



Business Review and Summary Financial Statement

**For the year ended 31 October 2021
including Notice of Annual General Meeting**

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Chief Executive's Introduction

Results Year ended 31 October 2021



I'm delighted to present the results for the Society for year ended 31 October 2021. The AGM notice is contained later in this summary and I would encourage you to read it and vote preferably online. If we don't have it, please provide

your email address so we can send you this notice and other Society documents electronically. It helps save money and paper and, in the current conditions, it's safer.

The pandemic continues to impact all our lives including how the Society works. However despite the national lockdowns and other restrictions the Society has had a record year. Gross lending reached a record £109m and reflects the hard work of many to achieve that. In the last year some of the market buoyancy was caused by the stamp duty concession, but the re-evaluation of living requirements is one of the main reasons for moving. The record lending helped take mortgage assets to a new high of £333m up from £274m last year. The Society kept all its branches open and we extended the hours during the summer. Costs have increased due to continued investment in new infrastructure, people and some one-off costs.

During the year we continued to offer savers fixed bonds which we know have been popular as market rates have been low for a long time. We also refreshed our other account offerings. This year saw an end to the various Government support schemes including Mortgage Payment Deferrals. Despite this and the end of furlough, arrears levels remain low. However, for some, these are still difficult times, and we offer support to those borrowers who are facing difficulties.

A combination of growth in mortgage assets last year and careful management of other costs has led to a

sharp rebound in pre-tax profits up from £35,000 to £1.1m, the highest value since 2007. Some of this rise is a reversal of hedging losses recorded in previous years as financial markets respond to the likelihood of a base rate rise and to higher mortgage interest income.

Members should take comfort from the underlying strength of the business performance across two very difficult years. This can be seen in the financial highlights for 2021 below:

- Record gross lending up 74% to £109m
- Record assets of £402m
- Mortgage balances up 22% to £333m a new high
- Share balances reached a new record of £326m
- Pre-tax profits recovered to £1.1m increasing reserves to over £24m

The Society continues to strike a balance between growing the business, providing a reasonable return to investing members and making investments in new services and expertise.

During the year we have continued to invest in our infrastructure and investigate appropriate new technologies to support a wide range of digital services. The new services are aimed at making our members lives easier and access services when we would normally be closed. This investment in digital technology remains a business imperative. We place significant emphasis on preserving the strength of our balance sheet and managing the Society's lending exposure. Our capital ratios remain strong and are well above the 3% leverage ratio set by the Bank of England.

As the mortgage payment deferral scheme ended in September there are now no borrowers covered by this. Members should take confidence in our ability to help provide forbearance to those impacted by financial hardship on a case by case basis. House price increases have been higher in the last 12 months and so we have taken the opportunity to strengthen our provisions against the mortgage book. During the year the Society successfully disposed of some legacy properties in possession releasing some specific provisions built up over previous years. The net effect is a charge of £0.2m.

Chief Executive's Introduction

The overall impairment provision stands at £0.5m.

The Society has total reserves of £24.2m which includes significant surplus capital based on the size of its mortgage book.

Community contribution

The pandemic restrictions reduced our external activities in the year. However, to reflect the challenges and hardship faced by many families and individuals we have continued to support Fareshare Leicester, who work with those affected by food poverty. We have kept the higher on-line voting contribution from the AGM to assist this very worthy cause.

Outlook for 2022

Although the Society does not provide formal forecasts, it is important that members understand how the Society is investing and changing given the current and ongoing impact of the pandemic.

It is unlikely that we will see housing markets as buoyant as 2021 now that the stamp duty relief has been withdrawn. We are already seeing a slow down in market activity generally. The effect of increased costs of living that we see now combined with any upward change in interest rates will add to the reduction of available income for many households. It is expected that will act as a drag on housing transaction levels in 2022.

Inflation above the Bank of England target of 2% looks here to stay for a while. That in turn will impact consumer spending and therefore economic growth that we can expect to see when the abnormalities of the pandemic are removed.

Work will continue with our multi-year investment programme into digital services which will help members access the Society in the way they choose to. It will also help make our internal processes more efficient and effective.

Lending markets always adapt to the economic conditions and so we continue to innovate and change our approach to face new market conditions. The pattern of many first-time buyers being helped by family members is not going change. Increasingly the number of borrowers running into retirement

age will rise further. Both groups of borrower are covered through our existing product range.

Our People

Through another difficult year our staff have performed wonders in their dedication and effort to providing an excellent service to members. This is alongside the change work we have started. All of our teams have worked extraordinarily hard this year meeting the various challenges of different working practices head on. They too of course, have had the challenges of the pandemic on their own personal lives.

I would like to thank all our members for your on-going support over the year and I hope you have a safe, successful and enjoyable 2022.

Gary Brebner

Chief Executive
17 January 2022

Key Performance Indicators

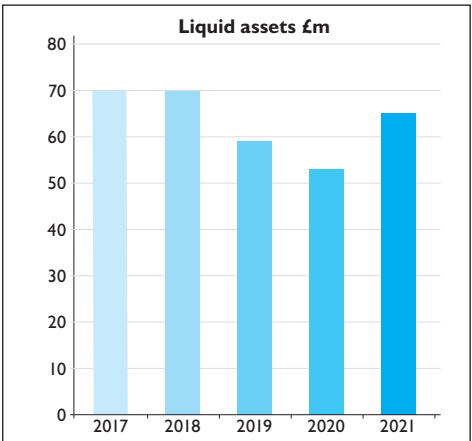
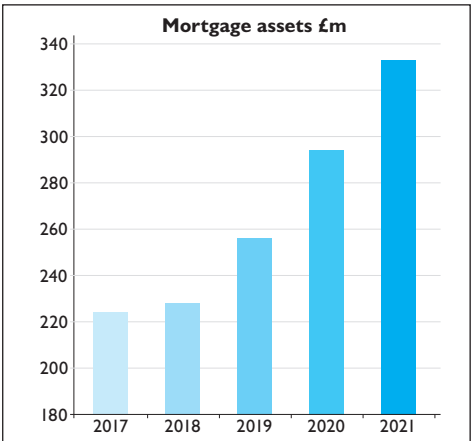
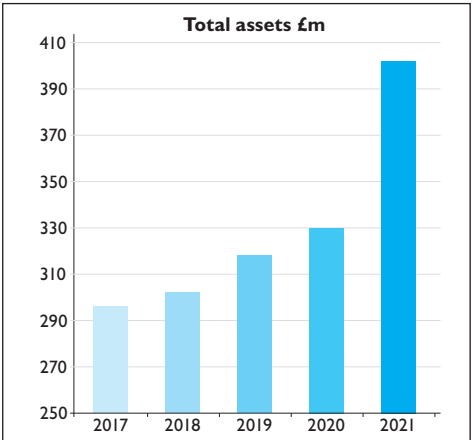
Founded in 1867, Loughborough Building Society remains true to the ideals of the group of local businessmen who got together to provide the people of Loughborough and District with opportunities to save and borrow money.

For over 150 years, the Society has been helping people to buy their homes and save for their future and is proud to have remained an independent, mutual provider of mortgages and savings.

