

Kent Savers Annual General Meeting – 31st March 2021

Incoming Chair's statement – March 2021

I joined the Board in November 2019 and am pleased to have the privilege of standing as Chair for the coming period. I would like to start by expressing the Board's thanks and appreciation for the hard work and dedication of Kathy Cox during her tenure as Chair, and look forward very much to continuing to work with her during her continuing service on the Board.

We are facing extremely challenging times and I am focused, along with the CEO and Board, on steering Kent Savers through these challenges at the same time as delivering value to our members and contributing to the financial resilience of our community. Our lending business is weighted towards people who have experienced severe financial impact as a result of the pandemic and we have worked hard to make contact with members in need and put appropriate arrangements in place. I am grateful to the Kent Savers team and volunteers for the incredible work they have done over the last twelve months.

We have recently recruited a number of new members to the Board. Between them they bring significant experience of financial services, technology, compliance and communication and further strengthen the capability of the team.

The Board has worked hard over the last three months to review Kent Savers' business strategy and commercial forecasts in the light of the challenges of 2020 and the ongoing impact of the pandemic.

We have reaffirmed Kent Savers' commitment to fair loans, safe savings, and the long-term benefits of membership. This Purpose is articulated in the Credit Union's newly adopted mission statement:

Kent Savers is a community financial organisation owned and controlled by members for their benefit that operates with care, efficiency, and integrity.

We aim to build lifelong relationships with our members by meeting their financial needs and supporting their financial well-being. We encourage saving and wise use of credit.

We aspire to grow our membership to support the needs of more people and build community financial resilience, while maintaining our long-term financial stability.

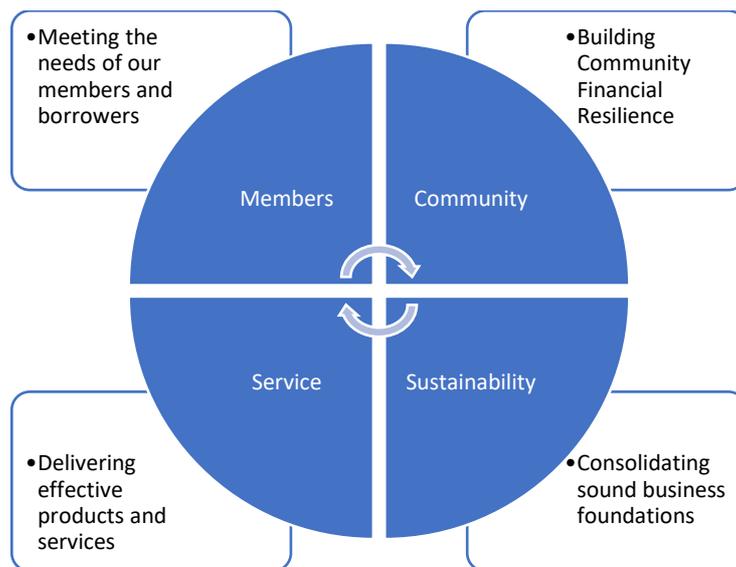
We have identified four key values that underpin how we behave with members and other stakeholders:

- **Caring:** we look after our members
- **Responsive:** we listen to our members and respond promptly to them
- **Ethical:** we support our communities by helping the most disadvantaged
- **Trustworthy:** we offer high levels of integrity and professionalism which inspires trust

Kent Savers has a vital role to play in building financial strength and resilience in our community and addressing the risk of growing and persistent problem debt. There is an unmet need for fair and affordable borrowing, particularly among low-income workers, many of whom are experiencing problem debt for the first time.

Our aspiration is to grow the support Kent Savers offers to members and to achieve a business surplus over the next five years underpinned by increased funding and capital.

The Board has adopted a strategy that is based on four areas of focus:



We aim to grow income through increasing lending, reducing bad debts, maintaining a tight focus on cost management, and increasing capital to reach an average capital ratio of around 4% over the cycle.

We aim to achieve this through a focus on:

Governance: ensuring our governance, controls, risk management frameworks, and policies and procedures follow good practice, meet regulatory requirements, and will help us build a stronger sustainable Credit Union.

Financials: ensuring we are financially sound, making good credit decisions, reducing bad debts, and achieving higher returns. We will also develop and launch a capital and fundraising plan, including seeking grants for operating expenditure support linked to our Covid response and inviting expressions of interest from members in deferred shares.

Service: continuing to develop our systems and processes to ensure efficiency, resilience, good data management, and excellent service.

Members: engaging members and potential members by understanding and responding to their changing customer needs. We aim to identify any form of vulnerability and to support those members in a way that is consistent with their situation.

Community: building stronger partnerships with key stakeholders across the community, including local authorities, corporate members, and other organisations working to respond to the financial needs of our members and potential members.

We are conducting an assessment of the financial resilience and social impact benefits of our business so we can track and report on both financial and community outcomes to our members and key stakeholders and partners.

We look forward to continuing to serve members over the coming year.

Stephen Sidebottom

Chair