



BUSINESS REVIEW

INCLUDING SUMMARY FINANCIAL STATEMENT

Year ended 31 December 2021

A home for your money...



We have commissioned a local illustrator, Phil Langley, to create this representation of the wonderful county of Buckinghamshire that we are proud to call our home. We hope you like it.



Doing the right thing



And money for your home.

Buckinghamshire Building Society...
trusted by our members since 1907.

To find out more, visit www.bucksbs.co.uk

BUCKINGHAMSHIRE 
— BUILDING SOCIETY —

CONTENTS

2	Welcome from the Chair
3	Financial Highlights of the Year
4	Member Feedback 2021
5	Member Vote for Charity
8	Giving Back to our Local Community
9	Here To Help Fund 2021
11	Summary Financial Statement
14	Summary Directors' Report & Business Review
19	Independent Auditor's Statement
21	Directors' Remuneration Report
24	Board of Directors
27	Notice of Annual General Meeting



WELCOME FROM THE CHAIR



2021 has been a good year for the Buckinghamshire Building Society, in spite of the challenges posed by the second year of the Covid pandemic. The Society has seen strong growth this year, in both our savings and mortgages. Moreover, the Society has continued to invest in people and processes, so that we can continue to build on our success in the coming years.

2021 was a particularly good year for our mortgage lending, benefiting from a strong pipeline of applications, favourable stamp duty breaks offered by the government to support the housing market and particularly first-time buyers, as well as a general improvement in the economy, all of which helped the Society to achieve a strong level of mortgage completions.

2021 has been another disappointing year for savers with the Bank of England base rate at an all-time low. Despite this, the Society increased its savings balance over the year. A rise in bank base rates at the end of the year has been passed on to our savers, but inflationary pressures in the wider economy will remain a concern.

The Society has achieved strong profit growth in 2021. The level of profit achieved through trading activities has been augmented by the write-back of sums prudently set aside as provisions for loan losses; this has been possible because of the low level of arrears in the Society's mortgage book brought about through efficient and sympathetic support for our customers facing difficulties.

Our Building Society seeks to balance the interest of borrowers and savers to create an increasingly sound business that our customers

can rely on for their most important financial needs. However, increased regulation, advancing technology and competitive pressure in recent years requires that the Society must continually invest in its systems and processes to meet its customers' evolving expectations. In 2021, we made progress in streamlining our mortgage processes to enable us to take on new mortgage customers more efficiently. For savers we have introduced an online facility which allows funds to be safely transferred directly to their nominated bank accounts.

Whilst it appears now that the worst of the pandemic might be behind us, it is clear that there are many challenges, economic and social, which remain to be addressed. In an uncertain world, your Building Society recognises the need to stay true to its core values in which we combine financial soundness with the wish to put members' interests first.

I would like to conclude by thanking the staff and the Board of the Society for their excellent contributions in 2021. I would particularly like to highlight the dedicated work of Christine Higgins on our Board and as Chair of Audit Committee as she steps down from the Board after the AGM.

Dick Jenkins
Chair

4 March 2022



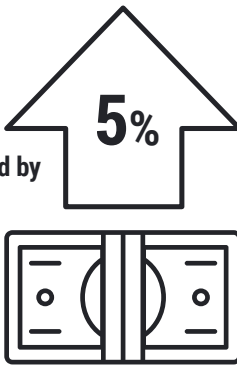
FINANCIAL HIGHLIGHTS OF THE YEAR




Total Membership
10,590



Capital increased by **5%**



Savings Growth **4.6%**



Customer Service

★★★★★

91.2%



Profit before tax
£1.8m

Gross Lending

£65m



MEMBER VOTE FOR CHARITY 2022

In association with Heart of Bucks, we would like to ask you once again to vote for the charity that will receive the Charitable Foundation donation next year. Last year you voted for **Restore Hope**, who will receive our donation in 2022.

Please vote for one of the shortlisted local charities (you will find brief details about each of them on this page), by ticking the box in your AGM voting form or by following instructions when you vote online.

SOUTH BUCKS HOSPICE

South Bucks Hospice provides specialist outpatient care for people with long-term and life-threatening health conditions, their carers and their families. They support around 600 patients and their family members and carers from across South Buckinghamshire.



The hospice offers a range of outpatient services to enhance the quality of life of individuals, their families and carers who are living with an advanced progressive life-limiting illness.

Specialist palliative care nurses provide clinical and personal care; helping patients with wound care, continence care and managing side effects of their illness and/or treatment. They develop tailored care plans for them; giving practical, informed, advice on managing their condition - now and as their condition progresses.

www.sbh.org.uk

JEDIDIAH

Jedidiah UK is a charity set up by a single mum Cynthia Stroud MBE in May 2020 with the aim of providing food support to vulnerable families through food parcels as well as fresh food provision.

The food parcel recipient families are usually identified by the Pastoral Care or SENCO officers at primary schools who advise on the number of families that need support. Within a year, from May 2020 to May 2021 they provided over 1,000,000 meals to 5,500 vulnerable families.

In June 2021, they launched the fresh food pantry in Buckingham, a free to use fresh food store in partnership with local supermarkets who provide them with all the unsold, quality food at the end of each day. This food is re-distributed through a Free Fresh Food Pantry: A "shop" style display for locals to "shop" from at no cost.



Since the launch they have redistributed over 25 tonnes of fresh food, providing 52,000 meals to families and individuals in need and saving 66,700kg of CO₂.

www.jedidiah.org.uk

WYCOMBE WOMEN'S AID (WWA)

Wycombe Women's Aid (WWA) is an independent, specialist charity based in South Buckinghamshire. They support women, children and young people who have experienced domestic violence (either current domestic violence or historic domestic violence) and who are dealing with its effects and consequences. The organisation offers a number of different services, which are all shaped by a feminist, trauma informed ethos.