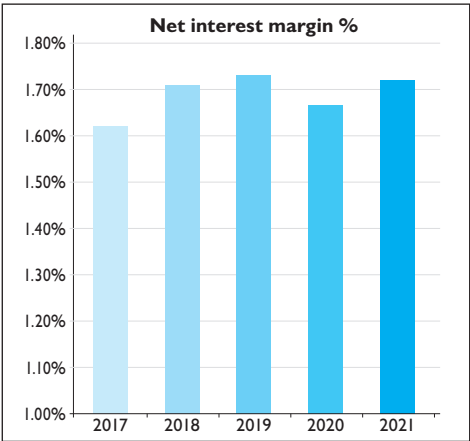
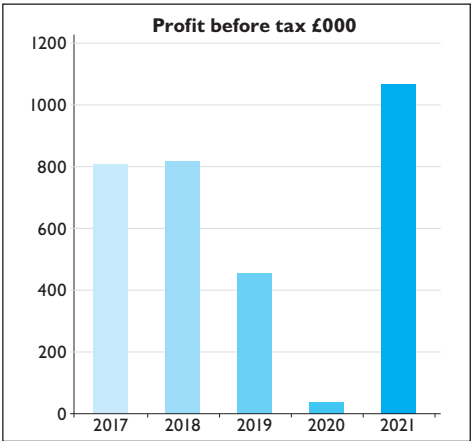
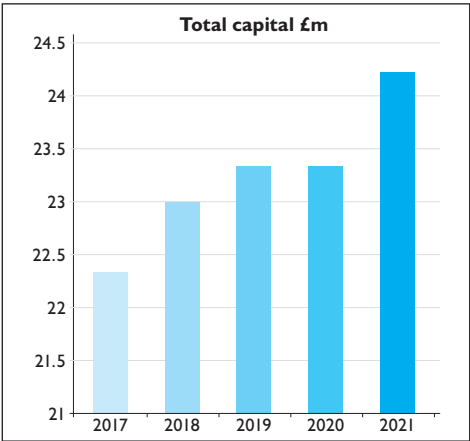
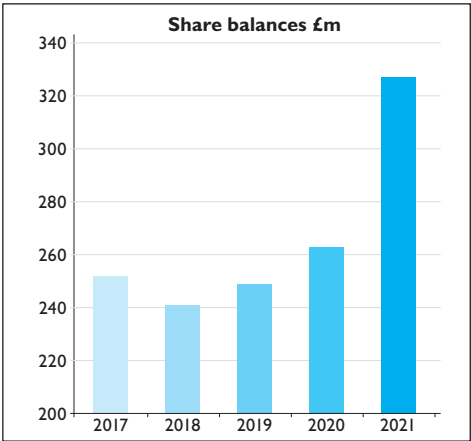
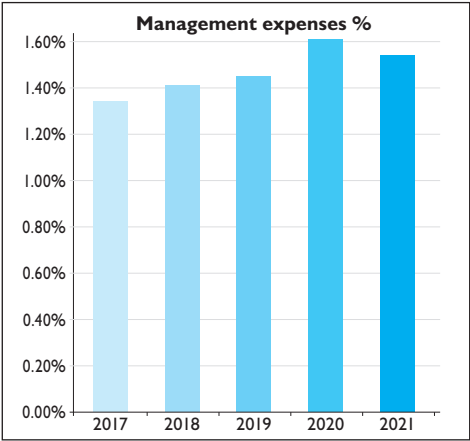
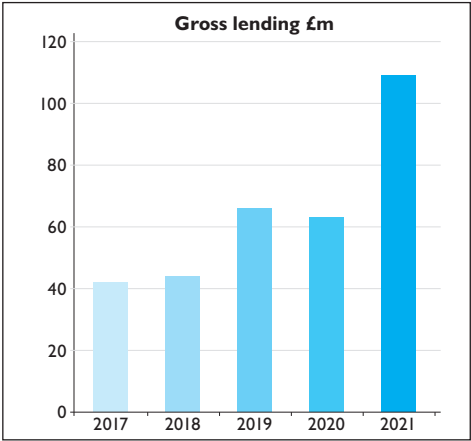
As a mutual building society we're owned by our customers – our savers and borrowers. To us you're more than a customer; you're a member and an individual.

Unlike banks, being a mutual business means we don't have shareholders or dividends to pay. The Society is able to take a long term view and balance the needs of its members for competitive interest rates with the requirement to make enough profit to support capital and allow for continuing investment in new services and expertise.

The Board manages the Society and oversees the agreed strategy using a variety of performance and control reports, including the use of key performance indicators. The graphs below show progress over the last five years across a number of key indicators. The calculation of each of the key performance indicators is explained on page 7.



Key Performance Indicators



Key Performance Indicators

TOTAL ASSETS

This shows the growth in total assets of the Society as reported within the Summary Financial Statement on page 13.

MORTGAGE ASSETS

This shows the net change in the Society lending book after impairment provisions and after fair value adjustments. This figure is reported on the Statement of Financial Position as loans and Advances to Customers.

LIQUID ASSETS

Liquid assets is the total of cash in hand and balances with the Bank of England, loans and advances to credit institutions and debt securities, as disclosed on the Statement of Financial Position.

GROSS LENDING

This figure shows the total amount of mortgage lending each year prior to repayments, redemptions and other movements.

SHARE BALANCES

This represents the total deposited by individuals with the Society at the end of each financial year. It is reported on the Statement of Financial Position as Shares.

TOTAL CAPITAL

Capital is a measure of financial strength, of an entity's ability to absorb future operational losses if and when they arise, and of its ability to support future growth. This is represented on the Statement of Financial Position by the General reserve and the Available-for-sale reserve and primarily comprises capital from retained profits.

PROFIT BEFORE TAX

Profit after tax is the net amount earned after taking into account all expenses but before tax charges.

NET INTEREST MARGIN

This ratio expresses the interest received from loans and liquid assets, minus the interest paid on financial liabilities (principally share accounts, but also deposits by market counterparties) as a percentage of average financial assets.

MANAGEMENT EXPENSES %

This ratio is the total of administrative expenses, depreciation and amortisation, expressed as a percentage of the simple average of total assets at the beginning and end of the financial year. It assists the Board in understanding the relationship between profitability and the size of the balance sheet.

Summary Financial Statement

The Financial Statement is a summary of information in the audited Annual Accounts, the Directors' Report and Annual Business Statement, all of which will be available to members and depositors, free of charge on demand, at every office of Loughborough Building Society from 31 January 2022.

Approved by the Board on 17 January 2022 and signed on its behalf by:

H.E. Sachdev	Chair of the Board
R.W. Barlow	Chair of Audit and Compliance Committee
G. Brebner	Chief Executive

Summary Directors' Report

The Board are pleased to present their 154th Annual Report, together with the Annual Accounts and Annual Business Statement of Loughborough Building Society for the year ended 31 October 2021.

Business Objectives and Activities

The principal business activity of the Society is the provision of long term residential mortgages to borrowers, financed by personal savings from members, in keeping with traditional building society principles and values. The business objectives are to promote savings and home ownership, historically largely in the East Midlands, though both mortgage and savings accounts are increasingly being provided to customers across England and Wales. This objective is achieved through a competitive interest rate structure on a variety of straightforward products, combined with high levels of personal service, to meet the needs of our members and safeguard their interests.

Business Review Covid-19

The Covid-19 pandemic has affected all aspects of society throughout the year, but it is remarkable the extent to which the Society's staff and processes have adapted to the constraints imposed and the new methods of working that have been required. Both mortgage and savings business volumes were a record, service standards were maintained and risks were properly managed.

The following sections of this report contain more information on how the pandemic has affected the Society and its staff, but the Board are very encouraged by the resilience and adaptability shown by the staff and the Society's systems and processes.

