved mortgage brokers, as well as directly from the Society. The Society does not rely solely upon credit scoring as all loans are individually underwritten by our underwriters.

A strong performance saw the Lending team processing 1,193 mortgage applications in 2024 (2023: 861) with a value of £304m (2023: £223m).

A total of 512 (2023: 702) loans completed, with a value of £122m (2023: £179m) and an average loan size of £241k (2023: £258k).

Residential lending made up 69% of this year's mortgage completions. This included 27 self build cases (2023: 34), lending over £12m to those self building (2023: £17m).

The Society retained 67% of maturing mortgage business this year, which, along with the new business, led to a closing mortgage balance of £738m (2023: £727m) as at 30 November 2024.

Arrears

The Society arrears levels have remained low throughout the year. We have a dedicated Arrears team to support members with payment difficulties.

As at 30 November 2024 we had 65 (2023: 57) mortgage accounts in arrears. Of these, there are three (2023: five) where the arrears were the equivalent of twelve months' payments or more. The total amount outstanding in these cases was £515k (2023: £606k) and the total amount of arrears was £100k (2023: £79k).

At 30 November 2024, the Society had one (2023: two) property in possession and 39 (2023: 38) mortgage accounts subject to forbearance, which equates to 0.9% (2023: 0.8%) by number of the total mortgage book. These mortgage accounts have a total balance of £5m (2023: £4.3m). Of these cases, 24 (2023: 17) are currently in arrears, with total arrears balances of £92k (2023: £95k). Where the Society considers there is a possibility of loss, a provision is made in accordance with the Society's policies.

Retail Savings Balances

Retail inflows have been very strong, and the savings balance growth of £79m is significantly above expectations. The Society has seen demand for fixed rate savings particularly as rates continued to increase in the first half of the year and savers sought to lock in at high rates.

In the latter part of the year savings rates in the general market have fallen, partly due to the prospect of rate reductions.

Underlying membership growth has been strong with 6,019 new savings accounts opened (2023: 5,811). Of these accounts, 2,322 were opened by new members (2023: 2,172). Online savings accounts have attracted 298 new member accounts this year, and over £4m of inflow.

The Society has consistently brought in funds throughout the year. This trend continued, with strong inflow every month, despite rate reductions, with customers responding positively to the



products and rates offered. At year end the total savings deposits had increased by £79m (2023: £56m) to £817m (2023: £738m).

Profit for the Financial Year

The Society achieved a profit before tax of £2.2m (2023: £4.1m). Achieving a profit is important for the long-term sustainability of the Society because it enables the Society to add to its capital reserves and grow further. It has also enabled us to give generously to local good causes and invest strategically with our charitable partners.

Given the current economic conditions and the Society's arrears management performance over the past year, Management feels that that the impairment provision overlay established in 2023 of £630,000 is no longer required and has been released and contributes to the profit for the year.

The Board is confident the Society can remain profitable over the three-year corporate plan period, which will build the capital required to support increased lending and grow revenue at a rate faster

than the rate of growth of management expenses, while still investing in the future of the Society.

Management Expenses

In 2024, management expenses were £15.3m (2023: £14.2m). Continued focus and management attention on costs is vital again this year.

Capital

The Society's total regulatory capital is £45.5m, an increase of £0.5m from the previous year. The capital position therefore remains strong, giving the Society a sound platform from which to grow further.

The Tier 1 Capital Ratio was 14.1% at 30 November 2024 (2023: 14.6%).

Summary Financial Statement.