The main helpline receives approximately 3,000 calls per year and offers emotional and practical support, information about issues relating to domestic violence and support to local women seeking refuge away from Bucks.



The refuge accommodates, on average, 45 women and 66 children each year and provides emotional and practical support through counselling, group work, play sessions and family therapeutic sessions.

www.wycombewomensaid.org.uk

WE ARE DIGITALLY INCLUSIVE!

We are delighted to now offer an Assistive Toolbar on our website, making our website more accessible for our members.

The toolbar options are not limited to, but include:

- Screen reading functionality
- Multiple reading aids
- On-demand live translation feature with over 100 languages

Why not check it out at www.bucksbs.co.uk



MEMBER VOTE FOR CHARITY 2021



Society staff volunteering at Lindengate

Our charitable foundation continues to support local causes and we aim to involve staff and members where we can.

Each year, through Heart of Bucks Community Foundation, we make a donation to a Buckinghamshire-based charity chosen by our members. A donation of £6,000 was awarded to Lindengate in 2021 and in previous years we have made donations to Medical Detection Dogs, Pace, Macmillan Cancer Support and Rennie Grove Hospice.

“Based on the number of votes received in 2020, Lindengate was chosen to receive the donation in 2021. Lindengate is a Mental Health Charity that uses nature to benefit people and their wellbeing. Lindengate has welcomed many NHS staff to its facility during the pandemic to allow them time to reflect and connect with nature.”

Gerard O’Keeffe, CEO, Buckinghamshire Building Society,



“Thank you so much to Buckinghamshire Building Society for this generous donation - this will help to build on our foundations for the future, to provide nature based mental health support to those who need it most.”

Charlie Powell, Founder, Lindengate

GIVING BACK TO OUR LOCAL COMMUNITY



FINANCIAL EDUCATION

Educating the next generation about all things finance is something that we as a Society are passionate about and in 2021, we were delighted to continue to extend our relationship with WizeUp Financial Education, by sponsoring a total of 7 workshops at local schools, including Chalfont Community College, Dr Challoners Grammar School and more.

The topics of the workshops included *Finance for your Future* and we are delighted to continue to support this initiative further into 2022 and beyond.

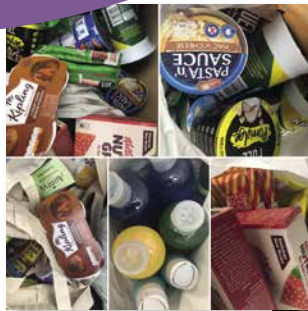


FOODBANK SUPPORT

We are delighted to have continued to support our local food bank throughout 2021, with over 250 items donated to Chiltern Foodbank collected from staff, members and the local community.

Find out how you can support Chiltern Foodbank by visiting

www.chiltern.foodbank.org.uk





Painting a brighter future



In 2021, we gave back to our local community of Buckinghamshire at an unprecedented level, through the **£75,000 Here To Help Fund**, in association with our good friends at **Heart of Bucks**.

In total, 30 eligible applications were received for the award and grants and an independent panel, held on 18th January 2022, decided on the distribution of the awards based on the application criteria. The Large Award was open to charities and non-profit organisations in the Health & Wellbeing sector, while the Small Grants Programme was targeted at

the Community Cohesion and Isolation & Disadvantage categories. The results are as follows.

The Large Award will go to **Youth Concern**, an independent charity based in Aylesbury, which provides support to vulnerable young people aged between 13 and 25. This financial support will enable Youth Concern to expand the reach of their drop in centre and to ensure more teenagers and young adults in need will receive help when they need it most. The use of early intervention helps to ensure the long term health and wellbeing of the youths that visit.



In addition to the Large Award, the Small Grants Programme will also provide much needed support to the following nine charities, all of which are very worthwhile causes: **Adoption UK, Child Bereavement UK, Children Heard and Seen, Chiltern Music Academy, Great Brickhill Parish Hall Committee, Mediation Buckinghamshire, Parkinson's Disease Society Amersham and HW, Theatre Shed** and finally, **Wycombe Talking Newspaper.**

We were delighted to support these organisations after what has undoubtedly been a challenging time for the non-profit sector. We will continue to assess the impact that these donations have had and look forward to providing you with an update on this in due course.

Speaking about the Fund, Henry Allmand, CEO, Heart of Bucks said

“Buckinghamshire Building Society is a valued long-term partner of ours and it has been a pleasure to work with them to award a number of grants from their Here To Help Fund. The funding will make a huge difference to local charities and community groups that are doing so much to support those most in-need across Buckinghamshire.”



Great Brickhill Parish Council



HEART OF BUCKS

In addition to working with Heart of Bucks to launch our new £75,000 'Here To Help' Fund in 2021, we continue to be an active member of their Community Investor Fund – working in partnership with them to ensure the charities most in need, get the help they deserve.