Lending and Saving

Gross mortgage advances during the year were £109.2m, an increase of 74% on the 2020 figure of £62.6m and the

highest annual advances total ever achieved by the Society. Growth in mortgage balances, after redemptions and repayments of principal, was £58.5m, which represented a percentage increase of 21.3% (2020: £18.8m or 7.2%). This growth will allow a greater level of investment in service, resources and systems for the benefit of existing and future members.

The housing market was supported by Government initiatives during the year, with the stamp duty concession, which was extended to 30th September 2021 probably having the largest impact. This demand helped the Society achieve its record lending. Demand has eased somewhat since the stamp duty concession ended, but it still remains at a healthy level and the Society goes into its new financial year with a good pipeline of new mortgage business to support its lending into the new period.

The Society's mortgage lending has also been supported by its continuing expansion in the broker generated sector of the market and this will be a continuing focus across the next year. The Society remains very active in the direct market, though, and this still represents a very significant proportion of total new business.

The year also saw the Society achieve record volumes of net savings receipts. Share account balances increased by £64.1m, compared to an increase £14.2m the previous year. This growth was built primarily on the Society's range of good value and straightforward savings products and the Board is pleased to note that the majority of the Society's savings business is still conducted through the branch network, showing how much customers value the excellent service. Growth in share account balances represented a 24.4% increase across the year (2020: 5.7%).

The Society's mortgage balances were over 98% funded by member share accounts (2020: 95%) and this provides a good level of funding security in the event of problems in the generally more volatile wholesale markets. The Society makes use of the wholesale money markets, to provide diversity within its funding strategy. The Society also uses Bank of England funding facilities to provide some ongoing funds and to provide guaranteed emergency funds in the unlikely event of such funding being required.

Profitability

Profit before tax has recovered very strongly from its figure just above break even last year to reach £1,067,000 (2020: £35,000). This recovery has largely been generated from increased mortgage assets and these additional assets will continue to support profit into the future. As a mutual

Summary Financial Statement

organisation, the Society does not have profit maximisation as an objective, instead ensuring that both mortgage and savings rates offered to members provide them with long term value. However, the Board recognises that an acceptable level of profit makes the business more resilient, provides the capital that helps to ensure member protection and allows for more investment in customer service and new, member benefiting technology.

Although profit has shown very strong growth during the year, there are economic constraints that continue to restrict profit. Base rate has recently risen to 0.25%, which remains a very low level and just above its lowest ever. At the time of writing this report, financial markets are expecting further increases in the coming year. However, it remains likely that they remain low by historic standards for a considerable time to come. At a macro level very low interest rates generally benefit borrowers as they stimulate lending and thereby economic activity. However, they harm savers and they also act to compress the Society's net interest income, as market mortgage rates could continue to reduce, whilst market rates on savings and other funding balances get closer to their effective floor of zero and are unable to reduce to compensate.

Administrative expenses (including depreciation and amortisation) have increased during the year from £5.2m in 2020 to £5.6m in 2021, an increase of 7.7%. The Board recognises the importance of running the Society as efficiently as possible in order not only to support members' interests, but it also recognises the need to invest in people, equipment and new technology. Included in the above figure for the year is an increased amortisation charge incurred to write-off the Society's expenditure on its existing core processing system. This is being done in anticipation of migrating to a new core platform, probably some time in 2023. Once this migration is sanctioned by the Board (a detailed evaluation of alternative systems is now nearing completion), the new technology will allow for greater flexibility and a much more modern experience in the services provided to members and much more operational efficiency in processing growing business volumes.

Profit for the year has also been affected by fair value movements in the Society's portfolio of derivative financial instruments, which are used to hedge against adverse interest rate changes affecting the Society's fixed rate mortgage balances. These movements generated a gain of £271,000 in 2021, compared to a loss of £62,000 in 2020. In addition, the Income Statement shows an impairment charge of £65,000 during the year, compared to £55,000 in 2020. Although arrears remain low, both across the market generally and for the Society in particular,

the Board remain cautious about the recoverability of recent house price gains in the event of a general market deterioration and have provided accordingly.

Impairment

As noted above, the impairment charge for the year was £65,000 (2020: £55,000), representing an impairment charge on loans and advances of £158,000 (2020: gain of £60,000), less a gain on sale of a stock item of £93,000 (2020: charge on revaluation of £115,000).

Provision is made for individual cases either in possession, or where the level of arrears or other known information about the case is such that individual consideration is appropriate. The level of individual impairment at the end of the year was £37,000 (2020: £253,000). The principal reason for the decrease in individual impairment across the year is that a number of properties in possession at the previous year end have now been sold, resulting in a release of £239,000 from the provision.

The Society also maintains an allowance for collective impairment, which assesses loan cases for potential loss, should they become re-possessed and applies publicly available propensity to default (PD) data. In the Society's case, PD data published by the Fitch ratings agency is used for this purpose. In spite of the pandemic, Fitch PDs have not deteriorated since before 2019 and the pandemic has had little direct impact on the Society's allowance for loan impairment. This is consistent with the Society's own experience to date. However, the Board are cautious about the impact that recent positive movements in house prices have had on the calculations that support the loan impairment provision, judging that in the event of a general housing market downturn, such recent movements may prove irrecoverable and thereby affect cashflows that could be realised on any properties taken into possession and the impairment provision has been adjusted accordingly. During the year the provision for collective impairment has increased from £303,000 to £437,000.

The Society has participated in the Government sponsored scheme of offering mortgage payment holidays to customers affected by the pandemic. About 10% of our mortgage customers took up payment holidays. The Society's experience with these customers is encouraging, with the great majority of customers who took advantage of the scheme returning to full payment once the holiday period ended. The overall level of arrears remains low. However, the economic situation remains uncertain and the pandemic may represent a drag on recovery for some time to come. Any member facing an inability to keep up

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with mortgage payments is encouraged to contact the Society as early as possible so that we can work together on a solution.

Economic Conditions

One of the major influences on Society performance is the economy and economic conditions remains uncertain. As already noted above, bank base rate is lower than it has ever been previously and this adversely impacts both our saving members and the Society's own profitability. It is uncertain how long rates will remain at a very low level, but the Board has noted that financial markets generally see them remaining low for an extended period and has made its financial plans accordingly. The Government furlough scheme ended at the end of September 2021 and there were some fears that this could mark the start of a period of significant increases in unemployment. The full impact of that scheme's ending is not yet apparent, but early indications are that unemployment is probably not about to increase far above its current level. The Board remains conscious of the level of uncertainty within the economy at this time, though.

One aspect of the economy that was still performing strongly at year end was the housing market. Bank of England statistics report the number of mortgage approvals in September 2020 was at its highest level since 2007 and the Nationwide Building Society house price index shows that average prices grew by 10.0% in the year to October 2021, which is the highest rate of growth for five years. The end of the first period of lockdown appeared to release a strong pent-up demand for house moves and this carried on as customers look to take advantage of the Stamp Duty holiday. As noted above, though, the ending of this holiday concession may see some slow down in mortgage activity.

Branch network

The Society's network of three branches in Loughborough, Derby and Long Eaton and its agency outlet in Southwell remain the route by which it continues to undertake the majority of its savings transactions with customers. Customer feedback constantly tells us how important this personal contact is for our members and the Board is happy to re-affirm its commitment to its branches and the staff who work there.

With that in mind, the Board is delighted to be able to announce the Society has acquired the freehold of a site in Anstey, close to Leicester and is currently engaged in redeveloping the property into a new Society branch, due to open in early 2022. The Society looks forward to being able to provide new members with the exceptional

levels of customer service already enjoyed by its existing membership.