For the Year Ended 30 November 2024

	2024 £000	2023 £000
Results for the year		
Net interest receivable	17,206	18,719
Other operating charges	(45)	(5)
Losses on financial instruments at fair value	(176)	(159)
Management expenses	(15,351)	(14,173)
Decrease/(increase) in provision for impairment losses on loans and advances	520	(274)
Profit for the year before taxation	2,154	4,108
Taxation	(351)	(843)
Profit for the financial year	1,803	3,265
Other comprehensive income		
Actuarial loss recognised in the pension scheme	(79)	(125)
Movement in related deferred tax	20	31
Movement in fair value of debt securities	(95)	209
Movement in related deferred tax	24	(52)
Revaluation loss on freehold property	-	(111)
Movement in related deferred tax	-	38
Other deferred tax movement	9	-
Total comprehensive income for the year	1,682	3,255
Financial position at end of year		
Assets		
Liquid assets	157,635	119,182
Derivative financial instruments	5,736	12,030
Mortgages	738,390	727,332
Fixed and other assets	8,885	7,881
Total assets	910,646	866,425
Liabilities and reserves		
Shares	783,746	703,344
Borrowings	68,834	100,108
Derivative financial liabilities	1,074	895
Other liabilities	8,311	15,105
Net pension liability	189	163
Reserves	48,492	46,810
Total liabilities and reserves	910,646	866,425

Independent auditor's statement to the members and depositors of Suffolk Building Society

Opinion on the summary financial statement

On the basis of the work performed, as described below, in our opinion the summary financial statement is consistent with the full annual accounts, the Annual Business Statement and Directors' Report of the Society for the year ended 30 November 2024 and conforms with the applicable requirements of section 76 of the Building Societies Act 1986 and regulations made under it.

We have examined the summary financial statement of Suffolk Building Society ('the Society') for the year ended 30 November 2024 which comprises the Results for the year, the Other Comprehensive Income, Financial Position at the end of the year and the notes to the summary financial statements.

Basis for opinion

Our examination of the summary financial statement consisted primarily of:

- Agreeing the amounts and disclosures included in the summary financial statement to the corresponding items within the full annual accounts, Annual Business Statement and Directors' Report of the Society for the year ended 30 November 2024, including consideration of whether, in our opinion, the information in the summary financial statement has been summarised in a manner which is not consistent with the full annual accounts, the Annual Business Statement and Directors' Report of the Society for that year;
- Checking that the format and content of the summary financial statement is consistent with the requirements of section 76 of the Building Societies Act 1986 and regulations made under it; and
- Considering whether, in our opinion, information has been omitted which although not required to be included under the relevant requirements of section 76 of the Building Societies Act 1986 and regulations made under it, is nevertheless necessary to include to ensure consistency with the full annual accounts, the Annual Business Statement and Directors' Report of the Society for the year ended 30 November 2024.

We also read the other information contained in the Summary Financial Statement and consider the implications for our statement if we become aware of any apparent misstatements or material inconsistencies with the summary financial statement.

Our report on the Society's full annual accounts is unqualified and describes the basis of our opinions on those annual accounts, the Annual Business Statement and Directors' Report.

Directors' Responsibilities

The directors are responsible for preparing the summary financial statement within the Summary Financial Statement, in accordance with applicable United Kingdom law.

Auditor's Responsibilities

Our responsibility is to report to you our opinion on the consistency of the summary financial statement within the Summary Financial Statement with the full annual accounts, Annual Business Statement and Directors' Report and its conformity with the relevant requirements of section 76 of the Building Societies Act 1986 and regulations made under it.

The purpose of our work and to whom we owe our responsibilities

This auditor's statement is made solely to the Society's members, as a body, and to the Society's depositors, as a body, in accordance with section 76 of the Building Societies Act 1986. Our work has been undertaken so that we might state to the Society's members and depositors those matters we are required to state to them in such a statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's members as a body and the Society's depositors as a body, for our work, for this statement, or for the opinions we have formed.

David Gonnelli (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London
11 February 2025

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Directors' Remuneration Report.

For the Year Ended 30 November 2024

The purpose of this report is to inform members of the Society about our approach to the remuneration and financial wellbeing of all staff members, including the Executive and Non-Executive Directors, and how this is balanced with financial sustainability of the Society.