SUMMARY FINANCIAL STATEMENT RESULTS FOR THE YEAR

INCOME STATEMENT	2021	2020
	£000	£000
Net interest receivable	5,863	5,165
Other operating income and charges	(7)	(12)
Fair value gains and (losses)	(22)	(67)
Total income	5,834	5,086
Administrative expenses	(4,309)	(3,971)
Operating profit before provisions	1,525	1,115
Provisions	244	(212)
Profit for the year before taxation	1,769	903
Taxation	(382)	(181)
PROFIT FOR THE YEAR	1,387	722

FINANCIAL POSITION AT END OF YEAR	2021	2020
	£000	£000
Assets		
Liquid assets	66,967	67,542
Mortgages	244,774	218,269
Derivative financial instruments	303	-
Fixed and other assets	2,745	3,042
	314,789	288,853
Liabilities		
Shares	220,916	210,301
Borrowings	65,360	51,693
Derivative financial instruments	1	116
Other liabilities	1,209	828
Provisions for liabilities	-	-
Reserves	27,303	25,915
	314,789	288,853

SUMMARY FINANCIAL STATEMENT

SUMMARY OF KEY FINANCIAL RATIOS	2021	2020
	%	%
Gross capital as a percentage of shares and borrowings	9.54%	9.89%
Liquid Assets as a percentage of shares and borrowings	23.39%	25.78%
Profit for the year as a percentage of mean total assets	0.46%	0.25%
Management expenses as a percentage of mean total assets	1.43%	1.40%

NOTES TO THE KEY FINANCIAL RATIOS

1 The gross capital ratio measures the proportion which the Society's capital bears to the Society's liabilities to holders of shares and deposits (investors). The Society's capital consists of profits accumulated over many years in the form of reserves, together with the revaluation reserve. Capital provides a financial cushion against difficulties which might arise in the Society's business and therefore protects investors.

2 The liquid assets ratio measures the proportion of the Society's assets which are held in the form of cash or short term deposits. Liquid assets are generally readily realisable, enabling the Society to fund its general business activities.

3 The profit/assets ratio measures the proportion which the profit after taxation for the year bears to the average of the Society's total assets during the year. The Society needs to make a reasonable level of profit each year in order to maintain its capital ratio at a suitable level to protect investors' funds. Your Directors believe that the profit for the year is consistent with the aims of mutuality and that the gross capital ratio is more than sufficient for the protection of investors' funds.

4 The management expenses ratio measures the proportion that the Society's administrative expenses bear to the average of the Society's total assets during the year.

SUMMARY FINANCIAL STATEMENT

This Summary Financial Statement is a summary of information in the audited Annual Report and Accounts, the Directors' Report, the Strategic Report and the Annual Business Statement. All of these documents will be available to members and depositors free of charge either on request from the Society's Head Office or from the Society's website www.bucksbs.co.uk.

**Approved by the Board of Directors
on 4 March 2022 and signed on its behalf by:**

Dick Jenkins - Chair

Christine Higgins - Chair, Audit Committee

Gerard O'Keeffe - Chief Executive Officer



Doing the right thing

SUMMARY DIRECTORS' REPORT & BUSINESS REVIEW

This Report provides a summary of the Society's performance during 2021.

PURPOSE

The fundamental purpose of the Society is to help people achieve financial security by providing a safe home for their savings and helping them to buy a home of their own, at whatever stage of their life, particularly where the complexity of their circumstances requires a bespoke approach.

OUR VISION

Our vision is to maintain and build a members' Society, fit for purpose to valuably serve our members (present and future) and thereby prosper in a challenging future.

CULTURE

The culture of the Society can be summarised as "*Doing the right thing*". Linked to our purpose and our vision, our culture has a direct impact on our ability to attract, retain, and engage high quality staff who are committed to make the Society an exceptional place to work and whose values resonate with our mission.

STRATEGY

Our strategy is to grow the Society in a financially sustainable way so that we can continue to meet our fundamental purpose to provide valuable and relevant mortgages and savings products for our members and for future generations. We aim to build on our very solid foundations of capital and funding, with a purposeful and capable Staff, Management and Board.

In pursuing this strategy, we seek to balance maintaining and improving the financial strength of the Society to ensure long-term sustainability with the needs of our members by providing

them with competitive value for money products and services.

The Society navigated the challenges of the last two years conservatively and prudently. The strong performance in 2021 on financial and non-financial indicators demonstrates this. The progress made in 2021 has increased the capability and capacity of the Society, which along with the optimal usage of the capital strength will help lead the evolution of the Society's business model towards a sustainable future. Sound risk management and the operational resilience, as evidenced in our response to the Covid 19 pandemic over the last two years, is a bedrock of our stability and always under review and continuous improvement.

The strategy of the Society continues to be to develop and maintain high quality products for the evolving mortgage and savings markets, supported by an exceptional service ethic. Our product suite and pricing have evolved considerably over the last two years and we expect this to continue. In 2021, we focussed on operational transformation, bringing in efficiencies in our processes and systems. At the same time, we demonstrated the capability to generate significant increases in mortgage business, whilst reducing our funding cost.

Despite the difficulties of Covid 19, we have materially increased our key person resilience and our overall capability in key areas with a number of senior hires during the last couple of years. We will continue to focus on investing in our staff through training and development and engagement to create an exceptional place to work.

We continue to listen to our members and look at enhancing our engagement with them and our local community. We intend to deepen

SUMMARY DIRECTORS' REPORT continued

our engagement with our local community, so that we are increasingly seen to make a real difference in Buckinghamshire in our charitable support, financial education programmes and volunteering. The success of the "2021 Here to Help Fund" in particular is a statement of how we can make a meaningful impact in the local community by supporting small, local businesses.

Supporting green initiatives as part of the world-wide response to climate change and sustainability in the broadest sense is very important to us, our staff and our members.