Society Staff

Finally in this review, the Board wishes to place on record its appreciation for the work of the Society's staff during another very difficult year. Staff in branches have continued to provide the personal attention that customers require. Head Office staff have used a combination of home working and working in the office, where this has been feasible under social distancing guidelines. The fact that record volumes of both savings and mortgage business have been processed and that servicing standards have been maintained shows the exceptional efforts they have made. The Board is proud of them all for what they have achieved and knows how much their efforts are appreciated by members.

Principal Risks and Uncertainties

Building societies operate in a highly competitive and regulated market with significant uncertainties arising from the general economic environment, in particular the demand for borrowing and the availability of funding. Interest rates have been at historically very low levels for a number of years and the level of uncertainty and risk of economic disruption are heightened by both the Covid-19 pandemic and by Brexit.

The Society has a cautious approach to its risk appetite which helps to protect members' interests and reduce exposure to the risks and uncertainties facing the business. Processes, policies and controls are in place to reduce these risks to acceptable levels.

All major areas of risk are reviewed by the Risk Committee and, where appropriate, other Board committees as detailed in the Corporate Governance Report on pages 10 to 14 of the Annual Report and Accounts. The Society maintains a comprehensive risk register, sets a risk appetite target against each risk identified, and takes actions and implements controls until the level of residual risk is acceptable. Progress is also monitored through the Risk Committee.

Many of the risks faced are those associated with any business striving to prosper in a competitive market, including margin pressures, regulatory and compliance developments.

The principal business risks to which the Society is exposed are outlined below. In addition, the Society is mindful of the risks associated with the potential adverse effects of the pandemic and of Brexit, and that any

Summary Financial Statement

consequent economic downturn, disruption to financial markets or political instability could have an impact on its business model. The impact of both the pandemic and of Brexit have been given particular consideration throughout the year and this consideration is described in the list of principal business risks below. The Society has stress tested its Business Plan for these risks, and considers that it has appropriate management control processes and sufficient capital and liquidity resources to allow it to withstand such impacts.

The principal business risks to which the Society is exposed are considered to be:

- **Credit Risk**, this relates to the risk that mortgage customers or treasury counterparties, to whom the Society has placed money, may default on their obligation to pay. The impact of the pandemic on credit risk has been mitigated by payment holidays and the Government furlough scheme. As these have unwound there may have been an adverse credit risk impact. This has not yet shown itself in credit data, but the Board remain conscious of the risk. As noted earlier, the Board are also conscious of the risk that recent increases in house prices may not prove recoverable in the event of a general economic downturn and have adjusted the loan impairment provision accordingly.
- **Interest Rate Risk**, this is the risk that income or expenditure, arising from the Society's assets or liabilities, varies as a result of changes in interest rates. The Bank of England Base Rate remained at an historic low of 0.10%. Very low rates tend to compress a building society's net interest margin and the Board have allowed for rates remaining low for an extended period in preparing the Society's business plan. The Society has also modelled the impact of rates going to zero and going negative.
- **Liquidity Risk**, this relates to the Society's ability to meet its financial obligations as they fall due. Times of significant uncertainty, such as caused by the pandemic or by Brexit, can increase liquidity risk as providers of funding, both retail customers and institutions, may withdraw from markets because of their own security concerns. The Society monitors its liquidity daily and conducts stress tests on its ability to fund its operations and meet liabilities as they fall due on a monthly basis. The Society has been able to fund itself effectively throughout the year, maintaining an active presence in both retail and institutional markets. It also participates in Bank of England schemes that would provide emergency funding should the unlikely need arise.
- **Operational Risk**, this is the risk of a loss arising from inadequate or failed internal processes or systems, human error, key supplier failure or external events including cyber risks. The pandemic has represented an operational risk event in that it required significant changes in how operations have been carried out to reflect reduced face to face customer contact and remote working for staff. Existing contingency plans were enacted and the Society's operations have remained effective throughout the period.
- **Regulatory Risk**, this is the risk that the volume and complexity of regulatory requirements and related costs reduce the Society's capital and ability to compete over a period of time. Regulatory changes are closely monitored and reported to the Board.
- **Conduct Risk**, this is the risk that the Society does not treat its customers fairly or provides inappropriate products for customers.
- **Strategic Risk**, this is the risk of the Society entering unprofitable markets, offering unprofitable products or being unable to keep up with changes in customer expectations. The Board has a strategic duty to ensure that the Society makes an adequate amount of profit to maintain capital ratios at a level sufficient to provide long term financial strength and stability for all members.
- **Concentration Risk**, this is the risk of loss due to a large individual or connected exposure that could be affected by common factors including geographical location. The Board sets limits for maximum exposures to both borrowers and treasury counterparties.
- **Reputational Risk**, as a deposit taking institution, it is essential that the Society safeguards its members' funds and ensures that events do not arise which could damage our reputation and lead to a loss of public confidence.
- **Climate Risk** is the risk of adverse impacts on the Society's business caused by climate change. These risks have been identified as being physical and transitional. Physical risks could create a direct impact, such as properties over which the Society holds a mortgage becoming uninhabitable or unsaleable due to increased risk of flooding. Transition risks could include developments such as potential disruption to certain sectors of the economy as society moves from higher to lower levels of carbon production in energy generation. In response to these risks, the Society is participating in industry initiatives to understand and plan for their effect. The Society is also engaged in work to meet the requirements of the PRA's supervisory statement SS3/19, which sets out regulatory expectations in response to climate risk. In light of this, the Society commissioned a statistical analysis of its mortgage book during the year to understand the potential impact of climate risk on existing

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accounts. This analysis suggests that direct, physical risks may not present a significant risk to the Society's business, but that transitional risks, especially the remediation costs of converting low energy efficiency homes to a better standard of energy efficiency may be substantial. The impact of this will be considered during 2022 as part of the Society's annual assessment of its capital position and the impact on this of various stress scenarios.

In addition to the risks outlined above, some risks arise from the very nature of being a building society. Primarily these are the raising of funds from savers and lending to mortgage borrowers and other counterparties. These financial risks are closely monitored and controlled by the Board, supported by its committees.

Further details of the Society's approach to financial risk management, including the use of financial instruments for risk management purposes and the key risks faced, are detailed in note 26 of the Annual Report and Accounts.

The management of risk and strategic direction are key activities for the success of the business. The Board, aided by a number of committees, is responsible for ensuring that an up to date and effective risk management structure is in place covering all aspects of the business.

Corporate Governance

The Board is committed to good practice in corporate governance and supports the principles of the Corporate Governance Code 2018 insofar as they apply to a building society.

For a number of years, the Society has encouraged members to vote by linking the number of votes cast to a donation to a charity. The Society will donate 20 pence per postal vote and £1 per on-line vote, up to a maximum of £1,000.

Board Directors are present at the AGM unless there are exceptional circumstances that prevent attendance. Board Directors are available to meet with members both before and after the meeting and to answer questions on both a formal and informal basis.

Regulation

The Society is authorised by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority (FCA) and the PRA.

Directors

The following served as Directors during the year and up to the date of signing this report:

Non-Executive Directors

H.E. Sachdev FCMA Chair of the Board
R. W. Barlow BA, FCA Senior Independent Director
R. L. Curtis-Bowen
J.E. Pilcher ACIB, FCT
C.J. Bradley ACMA, CF, Dip PFS
S.M.S. Choudhry Phd, FCSI, FLIBF

Executive Directors

G. Brebner BSc, ACA Chief Executive
C. Joyce BA, ACIB Customer Service Director
A. Payton BSocSc, FCA Finance Director

The role of the Non-Executive Director is vital to the governance of the Society and comes with increasing time demands and regulatory expectations, which have again been met with dedication and commitment by all Board members.