All members who are eligible to vote at the Society's AGM will have the opportunity to approve the Directors' Remuneration Report through an ordinary resolution (non-binding). The 2023 report received a 91.8% positive vote.

This report explains how the Society considers the principles of the UK Corporate Governance Code relating to remuneration, as far as they are applicable to a mutual organisation of our size. The Society has adopted a Remuneration Policy which complies with the relevant elements of the FCA Remuneration Code and the PRA Remuneration Policy.

Our Approach

The Remuneration Committee's main duty is to make recommendations to the Board on the Society's general remuneration policy. This is a key part of the Society's people strategy and governance. Decisions relating to basic pay and performance-related pay are always intended to align with our commitment to the long-term business sustainability, values and objectives, and culture of the Society. In addition, any decisions relating to remuneration comply with the aims of the FCA Remuneration Code.

Membership of the Remuneration Committee is solely comprised of Non-Executive Directors, all of whom are also members of the Society. Other individuals, such as the Chief Executive Officer and Chief Operating Officer may be invited to attend for all, or part, of the meeting as required. Reports and minutes of the Committee's meetings are circulated to all members of the Committee and the Chair of the Committee reports at the Board meeting following a Committee meeting.

The Committee ensures that remuneration is in line with the Society's values, corporate objectives and performance. It also oversees the Society's implementation of key values relating to Diversity and Inclusion, including updating the Board on the Society's Gender Pay Gap and progress against Women in Finance Charter targets. In addition, the Board is updated on a

regular basis on aspects relating to the Society's culture, including consideration of internal or external changes that may have a significant impact on our team members or culture.

2024 – Pay Decision

When determining the approach to remuneration throughout 2024, the Committee continued to be mindful of the performance of the Society and the individual responsibilities of Directors, and the pay and employment conditions across our workforce and externally. The Committee was mindful that the Society must continue to compete to attract and retain team members against other employers in both the local area and now, with the increase of remote working, further afield. The Society pays at least the Real Living Wage to all employees, including Saturday employees and apprentices. The ratio between our highest-paid permanent member of staff and our lowest-paid permanent member of staff is 10:1.

In June 2024 the Board approved the Executive team's recommendation that salaries for all employees should be increased by at least 3% with effect from 1 June 2024. However, the 2024 salary review process sought to ensure that the Society supported those who may be disproportionately affected by an increase in the cost of living. As a result, the Society's Grade A members of staff received an increase of above 3%. Other salary adjustments were made for career progression or significant changes in responsibilities. Executive Directors received a 3% salary increase.

The Society also conducted a comprehensive review of its employee benefits. This review resulted in an increase of holiday allowance and employer pension contributions for certain grades and the rationalisation of overtime and bank holiday payments. The Society also increased its level of maternity and paternity pay and sick pay. The accrual of additional holiday based on length of service was phased out. For 2025, the Society has introduced a scheme to allow employees to purchase additional holiday as part of a salary sacrifice scheme.

Results at the end of the year indicate that the Society achieved a good financial performance together with positive customer experience scores. The Society will pay a bonus for Grade A–D employees. The amount paid to individual employees is based on their individual

performance throughout the year, which is measured via the Society's performance appraisal process. The Society measures performance against role objectives and the Society's core Behaviour Framework.

Non-Executive Directors

The fees payable to Non-Executive Directors are assessed using information from comparable organisations (building societies of a similar size). Remuneration comprises a basic fee with a supplementary payment for holding the position of Chair of a Committee, Deputy Chair, Senior Independent Director or other additional responsibility. This fee reflects the additional responsibilities and time commitments of these positions. Fees for Non-Executive Directors are not pensionable and Non-Executive Directors do not take part in any incentive scheme or receive any other benefits. Non-Executive Directors do not have employment contracts with the Society.

Annually the Executive team and the Chair are responsible for setting the Non-Executive Directors' fees. The Board, with the exception of the Chair, agrees the Chair's fee.