OUR BUSINESS MODEL

Buckinghamshire Building Society is a strong, independent, regional building society focussed on providing residential mortgages and is funded primarily by members' savings accounts. We do not provide current accounts, consumer lending or insurance products. Our business model is aligned with our strategic priorities, as evidenced by the metrics presented below:

FUNDS ARE RAISED FROM (TOTAL £315m):

1. Customer deposits
2. Wholesale funding
3. Reserves

81%

10%

9%

THESE FUNDS ARE USED TO PROVIDE (TOTAL £244.8m):

1. Mortgages for owner-occupiers
2. Mortgages for buy-to-let investors
3. Mortgages for commercial properties

84%

15%

1%

WE GENERATE INCOME FROM (TOTAL £5.8m):

1. Net Interest Income – the difference between the interest and fees charged for mortgages and the interest paid on member deposits and other funding

WHAT WE INCUR COSTS ON (TOTAL £4.2m):

1. Paying our people
2. Systems and technology
3. Property and other operating costs
4. Regulatory costs
5. Professional services

WHAT WE USE OUR PROFITS FOR (TOTAL £1.8m):

1. Maintain our capital strength
2. Invest in delivering improved products and services for members
3. Support future growth
4. Support the local community
5. Pay taxes

Each of the following sections represents key performance indicators, which have been identified in the Society's strategy and are measured against actual performance on a regular basis.

CAPITAL

This is an important measure of financial strength – the ability to absorb financial stress and hence protect our members' interests. Over 99% of the Society's capital consists of retained earnings accumulated over many years. This capital is described as Tier 1 Capital and is considered to be the highest quality of capital by our regulators. The Society also holds capital in the form of a revaluation reserve and collective loan loss provisions. The Society's gross capital ratio is 9.5% (9.9% in 2020). Our gross capital is expected to remain one of the strongest in the mutual sector.

The Society's Core Equity Tier 1 ratio (CET1) which is calculated as Core Tier 1 Capital divided by Risk Weighted Assets was 25% as at 31 December 2021 (25% in 2020). This has remained in line with last year. The CET1 ratio has remained ahead of current regulatory

SUMMARY DIRECTORS' REPORT continued

requirements throughout the financial reporting period and is expected to remain ahead of regulatory requirements for the foreseeable future. The Society's CET1 ratio is expected to compare favourably with the rest of the mutual sector.

The Society's latest Pillar 3 disclosures can be obtained from the Society Secretary or the Society's website www.bucksbs.co.uk.

TOTAL INCOME

Total Income increased by 15% in 2021 compared to 2020. The increase has been driven by mortgage balances increasing at a greater rate than savings balances throughout the year, and the average margin achieved has increased. The Society increased its focus on retention products during the year, which contributed significantly to increasing the mortgage book.

MORTGAGE LENDING (LOANS TO MEMBERS)

Gross lending for 2021 was £65m, up 67% from the £39m the previous year. Our lending was spread over a number of different sectors of the market but included first time buyers, self-build, shared ownership, lending into and in retirement, lending to those with non-standard income or some minor adverse credit history and borrowers investing in buy-to-let properties.

Repayments and redemptions remained at £39m (£39m in 2020) which delivered a net lending increase of £26m (NIL in 2020). This resulted in a mortgage book growing to £244.8m at the year-end (£218.3m in 2020). Redemptions remained flat in 2021, however, the level of retentions from expiring mortgage products were higher as there continues to be an increased focus on retention of mortgage customers. The mortgage book comprises 84% residential owner occupied mortgages, 15% buy-to-let mortgages and 1% commercial lending.



SUMMARY DIRECTORS' REPORT continued

The mortgage book continues to remain of high quality, with an overall indexed loan to value of 50% and around 9% of balances with an indexed loan to value of 80% or more.

SAVINGS

Personal savers' balances increased by 5.1% during the year and corporate deposit balances increased by 1.9%. Overall the combined total of personal and corporate balances increased by 4.6% (compared to an increase of 4.4% in 2020) to a total of £255m (£244m in 2020). The increase in 2021 was in line with that of 2020, as the Society was holding surplus liquidity and there was less need to actively seek significant levels of inflows.

The Board has sought to maintain rates above the market for as long as possible for existing members and this strategy continued throughout 2021. Providing value to members remains at the core of our savings strategy. Starting from late 2021 and continuing in early 2022 we have started increasing rates on selected products in response to the general market conditions and Base Rate increases.

BOARD

I am supported in my role by an excellent board, in terms of their experience, qualifications and commitment to "*Doing the right thing*". The Board is comprised of seven Non-Executive Directors and two Executive Directors, thus providing a balance of skills and experience appropriate for the requirements of the business. Brief bios of the Board members are available on pages 24-26.

Andy Lucas joined the Board in May 2021 as a Non-Executive Director to replace Steve Nichols who stepped down from the Board after serving his term at the end of the 2021 AGM. Andy Lucas' extensive operational experience in the mutual sector has strengthened the

Board. His expertise in business growth, digital and cultural transformation and leadership experience on strategy development, innovation and operational efficiency, have added a great deal of value.

Christine Higgins will be stepping down as Chair of the Audit Committee and from the Board at the end of the forthcoming AGM. The Board has benefitted from Christine's subject matter expertise and leadership in her role as Chair of Audit Committee and a member of the Board. I wish to record my appreciation for the excellent job Christine has done for our Society.

Chris Potter joined the Board in January 2022 and would take over from Christine as the Chair of Audit Committee, subject to regulatory approval. Chris Potter is a Chartered Accountant and has over thirty years of audit experience mostly within the financial services industry, with his roles largely involved in specialist delivery of technology and internal control audits. Chris has proven leadership experience on specialist skills in managing technology risk and cyber security as well as audit of internal controls, which are all very useful skills to have on the Board.