Donations

There were no donations for political purposes.

Auditor

Deloitte LLP have signified their willingness to continue in office and therefore a resolution for their re-appointment will be proposed to the Society's forthcoming Annual General Meeting.

Management and Staff

The Board would like to record their appreciation for the loyalty and dedication of the management and staff and their commitment to the Society throughout another challenging year. A programme of staff training has continued during the year, enabling staff to continue to develop relevant skills and maintain the excellent level of customer service expected by all our members.

Thanks are also due to all our members and professional contacts for their continued support.

On behalf of the Board

Helen Sachdev, Chair of the Board
17 January 2022

Summary Financial Statement

	2021 £000	2020 £000
Results for the year		
Net interest receivable	6,538	5,412
Other income and charges	216	(103)
Administrative expenses	(5,622)	(5,218)
Provisions – for impairment	(65)	(55)
Provisions – FSCS levy	0	(1)
Profit for the year before taxation	1,067	35
Taxation	(196)	(23)
Profit for the year	871	12

Financial position at end of the year

Assets

Liquid assets	65,199	52,651
Loans and advances to customers	332,919	274,446
Derivative financial instruments	1,856	6
Fixed and other assets	2,167	2,757
Total assets	402,141	329,860

Liabilities

Shares	326,952	262,874
Borrowings	49,618	41,123
Derivative financial instruments	159	1,535
Other liabilities	1,190	974
Provisions for liabilities – FSCS levy	7	10
Reserves	24,215	23,344
Total liabilities	402,141	329,860

	2021 %	2020 %
Gross capital as a percentage of shares and borrowings	6.43	7.68
Liquid assets as a percentage of shares and borrowings	17.31	17.32
Profit the financial year as a percentage of mean total assets	0.24	0.00
Management expenses as a percentage of mean total assets	1.54	1.61

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

We have examined the Summary Financial Statement of Loughborough Building Society for the year ended 31 October 2021 which comprises the results for the year, financial position at the end of the year and summary of key financial ratios together with the Directors' Remuneration Report.

Respective responsibilities of directors and auditor

The directors are responsible for preparing the Business Review and Summary Financial Statement, 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 and Summary Financial Statement with the Annual Report and 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.

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

Basis of opinion

Our examination involved agreeing the balances in the Summary Financial Statement to the Annual Report and Accounts, Annual Business Statement and Directors' Report. Our report on the Society's Annual Report and Accounts describes the basis of our audit opinion on those Annual Report and Accounts.

Opinion on Summary Financial Statement

In our opinion, the Summary Financial Statement is consistent with the Annual Report and Accounts, the Annual Business Statement and the Directors' Report of Loughborough Building Society for the year ended 31 October 2021 and complies with the applicable requirements of Section 76 of the Building Societies Act 1986 and regulations made thereunder.

Use of our report

This report is made solely to the Society's members, as a body, in accordance with Section 76(5) of the Building Societies Act 1986. Our work has been undertaken so that we might state to the Society's members those matters we are required to state to them in an auditor's report 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 report, for our audit report, or for the opinions we have formed.

Deloitte LLP
Statutory Auditor
Birmingham, United Kingdom
17 January 2022

Directors' Remuneration Report

The purpose of this report is to inform members, in line with good corporate governance practice, of the policy for the remuneration of the Society's Executive Management and its Non-Executive Directors. It provides details of the elements of Directors' remuneration and explains the process for setting them.

An advisory resolution will be put to this year's Annual General Meeting, inviting members to vote on the Directors' Remuneration Report.

Policy

The Remuneration Committee reviews and recommends the policy and practice on the remuneration of Executive Directors and senior management group to the Board. The Committee takes into account relevant factors from the UK Corporate Governance Code and the Society complies with the relevant and applicable aspects of the FCA Remuneration Code.

The policy is designed to ensure that senior Executive remuneration reflects performance and allows the Society to attract, motivate and retain high calibre, qualified Executives. These Executives are required to have the skills and experience needed to lead a business of this nature and complexity and develop it for the long term benefit of our members, in an increasingly regulated and competitive market. In setting reward structures, the policy is to encourage continuous improved performance without undue risk taking.

In order to achieve this, the Committee seeks to ensure that remuneration levels are fair and competitive, reflecting market comparatives from similar financial institutions and each individual's personal development and contribution to the Society's performance.

The members of the Remuneration Committee are noted in the table on page 11 of the Annual Report and Accounts. Meetings of the Committee are also attended by the Chief Executive, as appropriate. The Chief Executive withdraws from the meeting when his own remuneration and benefits are considered.

The Chief Executive assesses individual performance of the other Executive Directors against specific

corporate and individual objectives and makes recommendations to the Remuneration Committee.

Executive Directors' Remuneration

Remuneration of the Society's Executive Directors can be comprised of a number of elements: basic salary, annual incentives, contributions to pension schemes and other benefits.

Where performance related pay is agreed, targets and measures are set at levels to incentivise exceeding the planned performance of the Society either in the short or medium term. Payments are therefore only made when the agreed measures have been at least met. All schemes have a maximum amount they could pay if the upper most measures were all met or exceeded. Failure to meet the performance measures set would usually result in no performance related payment being made.

Chair of the Board and Non-Executive Director fees

The remuneration of the Chair is set by the Board at a meeting where the Chair is not present. The remuneration of the remaining Non-Executive Directors is set by the Chief Executive and Chair of the Board. Such levels of remuneration are set having considered the level of time commitment and responsibilities required for Board, Board Committee and other duties. The Society uses external benchmarking data to ensure that the fees are proportionate to the duties and responsibilities carried out.

Salary

Basic salaries are paid at an appropriate level to take account of job content and responsibilities, external market competitiveness and individual performance in the role.

Annual Performance Pay

In the prior years there has been an incentive scheme that provides non-pensionable rewards for the Executive Directors directly linked to the achievement of key performance targets in the year as determined by the Society's Board. Performance targets are reviewed and approved annually, by the Remuneration Committee, to ensure they are aligned to business priorities. The overall objective is to improve Society performance across a number of key

Directors' Remuneration Report

financial indicators such as lending and mortgage asset growth as well as delivery of the strategic plan whilst maintaining the financial strength of the Society for the long-term benefit of its members. The Society has enjoyed considerable growth in previous years and in 2021 achieved its strategic objectives for the year. In recognising these strong results the Remuneration Committee has awarded the Executives 13.7% of base salary which was less than the scheme maximum set at the start of the year. During 2019 / 20 the scheme was withdrawn once the impact of the pandemic was understood and no bonus payments were made.

Medium Term Incentives

The Society does not currently operate a medium term incentive scheme.

During the year the Remuneration Committee concluded on a historic scheme established for Executive Directors in post at 1 November 2018. The objectives of that scheme were to achieve certain financial performance indicators and personal objectives. The performance metrics were based on net mortgage lending over a 3 year period to 31 October 2020.

The results of the Society were above the stretch targets set for years one and two. However, as a result of the pandemic it was agreed in the early part of that year, the measures in place for this scheme would be postponed. The results for year three (2020) even though impacted by the pandemic almost achieved the mortgage asset growth target for the scheme. The Remuneration Committee also noted that the Society had not made use of the government furlough scheme during the current year. The Remuneration Committee considered that the results of the scheme merited payment for the results but this was restricted to the achievements of years one and two only. Further downward adjustments were made to reflect the lower profits in the pandemic year and were awarded at 78% of the value set out within the scheme. The sums awarded for the results, which are not pensionable, were £35,000 to Mr Brebner and £24,000 to Mrs

Joyce. This closed the historic scheme and there is no current medium term incentive plan.