Executive Directors

The remuneration of Executive Directors reflects their expertise, responsibilities and roles within the Society. The Executive Directors' benefit package is designed to motivate decision-making in the long-term interests of the Society and members as a whole. This year it comprised basic salary, participation in a three-year performance-related pay scheme and various benefits. Further details of these are set out below. The Society has no share option scheme and none of the Executive Directors have any beneficial interest in, or any rights to subscribe to, any instruments, or shares in or debentures of, any connected undertaking of the Society.

Basic Salary

Salaries are reviewed by benchmarking against jobs carrying similar responsibilities, from external salary benchmarking data from the building society sector and the financial services sector as a whole, as well as other UK and regional salary data. Consideration is given to the responsibility and complexity of the role, market conditions and demands, and the Society's very high-quality standards.

The Society's approach is not to compromise on quality standards, and to seek to secure the best and most appropriate people for any particular role at a rate of remuneration consistent with the Society's financial, business and member objectives.

Three-Year Performance-Related Pay (PRP) Scheme

A PRP scheme operated during the year for Executive Directors and Grade E employees. This was carefully designed to encourage achievement of targets that maintain the financial strength and long-term sustainability of the Society. The PRP scheme currently allows a maximum of 20% of salary earned for achievement of all targets set, which for 2024 were asset growth, cost management, capital, member and broker satisfaction metrics, and delivery of the strategic change agenda, all of which are subject to meeting defined financial performance and risk management criteria. In addition, the Committee monitors the Society's progress in relation to Diversity and Inclusion and our ESG aims. The Society's development in these areas is a key consideration when deciding on PRP. At least one third of this payment is deferred for up to a three-year period. The Committee consider that this deferral period is appropriate to ensure consistent performance is delivered over the longer term.

Pensions

The Society makes a contribution of between 17.5% and 20% of salary for Executive Directors' pension arrangements. For Richard Norrington and Paul Johnson this is in the form of a cash equivalent payment.

Benefits

Executive Directors receive other taxable benefits, including a car allowance, travel and accommodation allowance when on Society business and a private health care scheme, which covers the Directors and their families. The Society does not provide concessionary home loans to Directors.

Contractual Terms

The Executive Directors are employed on open-ended service contracts; they require twelve months' notice to be given by the Society and six months' notice by the individual.

Non-Executive Directors	2024	2023
	£000	£000
P Elcock (Chair, appointed 22 December 2022)	52.5	48.1
A Harris (resigned 22 December 2022)	0.0	3.0
S Hill	32.0	30.5
E Lenc	34.0	32.5
S Liddell	34.0	32.5
S Reid (Deputy Chair)	36.5	35.0
F Ryder	34.0	30.5
Total	223.0	212.1

Executive Directors	Performance-related pay						
	Salary	Performance-related pay	Performance-related pay	Benefits	Sub Total	Pension Entitlements	Total
2024	£000	Payable now £000	Deferred £000	£000	£000	£000	£000
R Norrington (Chief Executive Officer)	223.3	30.2	15.1	18.5	287.1	44.7	331.8
P Johnson (Chief Financial Officer)	167.0	22.6	11.3	16.2	217.1	29.2	246.3
R Newman (Chief Operating Officer)	134.5	18.2	9.1	13.0	174.8	23.5	198.3
Total	524.8	71.0	35.5	47.7	679.0	97.4	776.4
2023							
R Norrington (Chief Executive Officer)	202.9	29.3	14.7	18.5	265.4	40.6	306.0
P Johnson (Chief Financial Officer)	159.8	21.9	11.0	16.2	208.9	28.0	236.9
R Newman (Chief Operating Officer)	128.8	17.7	8.8	13.1	168.4	23.1	191.5
Total	491.5	68.9	34.5	47.8	642.7	91.7	734.4

Mr Norrington and Mr Johnson have elected to receive cash payments in respect of pension entitlements.