Andy Lucas and Chris Potter being eligible, are offering themselves for election. I heartily recommend on behalf of the Board that you support their appointment when you cast your votes.

Gerard O'Keeffe and Darrin Ramdeen are both up for re-election at the forthcoming AGM. Both Gerard and Darrin have made significant contributions as part of the management team and very efficiently led the Society, in navigating the challenges posed by the pandemic as well as putting the Society in a very strong position to achieve its strategic objectives. The Board strongly recommends that you support their re-election when you cast your votes.

SUMMARY DIRECTORS' REPORT continued

CUSTOMER SATISFACTION

In April 2021, we undertook our annual customer survey and were pleased that 425 of our members responded via email and paper.

In keeping with previous years, we are delighted to share that overall satisfaction with our service is considered to be excellent by the majority of respondents. Overall 91.2% of members were satisfied with the customer service they had received.

We have a very low level of complaints, and in 2021 only one complaint has been referred to the Financial Ombudsman Service.

OUR PEOPLE

Our culture, as evidenced by our people and our approach to everything we do is central to what makes this Society as strong as it is. The commitment, togetherness and professionalism of our team make this Society special. To succeed in the modern financial services market, we need to combine wide ranging experience and capability with a deep affinity with the objectives of the Society and *"Doing the right thing"*. We have materially increased our key person resilience and our overall capability in key areas in 2021. In 2022, we intend to continue to focus on investing in people through training and development and engagement of our staff to create an exceptional place to work.

OUTLOOK/FUTURE DEVELOPMENTS

2021 has been a very challenging year for all businesses in the UK and worldwide. However, the Society has continued to make good progress in 2021 in highly competitive mortgage and savings markets, achieving a commendable level of growth in the mortgage and savings books ending the year with a healthy mortgage new business pipeline. We have committed to support future growth and build resilience throughout all departments within the Society.

The Society continues to maintain the strength of its capital position providing resilience to potential stress and giving confidence to members.

Whilst there is increasing competition in both the mortgage and savings markets, and the economic backdrop shows signs of significant potential challenges, including the reversing of the interest rate cycle and inflation impacting the cost of living, the Board remains confident in its strategy and plans to continue to grow its mortgage book funded predominantly by members' funds, so that we can provide a safe home and good return for those savings.

The Board continues to face the future with optimism and confidence. If we offer members products and services that meet their needs, delivered efficiently but with the values and ethos of a traditional member owned business – living by our fundamental value of *"Doing the right thing"*, the Society will continue to prosper.

On behalf of the Board

Dick Jenkins

Chair

4 March 2022

INDEPENDENT AUDITOR'S STATEMENT

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

We have examined the Summary Financial Statement of Buckinghamshire Building Society set out on pages 11 to 18.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The directors are responsible for preparing the Summary Financial Statement Results in accordance with applicable United Kingdom law.

Our responsibility is to report to you our opinion on the consistency of the Summary Financial Statement within the Business Review 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.

BASIS OF OPINION

Our examination of the summary financial statement consisted primarily of:

- Agreeing the amounts 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 31 December 2021;
- 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 information has been omitted which although not specifically prescribed by section 76 of the Building Societies Act 1986 and regulations made under it, in our opinion, is necessary to ensure consistency with the full annual accounts, the Annual Business Statement and Directors' Report of the Society for the year ended 31 December 2021.

We also read the other information contained in the Business Review 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 describes the basis of our opinions on those annual accounts, the Annual Business Statement and Directors' Report.

OPINION ON SUMMARY FINANCIAL STATEMENT

In our opinion the Summary Financial Statement is consistent with the full annual accounts, the Annual Business Statement and Directors' Report of Buckinghamshire Building Society for the year ended 31 December 2021 and complies with the applicable requirements of Section 76 of the Building Societies Act 1986 and regulations made under it.

USE OF THE STATEMENT

This statement is made solely to the society's members as a body in accordance with section 76(5) of the Building Societies Act 1986. Our audit 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 for our audit work, for this statement, or for the opinions we have formed.

For and on behalf of Mazars LLP, Statutory Auditor **Chartered Accountants**

Tower Bridge House, St Katharine's Way, London, E1W 1DD

4 March 2022



DIRECTORS' REMUNERATION REPORT

The 2021 Directors' Remuneration Report informs the Members about the Society's policy and practices on remuneration of Executive and Non-Executive Directors. It also shows how much the Directors were paid in 2021 (in comparison with 2020). As a member, you are entitled to have a say in how the Directors of the Society are paid, through your advisory vote at the AGM.

HOW DOES THE SOCIETY MANAGE DIRECTORS' REMUNERATION?

The Society manages Executive Directors' pay and the Non-Executive Directors' fees via the Remuneration Committee, constituted of three Non-Executive Directors with mandate from the Board to review and implement the Society's Remuneration Policy. The Remuneration Policy is aimed at continuing to support the delivery of the wider business strategy, in compliance with the UK Corporate Governance Code and is reviewed at least annually.

The Remuneration Policy takes account of economic and employment trends to ensure that Directors and all staff are rewarded fairly, equitably, without any discrimination and with due regard to statutory and regulatory considerations. The Society aims to offer remuneration that can attract and retain employees, recognise individual capabilities and experience and reward their contributions towards the performance of the Society.

The Remuneration Committee reviews the Executive Directors' remuneration annually using a range of external economic factors and benchmarking data from comparable organisations. The fees payable to Non-Executive Directors are proposed by the Chief Executive,

taking into consideration the benchmarking data from comparable organisations as well as the specific responsibilities and time commitment required for each of the roles. The proposed fees are then approved or otherwise by the Remuneration Committee.