Pension Benefits

The Society operates a contributory money purchase scheme and makes contributions for all qualifying staff, including the Executive Directors.

Following changes to the Corporate Governance Code the Society has adjusted how it makes contributions for Directors and Employees. From 1 November 2020 all Directors had the Society contributions or payments in lieu, aligned with those available to other employees. Directors can elect to take cash payments in lieu of pension contributions for the same value surrendered. The Society considers the level of pension contributions important as they form part of all employees post-retirement financial security.

Other Benefits

The Society provides other taxable benefits to Executive Directors comprising a car or car allowance, and health care provision.

The Society also operates a death in service scheme for all employees. The scheme provides a lump sum of four times basic salary in the event of death in service.

Service Contracts

All Executive Directors are employed on service contracts, which, in the case of G. Brebner and C. Joyce, can be terminated by the Society following a maximum of 12 months' notice and by the individual Executive Directors on 12 months' notice and in the case of A. Payton, can be terminated by the Society following a maximum of 6 months' notice and by the Executive Director on 6 months' notice.

Directors' Remuneration Report

Directors' Remuneration

Executive Directors (audited information)

2021	Salary	Annual Performance Pay	Pension Contributions	Benefits	TOTAL
	£000	£000	£000	£000	£000
G. Brebner	172	24	21	11	228
C. Joyce	108	15	13	15	151
A. Payton	131	18	16	7	172
TOTALS	411	57	50	33	551

2020	Salary	Annual Performance Pay	Pension Contributions	Benefits	TOTAL
	£000	£000	£000	£000	£000
G. Brebner ²	153	-	18	11	182
C. Joyce	103	-	14	15	132
A. Payton ¹	54	-	5	4	63
TOTALS	310	-	37	30	377

¹ Mr Payton joined the Society on 01 June 2020

² Mr Brebner voluntarily reduced his payments by 25% in recognition of the impact of Covid19 on the Society

Non-Executive Directors' Remuneration

Non-Executive Directors are remunerated solely by fees. They do not have service contracts and they do not receive any salary, pension, incentives or other taxable benefits. The Board's policy is to review the fees annually. The fees paid reflect the responsibility undertaken and the time spent on Society affairs including membership of Board committees. Secondly fees are set to ensure the Society can continue to attract new Non-Executive Directors with suitable expertise to serve on the Board and its Committees.

Directors' Remuneration Report

Non-Executive Directors (audited information)

	At 31 October 2021	At 31 October 2020	2021 Fees £000	2020 Fees £000
H.E. Sachdev ¹	Chair of the Board	Chair of the Board	44	40
D.T. Bowyer ²	-	-	-	15
D.C. Huntley ³	-	-	-	18
J.E. Pilcher	Chair of Risk Committee	Chair of Risk Committee	32	32
R.L. Curtis-Bowen ⁴	Chair of Remuneration Committee	Chair of Remuneration Committee	27	26
R.W. Barlow ⁵	Chair of Audit and Compliance Committee and Senior Independent Director	Chair of Audit and Compliance Committee and Senior Independent Director	37	34
C.J. Bradley ⁶	-	-	25	17
S.M.S. Choudhry ⁷	-	-	25	8
TOTALS			190	190

¹ H.E. Sachdev became Chair of the Board on 24 February 2020

² D.T. Bowyer retired from the Board on 24 February 2020

³ D.C. Huntley retired from the Board on 24 June 2020

⁴ R.L. Curtis-Bowen became Chair of the Remuneration Committee on 24 June 2020

⁵ R.W. Barlow became Senior Independent Director and Chair for the Audit and Compliance Committee on 24 February 2020

⁶ C.J. Bradley was appointed to the Board on 01 March 2020

⁷ S.M.S. Choudhry was appointed to the Board on 01 July 2020

Rachel Curtis-Bowen
Chair of Remuneration Committee
17 January 2022

Notice of Annual General Meeting

Due to the ongoing uncertainty with Covid-19 and to protect members the Annual General Meeting will be a closed meeting. This means that members are unable to attend in person. Members are instead invited to register to observe a livestream of the AGM.

Notice is hereby given that the 154th Annual General Meeting of the Loughborough Building Society will be held on Thursday 24 February 2022 at 11am at Loughborough Building Society, 6 High Street, Loughborough, LE11 2QB.

The Annual General Meeting will be held for the following purposes:

To receive the Auditor's Report.

Ordinary Resolutions

- 1 To receive the Directors' Report, Annual Report and Accounts and Annual Business Statement for the year ended 31 October 2021.
- 2 To approve the Directors' Remuneration Report for the year ended 31 October 2021.
- 3 To re-appoint Deloitte LLP as Auditor of the Society to hold office until the conclusion of the next Annual General Meeting.

Special Resolution

- 4 To consider, and if thought fit, pass the following resolution as a Special Resolution:
That the Rules of the Society be amended in the manner specified in the document produced for the Meeting and signed by the Chair for the purposes of identification.
A description of the proposed Rule changes can be found overleaf.

Re-election of Directors

- 5 To consider and, if thought fit, re-elect the following as Directors:
(a) To re-elect Rachel Curtis-Bowen
(b) To re-elect Caroline Jane Bradley
(c) To re-elect Gary Brebner
Members should note that Caroline Bradley appears for re-election this year to help balance the rotation of all Directors across a three year period.

By order of the Board

Gary Brebner, Chief Executive and Secretary
17 January 2022

NOTES

1. These Notes form part of the Notice of Annual General Meeting.
2. Under the Society's Rules a member entitled to attend the Meeting and vote may appoint one proxy to attend and vote on his or her behalf. However, this year this Rule will not apply as the Meeting will be held as a closed meeting and, with the exception of the minimum number required, members will not be able to attend. The only proxy you will be able to appoint and vote on your behalf is the Chair of the Meeting.
3. You may instruct your proxy how to vote at the Meeting. Please read the instructions on the proxy voting form.
4. The voting date is the date of the Meeting, 24 February 2022, or Monday 21 February 2022 if you are voting by proxy.
As the Meeting is a closed meeting this means that all votes must be received by Monday 21 February 2022.
5. In order to vote, or appoint a proxy, you must qualify as eligible to vote. You are eligible to vote if:
(a) You will be aged 18 or over on 24 February 2022; and
(b) You owed at least £100 on a mortgage with the Loughborough Building Society or you held at least £100 in savings accounts with the Loughborough Building Society on 31 October 2021; and
(c) You will continue to owe at least £100 on a mortgage to the Society or hold savings with the Society from 31 October 2021 up to and including the voting date 24 February 2022.
Where a mortgage debt is owed jointly by two or more persons or savings are held jointly by two or more persons, only the first named in the records of the Society can have any voting rights.
6. You can vote only once as a member, irrespective of:
(a) the number of accounts you hold and whether you hold accounts in different capacities (for example, on your own behalf and as a trustee); and
(b) whether you qualify to vote as both a shareholding member and a borrowing member.

If you receive more than one proxy voting form, please let us know so that we can update our records.

Proposed Rule changes

Proposed Rule changes

Resolution 4 in the Notice of the Annual General Meeting is a Special Resolution to change the Rules of the Society. This note explains the changes.

What are we proposing to change?

The Society's rules are our main constitutional document and set out the principles and basis on which the Society is governed including the requirements for and how members' meetings are held.