Benefits include health care, car allowance and subsistence allowance.

Total Directors' remuneration amounted to £999.4k (2023: £946.5k).



Trusted Since 1849.

We know our members want to save their money with an organisation they can trust.

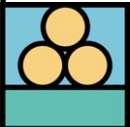
Which is why we demand strong leadership throughout the Society and we act with integrity, transparency and accountability.

Everyone from the Board to our colleagues across the Society are driven by the same values and integrity that the Society was built on.

Our Directors are independent in character and judgement, are free of any relationship or circumstance which could interfere with the exercise of their judgement and bring wide and varied commercial experience to Board deliberations, continuing to represent the interests of the Society's members.

Board appointments are subject to ratification by a members' vote at the Society's AGM.

You will find our Directors' biographies on the next page.



Meet the Directors.



Peter Elcock

Peter Elcock has worked for over 40 years in the financial services industry, including roles at Barclays, Coventry Building Society, Charter Court Financial

Services Group plc (CCFS) and One Savings Bank. He founded Cornhill Consulting in 2006, providing specialist risk consultancy to building societies and banks.

At One Savings Bank, Peter took the Group Risk role following a merger with CCFS, assuming responsibility for the merger of the risk functions and frameworks and creating and delivering a new risk design for the enlarged group.

Peter is passionate about the mutual model, its values and the safety and security it brings to members and is pleased to be able to bring his experience and practical understanding of the risk, regulatory and compliance areas to support the Society. He is a Director at Cornhill Consulting and a Non-Executive Director of Zempler Bank Limited.



Richard Norrington

Richard Norrington was appointed to the Board on 30 November 2016 and became Chief Executive on 1 December 2016. He is an advocate of the Society's

social purpose and mutual values. Richard has extensive leadership experience in the financial services sector, in a career spanning more than three decades. He spent 16 years with Barclays Bank PLC, and, more recently, 10 years at Clydesdale & Yorkshire Bank where as Regional Director he had responsibility for the East of England area.



Paul Johnson

Paul Johnson joined the Society in June 2020. Paul was previously Head of Finance at Vanquis Bank for six years, having been at Citi previously for 15 years in a variety of

senior finance roles, including CFO of the UK Consumer business. Prior to that Paul held a number of financial controller roles, including the broker subsidiary of Société Générale, and started his career at Deloitte. Paul is a Fellow of the Chartered Association of Certified Accountants.



Rebecca Newman

Qualifying as a solicitor in 2008, Rebecca acted as legal counsel within the financial services industry for over seven years before joining the Society in 2015 as

society secretary with responsibility for board governance. She soon became Legal Counsel and then Chief of Staff, developing the Corporate Governance framework to include ambitious programmes on ESG, diversity and inclusion, and employee performance. Rebecca joined the Board as Chief Operating Officer in 2022.



Sian Hill

Sian Hill joined the Board in April 2020. She is a Fellow of the Institute of Chartered Accountants in England and Wales. Sian was at KPMG for many years, including

over 20 years as a financial services tax partner advising a broad range of financial institutions. She retired from KPMG in June 2018. Sian is a

Non-Executive Director and Chair of the Audit Committee of Cordiant Digital Infrastructure Ltd (where she is also the Senior Independent Director), Apollo Syndicate Management Ltd and of Yealand Fund Services Ltd. She is also a Trustee and Chair of the Finance & Audit Committee and member of the People & Culture Committee of Place2Be, a leading UK children's mental health charity.



Elaine Lenc

Elaine Lenc joined the Board in October 2019. Elaine is a Fellow of the Chartered Institute of Bankers in Scotland. She has had a lifelong career in financial services

and held senior posts at National Australia Group Europe, latterly as Director, Customer Remediation but spanning IT and strategic change, products and marketing, and retail and business banking across four European banks. Elaine is also a governor and Chair of the Finance and Resources Committee at Delta Academies in North Yorkshire.