HOW HAVE EXECUTIVE DIRECTORS' SALARIES CHANGED IN 2021?

The salaries of the Executive Directors increased in 2021 in line with increases in staff pay and benchmarking analysis to ensure they remain fair, competitive and appropriate for their roles and responsibilities. The Executive Directors' pay in 2021 and 2020 are detailed on Page 22. No salary increases were awarded to the Executive Directors in 2020 due to the uncertainties around the pandemic.

The Executive Directors' Remuneration is aligned to the Society's purpose and values and linked to the successful delivery of the long term strategy. The Executive Directors' base salaries are reviewed every year, at the same time as all other staff. Annual percentage salary increases for Executive Directors generally remain aligned with the average increases for Society staff unless considered necessary to remain competitive and reflect the changing market conditions or change in roles and responsibilities.

DID THE SOCIETY PAY BONUSES IN 2021?

The Society paid a bonus in 2021 as reward and recognition of the performance in 2020 to all eligible staff. Bonus was also paid to Darrin Ramdeen, Finance Director as per details on page 22.

* Gerard O'Keeffe, CEO, although eligible asked not to be considered for bonus for 2020 in recognition of the extraordinary circumstances faced by the Society and its members during the pandemic.

DIRECTORS' REMUNERATION REPORT continued

Payment of bonus by the Society is purely discretionary and dependent on four key conditions being met. The Society's Discretionary Bonus Policy is applicable for both Executive Directors and staff and utilises a Balanced Scorecard approach to evaluate the Society's performance across four key areas, viz., Business Performance, Customer Experience, People and Systems and Controls.

The Discretionary Bonus Policy is the same for the Executive Directors and staff. It recognises and rewards positive behaviours in addition to individual's performance. The percentage achievement of the Society's Balanced Scorecard measures is applied to a maximum of 15% of the Executive Directors' salary based on their achievement of behaviour and performance objectives.

HOW MUCH DID THE EXECUTIVE DIRECTORS EARN IN 2021?

The table below shows the audited information on the remuneration of the Executive Directors of the Society for the years ended 31 December 2021 and 2020.

Gerard O'Keeffe opted, in lieu of his 10% of salary pension entitlement, to receive a cash equivalent sum (PILOP) at no additional gross cost to the Society.

Darrin Ramdeen opted, in lieu of his 10% of salary pension entitlement, to receive a cash equivalent sum (PILOP) at no additional gross cost to the Society.

In addition to the amounts paid in the table, Gerard O' Keeffe earned a bonus of £23.66k and Darrin Ramdeen earned a bonus of £12.35k for their performance in 2021, both are to be paid in March 2022.

HOW DOES EXECUTIVE DIRECTORS' REMUNERATION COMPARE TO STAFF AT THE SOCIETY?

The pay ratio of the Chief Executive Officer and the Finance Director compared to the average staff salary as at December 2021 was 4.3 and 3.5 times respectively.

EXECUTIVE DIRECTORS' EARNINGS					
Executive Directors' Remuneration	Salary	Bonus	Benefits	Employer's Pension Contributions/PILOP	Total
2021	£000	£000	£000	£000	£000
G O'Keeffe	166	0*	4	17	187
D Ramdeen	130	11	0	13	154
Total Executive Directors' Remuneration	296	11	4	30	341
Total Directors' Remuneration	445	11	4	30	490
2020	£000	£000	£000	£000	£000
G O'Keeffe	166	23	3	16	208
D Ramdeen	126	8	0	13	147
Total Executive Directors' Remuneration	292	31	3	29	355
Total Directors' Remuneration	437	31	3	29	500

DIRECTORS' REMUNERATION REPORT continued

DID NON-EXECUTIVE DIRECTORS' FEES CHANGE IN 2021?

The overall Fees for the Non-Executive Directors increased in 2021 based on benchmarking data from the peer group and to recognise and differentiate between specific responsibilities and time commitment of the Chairs of the various Committees. No increase was awarded to the Non-Executive Directors' fees in 2020 due to the uncertainties around the pandemic.

Non-Executive Directors' Fees are reviewed annually with reference to peer group and relevant benchmarking data. Consideration is also given to specific responsibilities and time commitment required for Chairs of the various Board Committees. Fees for Non-Executive Directors are not pensionable and Non-Executive Directors do not participate in any discretionary bonus scheme or receive any other benefits.

HOW MUCH DID THE NON-EXECUTIVE DIRECTORS EARN IN 2021?

The table on the right shows the audited information on the remuneration of the Non-Executive Directors of the Society for the years ended 31 December 2021 and 2020.

NON-EXECUTIVE DIRECTORS	2021	2020
	£000	£000
<i>(Includes fees and reimbursement of expenses)</i>		
R Jenkins	35	34
R Bailey (Resigned on 22/04/20)	-	6
S Nichols (Resigned on 21/04/21)	7	25
E Leenders	25	24
R Sinclair (Resigned on 22/04/20)	-	6
C Higgins	25	24
N Montgomery (Appointed on 01/05/20)	22	13
R McBride (Appointed on 01/05/20)	21	13
A Lucas (Appointed on 01/05/21)	14	-
C Potter (Appointed on 04/01/22)	-	-
Total	149	145



BOARD OF DIRECTORS



BOARD CHAIR - RICHARD DAVID JENKINS

Dick Jenkins joined the Board of the Buckinghamshire Building Society in April 2018 as a non-executive director and was appointed as Chair of the Board in October 2019. He also sits on the Society's Assets and Liabilities Committee, and its Nominations and Remuneration Committees. Until recently he served on the Society's Risk Committee.