We are proposing to update the rules:

- to allow members' meetings to be held electronically and/or in more than one physical location;
- to clarify the procedures for adjourned meetings;
- to clarify the quorum requirements for meetings;
- to improve the requirements regarding giving notice of meetings in the event of disruption to postal services; and
- to reflect the requirements of The Mental Health (Discrimination) Act 2013.

There are also some re-numbering and minor typographical changes to make to the rules.

Why are we proposing to change the rules on how members' meetings are held?

In 2020 and 2021, the COVID-19 pandemic and subsequent strict lockdown restrictions made the holding of Annual General Meetings challenging. The last minute closure of meeting venues, rules around social distancing and movement restrictions meant that participation was severely limited. There is a clear member benefit in updating the rules of the Society to allow member meetings to be held electronically or at more than one venue (or by a combination of both physical attendance and using an electronic platform), so that all members who wish to do so can fully participate in the meeting whilst helping to make sure that we keep our members and employees safe. We're proposing to update the rules to allow the Board to arrange for members to attend a meeting at one or more venues and/or using an electronic platform if the Board decides it would be safe and appropriate.

Why are we proposing rules relating to adjourned meetings?

The COVID-19 disruptions last year also focused our attention on the procedures in the event meetings are disrupted and need to be adjourned. We are proposing rules to clarify the procedure. This includes the notice requirements to inform members of the time, venue and date of the new meeting.

Why are we proposing to change the rules regarding quorum at meetings?

We are proposing to clarify the rules regarding quorum at adjourned meetings, by stating that there must be at least two members present at the meeting.

Why are we proposing to change the rules regarding the removal of directors?

We are proposing to amend the rules regarding the removal of directors to reflect the requirements of The Mental Health (Discrimination) Act 2013.

Why are we proposing to change the rules regarding disruption to the postal service?

We are proposing to strengthen the rules regarding when notice is deemed to have been given to members in the event of disruption to the postal service. Measures include ensuring notice is published on the Society's website in addition to either prominently displaying the notice at the Society's head office and branches or publishing the notice in two leading newspapers.

Where can you look at the proposed Rule changes?

A Summary of the Rule Changes and a full copy of the Society's Rules with the proposed changes highlighted is available on our website or alternatively you can request a copy by emailing us at LBSAGM@theloughborough.co.uk or on request in branch, by calling us on 01509 610707 or by writing to the Society's Chief Executive and Secretary, Mr G Brebner, at Loughborough Building Society, 6 High Street, Loughborough, LE11 2QB

What happens next?

If our members vote for and pass the Special Resolution, we will bring in the changes as soon as possible after our AGM and after the changes have been registered by the Financial Conduct Authority.

Directors seeking re-election

Details of the Directors standing for re-election are provided below. The Board endorses all of the candidates standing.



Rachel Curtis-Bowen

Rachel joined the Board as a Non-Executive Director in December 2018 and took on the role of Remuneration Committee Chair in 2020. Rachel has 28 years' experience in financial services, having worked for both building societies and banks. Her background is in the areas of Savings, Customer Services and Marketing and she currently holds an Executive role with a software company which is developing an artificial intelligence solution to help people struggling with debt.

"I have thoroughly enjoyed my 3 years on the Board of the Loughborough so far and am proud of what we have achieved as a team to deliver a strong and stable Society. I am excited about the opportunity to continue to work on behalf of members to support the next phase in the growth of our organisation."



Caroline Bradley

Caroline joined the board in March 2020. She is a qualified Chartered Management Accountant and has previously worked at Leeds Permanent and Yorkshire Building Societies. She also holds a Non-Executive Directorship at a challenger Bank.

She has 20 years Executive Director experience at TD Direct Investing (online stockbrokers) and Tenet Group (independent investment and mortgage advice support group) and brings in depth Finance, Risk and Regulatory experience. She also brings experience in significant digital projects.

Caroline lives in Ilkley and has two grown up children, she enjoys skiing, travel and gardening.

"It has been an honour to serve on the Board of the Loughborough and ensure the Society did not just survive but thrive during COVID, when we supported more members than ever. I look forward to the next phase of the Society's development. This will enable our dedicated team to serve members through branches and digital to meet your evolving needs."



Gary Brebner

I joined the Board in July 2009 when I was appointed as Chief Executive. During that time, it's been a privilege to maintain your trust and serve the Society. I can honestly say there hasn't been a dull day. Prior to joining the Society, I spent over 20 years working in the financial services sector and that experience has been brought to bear in the role I do day to day on your behalf.

"It has been a great honour to serve you our members as your Chief Executive. The recent results show how resilient the Society is despite the challenges thrown at it. Our people remain our biggest asset and they responded magnificently to the recent challenges of Covid-19. Following the growth success of 2021 we're now in the process of making a series of strategic investments into more advanced technologies so our members will be served even better than they are now. Added to that, we'll soon have a new branch. We continue to put the long term interests of members first and manage the Society finances prudently. Being a member centric organisation sets us apart from many others and is at the core of the Society's beliefs and values. Thank you for all your support and I look forward to serving you in the years ahead."

Important information about the 2022 AGM

2022 AGM Arrangements

Due to the ongoing coronavirus pandemic the AGM will be a closed meeting, with only a minimum of qualifying members in attendance. This means that Members are unable to attend in person. However, you are invited to register to watch a livestream of the AGM. Details of how to register are set out below and on the Society's website.

Although members cannot attend in person you can still participate in the AGM by voting and submitting questions in advance. Please do take the time to use your vote and raise any questions you have.

For each vote cast the Society will make a donation to FareShare a food redistribution charity. FareShare source and redistribute surplus food, which would otherwise have gone to waste, to charities and community groups. We will donate £1 for every vote cast online and 20p for votes received by post or in branch. If you would prefer us not to donate then you can opt-out.

How to vote

In the context of the pandemic **we would prefer you to use the online or postal voting options.**

However, if this is not possible ballot boxes will be available in our branches and agency.

You can vote:

ONLINE

Vote by midnight on Monday 21 February 2022 at www.cesvotes.com/loughborough22

BY POST

Use the reply-paid envelope provided to post your voting form to Civica Election Services, to arrive no later than Monday 21 February 2022.

IN BRANCH OR AGENCY

Drop your voting form into the ballot box at your local branch or agency by close of business on Monday 21 February 2022.

Votes must be received by **Monday 21 February 2022** in order to be counted. The voting results will be published as usual on our website.

Register to watch the AGM

To register to watch the livestream of the 2022 AGM please:

- Complete the registration section on your Proxy Voting Form; or
- Email your name and address to LBSAGM@theloughborough.co.uk by Monday 21 February 2022.

Questions for the AGM

We are keen to ensure that members still have the opportunity to raise any questions they may have. You can submit questions to the Board of Directors in advance of the AGM by:

- Emailing them to: LBSAGM@theloughborough.co.uk
- Sending your questions by post addressed to: Chief Executive and Secretary, Loughborough Building Society, 6 High Street, Loughborough, LE11 2QB

Questions must be received by **Monday 21 February 2022**, together with your full name and address.

Responses to the most commonly asked questions will be published on our website alongside the AGM voting results in the early part of March 2022.

Please note that questions sent for the attention of the Society's Board of Directors should not be personal to you or relate to specific account queries. Any such queries should be sent to us separately in the usual way.

Financial Services Compensation Scheme

Your eligible deposits with Loughborough Building Society are protected up to a total of £85,000 by the Financial Services Compensation Scheme, the UK's deposit guarantee scheme.

