

AGM Speeches – 14/7/2022

Chair – PH

In the remarks I made to you in the Member Review, I hoped that our 2022 Annual General Meeting could be in-person and I'm absolutely delighted that we are finally able to see each other this year.

I was appointed to the Board in January 2020 and invited to take the Chair after the 2020 AGM, the first of two held behind closed doors because of the Coronavirus Pandemic. For someone who thrives on meeting people, it's been a frustrating period and, so far, I've been able to meet very few of our members. As long as we have no further restrictions, I aim to put that right.

In my Report & Accounts commentary, I referred to the strong performance your Society has achieved in the past year and your Board is very pleased with the progress made in recent times. Your Society is financially strong and would be able to withstand the most extreme economic pressures before needing to use the so-called regulatory buffers imposed upon us.

Before I turn to two specific aspects that I want to share with you, it is only right that I mention the current economic conditions and how they might impact members. For many years

now, savers have had to accept some of the lowest returns in living memory. Whilst interest rates have started to move upwards, the spectre of inflation is prolonging the misery with real returns lower now than they were a couple of years ago when we experienced the lowest ever Bank of England Base Rates of 0.1%. We will continue to offer members competitive savings rates which are unlikely to be the best in the market but will meet our policy of consistently good rates.

Our mortgages are all underwritten individually, and the quality of the book has been exceptional over the past few years. We expect that resilience to continue. However, it is highly likely that some of our borrowers will face difficulty as the general cost of living rises and interest rates rise. We have a full range of options to borrowers needing help and we have already reached out to those who might be more vulnerable.

I spoke about a few moments ago about a couple of aspects I wish to cover both of which relate to the future for the Society. First, your Board spends a good proportion of its time considering appropriate strategies and believes that we are well-placed to meet our objectives in the coming years. We want to grow the Society and we believe that we have the resources to do so. Before any panic sets in, please don't think that we will abandon all of the values that are important to us: we won't. We have built strong relationships with the

intermediaries who introduce mortgage business to us, and we would hope that savers will continue to save with us as they have done for many years.

The other matter that I wanted to share with you concerns our desire to make the experiences you and all members have with us, the best they can possibly be. To that end, we are spending quite a lot of time working through all of the journeys members have to make to identify where we can improve them. We already review every piece of feedback we receive to see if there's scope to make our interactions better.

When I joined the Society just over two and a half years ago, Jeremy Wood indicated that he planned to retire this year and we set about a comprehensive process to identify a suitable successor. I am delighted to welcome James Paterson to the Society. All of the regulatory approvals have been received and James has sought election from members which we will be able to talk about shortly.

Before I close and echoing the comments I made in the members review I'd like to thank Jeremy for everything he's done during his ten years of stewardship of the society. Your society has been led from strength to strength over that period with more members than ever and a performance that enables us to look positively to the future. When I first met colleagues at the society I was impressed by the strong culture of care, creativity and vigour and a real desire to do the right things. These are rare in many businesses and it is under

Jeremy's leadership that the society has grown and developed this strong ethos. This not only provides a strong platform for us to move forward but makes your Dudley unique. Thank You Jeremy and we wish you all the best in your retirement.

In closing, I would like to thank you for attending today and for your continued support for our Society. Like you, I'm a passionate believer in mutuality and I also believe in the role societies like Dudley play in our local communities. As always, our colleagues deserve a special mention. When I see them in action, I'm very proud of the work they do to serve you and the way in which they represent the Society. Thank you, colleagues. Finally, can I thank the Board for everything you continue to do to support me. It is very much appreciated.

Outgoing CEO – JW

Thank you Peter.

At my first AGM, ten years ago, Dudley was quite a different organisation. I'd come from something much larger where resources were virtually limitless, and roles were very narrow.

I said to the Board that it was my intention to serve for five years. Secretly, if I achieved nothing else, I wanted to do away with all of the paper we had – stacked by the sides of desks, in cupboards, actually pretty well everywhere.

So, I have the opportunity to look back and reflect for a few moments on what was actually achieved in those five years which turned into ten.

First, we are in a much stronger position financially and we've almost doubled in size. Financial strength is important because not only must we be able to keep all of our members' deposits safe but there are a couple of Regulators who watch us and our peers very closely.

Second, we took some bold decisions. We decided not to be an adviser for mortgages. Instead, we only take new mortgages introduced by intermediaries who carry the risk of inappropriate advice being given. Then we lifted age restrictions on our mortgages and led the market in lending to older borrowers. We introduced an e-savings platform to widen the

choice of how to do business with Dudley. These are just a few of the many highlights I can point to.

Every business is really defined by its people and I'm privileged to have worked with some truly superb individuals. Many are local, born and raised in this area. They work tirelessly to do the right thing for the Society and its members and are never shy to challenge if they see something happening that doesn't quite fit with what we are about. Quite a number of them were here before I arrived and will, thankfully, be here for many years to come. I can honestly say that it's been one of the most fulfilling aspects to have seen them learn and grow and prosper.

To close this section, I'm delighted to have been your Chief Executive for these last ten years. It seems a long time but when put into the context of a Society that's been around for 164 years, it really isn't. I look forward to seeing Dudley continuing to do what it does well – leading from the front and looking after its members. As I hand the baton to James, I wish him well during his time as Chief Executive. I know that this excellent business is in good hands. Oh, and all of that paper is no longer the feature it was.

Incoming CEO – JP

James, a few things to consider in your words:

- Your background
- Your view of the Society
- Importance of members
- Community presence and branches
- Growth aspirations
- Might be good for an endorsement of mutuality