Following an early career in Market Research Dick has spent much of his career in the Building Society sector with the Bristol And West Building Society and from 2013 to 2018 as Chief Executive of the Bath Building Society, a Society of a similar size and profile to the Buckinghamshire Building Society.

Dick studied Geography at Cambridge University and is an enthusiastic gardener, golfer and musician.



VICE CHAIR AND RISK COMMITTEE CHAIR - ERIC JOHN LEENDERS

Eric Leenders was appointed to the Board as a non-executive director in April 2014 and elected Chair of the Risk Committee in May 2017. He is currently Vice Chair, Senior Independent Director and Chair of the Risk Committee. He also sits on the Audit Committee and Nomination Committee of the Board.

Eric is a banker with over thirty years' experience in retail banking, and is currently Managing Director, Personal Finance and Financial and Risk Policy at UK Finance. He is also a non-executive director and Chair of the HR and Remuneration Committee at Registry Trust Limited, having stepped down as a director of BBA (Enterprises) Limited and the Lending Standards Board in 2017.

He is professionally qualified as a chartered banker, holding an MSc in Banking Practice and Management and is a fellow of the London Institute of Banking and Finance and the Chartered Banker Institute. He is also a member of the Institute of Credit Management and the Worshipful Company of International Bankers and holds a post-graduate diploma in public relations.



AUDIT COMMITTEE CHAIR - CHRISTINE ANNE HIGGINS

Christine Higgins joined our Board as a non-executive director and Chair of the Audit Committee in March 2016. She has over 25 years' experience in financial services, working for UK and international banks. Christine will be stepping down from her role as the Audit Committee Chair and Board member at the end of the 2022 AGM.

Over the past 12 years she has served as a non-executive director on boards in the health, housing, charity and finance sectors. Currently, in addition to the Buckinghamshire Building Society, Christine is a non-executive director at PCF Bank and Macquarie Capital Europe Ltd – and she chairs their audit committees.

Christine is a chartered accountant and she is a keen horse rider and tennis player.

BOARD OF DIRECTORS continued



NON-EXECUTIVE DIRECTOR - ANDREW SPENCER LUCAS

Andy Lucas joined the Board as a non-executive director in May 2021 and is a member of the Risk, Assets and Liabilities and Nomination Committees.

He started his career in marketing & sales and much of his experience has been centred around financial services, particularly savings & investments, mortgages and insurance. He has managed eCommerce developments for over 20 years and led product, customer service, change management and technology operations. After senior roles at Prudential and ACE Insurance Group, he was Director and Chief Operating Officer at The Cambridge Building Society, where he worked for over 9 years.

Andy is a non-executive director of Cirencester Friendly Society, a Trustee of YMCA Trinity Group and Vice-Chair of The Christian Conference Trust, as well as a member of The Chartered Institute of Marketing. Away from work he likes to travel, being a keen walker and photographer, or relax in the kitchen tackling a new recipe!



NON-EXECUTIVE DIRECTOR - REBECCA MCBRIDE

Rebecca McBride joined the Board as a non-executive director on 1 May 2020 and is a member of the Risk, Assets and Liabilities, Nomination and Remuneration Committees.

Rebecca has nearly 30 years of experience in financial services from both a regulatory and business perspective. She is currently Head of Regulatory Developments for Lloyds Bank Corporate Markets where she is responsible for identifying changes to new and existing regulations. Prior to joining Lloyds in 2018 Rebecca spent 17 years as a regulator at the Financial Services Authority, Prudential Regulation Authority and most recently the Bank of England. Over her career in regulation she supervised a range of institutions including UK Banks, Building Societies, Life Assurers, Asset Managers and Central Counterparties.

Rebecca is married with two daughters and lives in Wimbledon.



REMUNERATION COMMITTEE CHAIR - NIGEL WILLIAM JAMES MONTGOMERY

Nigel Montgomery joined the Board on 1 May 2020 as a non-executive director. He is Chair of the Remuneration Committee and is also a member of the Audit and Nomination Committees.

After University, Nigel Montgomery followed a career as a solicitor, becoming a partner in Sidley Austin until his retirement from full-time practice. He specialised in the financial services sector advising both banks and insurers on corporate transactions and structuring issues.

Nigel has also been a non-executive director in an insurance broking group and a consultant to a number of businesses. Additionally, he is also involved with a charity working on historical conservation and education.

BOARD OF DIRECTORS continued



NON-EXECUTIVE DIRECTOR - CHRISTOPHER WILLIAM POTTER

Chris Potter joined the Board as a non-executive director in January 2022. He is currently a member of the Audit Committee, Risk Committee and Nomination Committee of the Board.

Chris spent 35 years working for PWC, since 1999 as a partner in the UK audit practice, where his clients included major financial services providers. He specialises in managing technology risk and cyber security, audit of internal control, and digital transformation.

Chris is a qualified accountant, CISA and member of the Chartered Institute of Information Security Professionals. Since 2019 he has been a trustee and the Chair of the Audit & Risk Committee for the Royal Institution of Great Britain. He is a visiting senior lecturer on the information security management MSc course at Royal Holloway, University of London. He is also strategic advisor for InFlo, the audit technology provider. Chris is interested in history and learning from the past, and also in how science and technology can help us meet the challenges in the future.



CHIEF EXECUTIVE OFFICER - GERARD MORTIMER O'KEEFFE

Gerard O'Keeffe joined the Society in November 2018 as Chief Executive Officer and was appointed to the Board on 31 January 2019. He chairs the Assets and Liabilities Committee and is a member of the Nomination and Risk Committees, as well as being a regular attendee at the Audit and Remuneration Committees.