For further information please call us on 01509 631960, ask at your local branch or visit the FSCS website www.fscs.org.uk

Tariff of Mortgage Charges effective from 1 March 2022

Loughborough Building Society provides this information so that you understand the fees and charges that you might have to pay whilst you're a customer of the Society. These charges may change from time to time, but we'll give you at least 30 days' if we introduce or increase a charge. If the Society makes a charge for any service outside of this Tariff, you'll be advised at the time the service is offered to you.

The Tariff of Charges doesn't include charges for taking out a new mortgage or a further advance. You'll be informed of any costs associated with a new mortgage or further advance in the Personal Illustration of Costs and for commercial mortgages in your Terms and Conditions Letter which will be prepared for you before you make your application. We'll provide you with an updated Tariff each year and you can also ask us for a copy or view it on the Society's website at www.theloughborough.co.uk in the Helpful Information section at any time.

If you need additional documentation relating to your mortgage

Name of charge	What this charge is for	How much is the charge
<i>Duplicate mortgage statement or a schedule of mortgage payments (interim statement of account for the current year)</i>	If you need us to prepare and supply a list of your mortgage account transactions for the current year or provide a copy of a previous mortgage statement. This charge relates to each year we are asked to provide information for.	£25
<i>Duplicate request for MIRAS 5 (tax certificate)</i>	If you need us to provide a copy of a previously issued certificate of interest paid. This charge relates to each year we are asked to provide information for.	£25
<i>Copy of deeds</i>	If you need us to provide a copy of your deeds.	£25
<i>Mortgage reference/second charge questionnaire</i>	If another lender asks us for a mortgage reference confirming how you have managed your mortgage account with us. This will only be supplied with your permission.	£75
<i>Consent, postponement or discharge of a second charge</i>	If you ask us to consider and give agreement to secure other borrowing against your property; or you ask us to prepare and seal a Deed of Postponement; or you ask us to work with another lender to release funds to repay their second charge.	£75

If you change your mortgage

Name of charge	What this charge is for	How much is the charge
<i>Change of repayment type and/or term</i>	If you extend or reduce the remaining term and/or change your mortgage repayment type on all or part of your mortgage.	£50
<i>Variation of/ or change to title</i>	If you want to remove part of the property or land from the mortgage. It covers administration costs, including sealing the relevant legal deed and issuing letters of consent. We may need to instruct a revaluation of your property for which there will be an additional fee.	£100
<i>Release of guarantor and/or release or change of collateral security</i>	If you want to release the guarantor from your account and/ or release or change the collateral security we hold for your mortgage account, we'll need to reassess your circumstances. You'll need to pay this fee when you make your application. We may need to instruct a valuation for which there will be an additional fee.	£100
<i>Deeds discharge/sealing fee</i>	If you repay your mortgage and we seal your deeds and/or release our charge. This fee is waived if you repay on expiry of your mortgage term or you take out a new mortgage with the Society.	£85

If you are unable to pay your mortgage

Name of charge	What this charge is for	How much is the charge
<i>Unpaid cheque / direct debit</i>	If you make a payment to your mortgage account and there are insufficient funds in your account to meet this payment, we'll debit your account with this fee.	£20
<i>Arrears letter</i>	If your mortgage goes into arrears we'll write to you to let you know. We don't charge for the first letter but we'll charge this fee for any subsequent arrears letters that we have to send you.	£30
<i>Broken arrangement fee</i>	If you make an arrangement with us to repay your arrears and then break it.	£30
<i>Unpaid ground rent/service charge fee</i>	If you have a leasehold property, this is the charge to cover our administration costs if your freeholder or management company approaches us to pay ground rent or service charge on your behalf in order to prevent forfeiture of lease. If we do agree to pay any such outstanding amount this will be added to your mortgage.	£75
<i>Arrears visit</i>	If your account is more than two months in arrears and we've been unable to contact you, then we or a Field Agent acting on our behalf will visit your home. This allows us to assess your circumstances and work out a suitable arrangement. This is the maximum fee you could be charged.	£240
<i>Instruction of solicitors</i>	If we instruct solicitors to collect arrears or to start possession proceedings this fee will be debited to your mortgage account.	£100
<i>Instruction/cancellation of bailiff appointment</i>	If we instruct a bailiff to take possession or have to cancel a bailiff appointment.	£25
<i>Possession fee</i>	The administration costs to cover the extra work we have to do to manage a possession case.	
	Residential properties	£300
	Let properties	£300
	Commercial properties	£500
	Second charges	£150

Tariff of Savings Charges effective from 1 March 2022

Loughborough Building Society provides this information so that you understand the fees and charges that you might have to pay whilst you're a customer of the Society. These charges may change from time to time, but we'll give you at least 30 days' if we introduce or increase a charge. If the Society makes a charge for any service outside of this Tariff, you'll be advised at the time the service is offered to you.

We'll provide you with a Tariff when you open an account and you can also ask us for a copy or view it on the Society's website at www.theloughborough.co.uk at any time.

Name of charge	What this charge is for	How much is the charge
<i>Telegraphic transfers (UK)</i>	If you need us to arrange a telegraphic transfer of funds from your savings account to another bank.	£15
<i>Telegraphic transfers (International)</i>	If you need us to arrange a telegraphic transfer of funds from your savings account to another bank.	£30 + Bank Charges
<i>Unpaid cheque</i>	If you pay a cheque into your savings account and there are insufficient funds in your account to meet this payment, we'll charge your savings account with this fee.	£20
<i>Stopped cheque</i>	If you need to stop a cheque which is drawn from your savings account, we will charge your account with this fee.	£10
<i>Duplicate interest certificate</i>	If you need us to provide a previously issued interest certificate, we'll charge your account with this fee for each account and for each year we're asked to provide a certificate.	£10
<i>Duplicate postal account statement</i>	If you need us to provide a previously issued account statement, we'll charge your account with this fee for each account and for each year we are asked to provide a statement.	£10
<i>Audit / Accountants / Solicitors letter</i>	If you need us to provide specific information about your savings accounts to an Auditor, your Accountant or Solicitor.	£35
<i>Breakdown of transactions relating to passbook accounts</i>	If you require analysis of transactions this fee covers the administration cost of carrying out this work to provide a response. This charge relates to each year we're asked to provide information for.	£10

The logo for The Loughborough Building Society. It features a blue rounded rectangle containing the text "The Loughborough Building Society" in white. To the right of the rectangle is a vertical bar with four colored segments: light blue, green, pink, and orange.

The Loughborough Building Society

Head Office

6 High Street, Loughborough, Leicestershire LE11 2QB.

Tel: (01509) 610707 | Email: enquiries@theloughborough.co.uk

Branch Offices

4 High Street, Loughborough, Leicestershire LE11 2PY.

Tel: (01509) 610600 | Email: lboro@theloughborough.co.uk

1/2 Babington Lane, Derby DE1 1SU.

Tel: (01332) 290818 | Email: derby@theloughborough.co.uk

5 Market Place, Long Eaton, Nottingham NG10 1JL.

Tel: (0115) 9728088 | Email: longeaton@theloughborough.co.uk

Agency Office

Gascoines Estate Agents, 1 Church Street, Southwell, Nottinghamshire NG25 0HQ.

Tel: (01636) 815349 | Email: southwell@theloughborough.co.uk

website: www.theloughborough.co.uk

Registered office: 6 High Street, Loughborough, Leicestershire LE11 2QB

The Society is authorised by the Prudential Regulation Authority and regulated
by the Financial Conduct Authority and the Prudential Regulation Authority.

Financial Services Register number: 157258.

Established 1867