Steve Liddell

Steve Liddell was appointed to the Board on 30 November 2017. He is a Fellow of the Institute of Chartered Accountants in England and Wales. He retired

from Mazars LLP, where he was a financial services partner, in 2020. He previously worked for many years at KPMG and was the senior partner at the firm's Ipswich office from 2002 to 2006. He is a Non-Executive Director of Samsung Fire & Marine Insurance Company of Europe Limited, Aspen Syndicate Management and Aspen Insurance Company Ltd. Steve lives locally and has over 30 years' experience in working with regulated businesses.



Steve Reid

Steve Reid was appointed to the Board in November 2016. Steve has spent his entire career in the financial services industry with a particular focus on retail

banking and wealth management. During this time he has held executive roles with the Woolwich Building Society, Barclays Bank PLC, National Australia Group Europe and as CEO of Allied Irish Bank (UK).



Fiona Ryder

Fiona Ryder was appointed to the Board in October 2018. Fiona is a Fellow of the Royal Society of Arts with over 25 years' experience across the broadcasting,

digital and commercial sectors. She was previously the founding CEO of instore marketing and communications company, The Cube Group, before its profitable sale in 2006 and more recently the Managing Director of Archant's local TV station for Norwich and environs. Fiona is an Executive Director at Bonza Music Ltd.

Our Branches.

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94 High Street
Hadleigh
IP7 5EL
Tel: 01473 827373

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61 Thoroughfare
Halesworth
IP19 8AR
Tel: 01986 875133

Haverhill

16a High Street
Haverhill
CB9 8AR
Tel: 01440 710720

Ipswich (Town Centre)

Mutual House
2 Princes Street
Ipswich
IP1 1QT
Tel: 01473 230211

Ipswich (Ravenswood)

46 Hening Avenue
Ipswich
IP3 9QJ
Tel: 01473 273736

Saxmundham

10 High Street
Saxmundham
IP17 1DD
Tel: 01728 603876

Sudbury

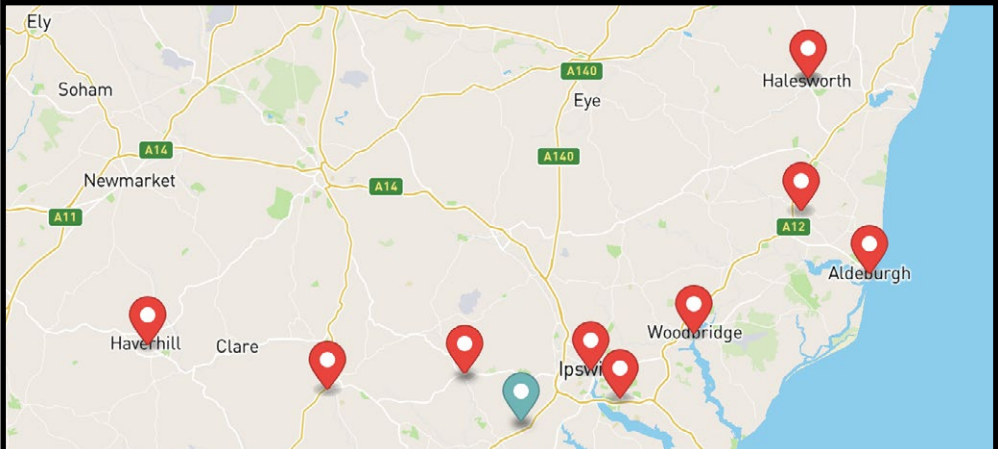
98 North Street
Sudbury
CO10 1RF
Tel: 01787 375388

Woodbridge

24 Thoroughfare
Woodbridge
IP12 1AQ
Tel: 01394 380537

Capel St Mary (Agency) ●

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27a The Street
Capel St Mary
IP9 2EE
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