Gerard has many years' of experience in financial services including as Head of Allied Irish Banks (GB), which included the retail, commercial and corporate banks, where he was an executive director of the UK regulated bank since 2009. Prior to that, Gerard was the Chief Risk Officer of AIB Group UK plc, which included First Trust Bank in Northern Ireland. Gerard has held senior positions in various companies including in structured finance and management consultancy.

He lives with his family in Buckinghamshire and is a governor of the Royal Grammar School in High Wycombe.



FINANCE DIRECTOR - DARRIN NARENDRA RAMDEEN

Darrin Ramdeen joined the Society as Finance Director in July 2019. Darrin is a member of the Assets and Liabilities, Nomination and Risk Committees, and is also a regular attendee at the Audit and Remuneration Committees.

Darrin is a Chartered Accountant with almost 20 years of experience in the financial services sector, having held senior positions in Banking, Insurance and Reinsurance, both in the UK and overseas. Over the past 13 years Darrin's main focus has been on corporate strategy and performance improvement, transformational change and mergers and acquisitions. He has extensive experience in enterprise software for banks and financial services, having led a number of major system implementation projects over the years.

Darrin was also appointed to the Board of the Building Societies Trust Limited in December 2020.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 115th Annual General Meeting of the Buckinghamshire Building Society will be held at **Kings Chapel, The Kings Arms Hotel, 30 High Street, Old Amersham, Buckinghamshire, HP7 0DJ on Wednesday 20 April 2022 at 2:00pm** for the following purposes:

1. To confirm the Minutes of the 114th Annual General Meeting.

ORDINARY RESOLUTIONS

2. To receive the Directors' Report, the Annual Accounts, the Annual Business Statement and the Auditor's Report for the year ended 31 December 2021.

(A copy of the Society's full Annual Report and Accounts for the year ended 31 December 2021 is available on the Society's website, or in hard copy upon request from the Society Secretary)

3. To consider and, if thought fit, pass an Ordinary Resolution to re-appoint Mazars LLP as Auditor of the Society, until the conclusion of the next Annual General Meeting.
4. To consider and, if thought fit, pass an Ordinary Resolution to approve the Directors' Remuneration Report for the year ended 31 December 2021.

(Advisory vote, please refer to the Directors' Remuneration Report for the year ended 31 December 2021 on Pages 21-23 of the Business Review)

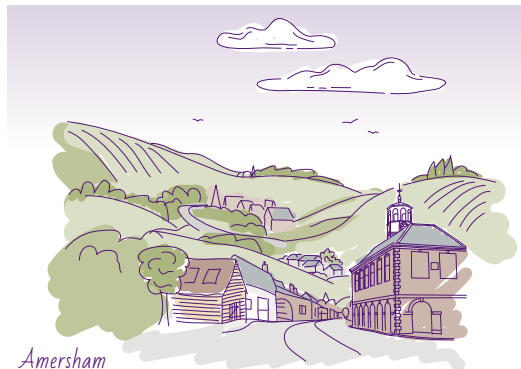
5. To consider and, if thought fit, elect or re-elect (as indicated) the following as Directors of the Society.

(Information on the Directors standing for election and re-election can be found on pages 24-26 of the Business Review)

- 5.1 To elect Andrew Spencer Lucas as a Director.
- 5.2 To elect Christopher William Potter as a Director.
- 5.3 To re-elect Gerard Mortimer O'Keefe as a Director.
- 5.4 To re-elect Darrin Narendra Ramdeen as a Director.

By Order of the Board

C. Banerjee, Society Secretary,
Buckinghamshire Building Society
4 March 2022



NOTES

These notes form part of the Notice of Meeting

- In order to attend and vote at the Meeting, or appoint a proxy, you must qualify as either a Shareholding Member or a Borrowing Member. Voting Conditions are summarised on the reverse of the Appointment of Proxy and Voting Form.
- If attending and wishing to vote at the Annual General Meeting, please ensure that you bring your passbook or other evidence of Membership issued by the Society. If you are appointing a proxy, other than the Chair of the Meeting, to attend the Meeting and vote on your behalf, please ensure that your proxy brings an appropriate form of identification to the Meeting in order to obtain admission.
- A Member entitled to attend and vote at the Annual General Meeting may appoint one proxy to attend and, on a poll, vote at the Meeting instead of him/her. The proxy need not be a Member of the Society. The proxy may be the Chair of the Meeting or anyone else.
- The Member may direct the proxy how to vote at the Meeting. Your proxy may vote for you at the Meeting but only on a poll.
- Your proxy may demand or join in demanding a poll at the Meeting and may speak on your behalf.

If you have a question for the Board and are not able to attend the meeting in person, please send an email to board@bucksbs.co.uk or by post addressed to the Society Secretary, Buckinghamshire Building Society, High Street, Chalfont St. Giles, Buckinghamshire, HP8 4QB, to reach us by 18 April 2022.

To find out more about our AGM and any updates, please visit our website at www.bucksbs.co.uk





HOW TO VOTE



In person at the AGM



Online at www.cesvotes.com/bucks22



By post using the enclosed proxy form and prepaid envelope to arrive no later than 2pm on 18th April 2022.

BUCKINGHAMSHIRE 
— BUILDING SOCIETY —

High Street
Chalfont St Giles
Bucks HP8 4QB

Phone : 01494 879500
Website : www.bucksbs.co.uk
E-mail : info@bucksbs.co.uk