

Shepherds Friendly Society 195th Annual General Meeting

Held by Microsoft Teams Tuesday 29th June 2021 - 4.30pm

Attendees from Shepherds Board of Management

Joanne Hindle (Chairman)
Ann-Marie O'Dea
Nemone Wynn-Evans
Simon Pashby
Cameron Mills
Mark Myers
Christopher Critchlow
Nasrin Hossain
Sam Chivers
Tim Robertson (Company Secretary)

The meeting was quorate.

The Chairman welcomed everyone to the 195th Annual General Meeting of the Shepherds Friendly Society Limited and explained that following the recent government announcement postponing the lifting of Covid-19 restrictions, we felt that inviting members to the office to attend the AGM in person was not in the best interests of our members and staff. The safety and wellbeing of staff and the membership safety came first. Therefore, we were holding it for the first time in the Society's history as an 'open virtual meeting'. Voting had also been restricted to online voting, and members had been given the opportunity to email any questions they wished to put to the Board in advance of the meeting. Also, there would be the opportunity for members attending today to raise any questions before the resolutions were read out and again under any other business.

The Chairman then addressed the meeting with her review of 2020, reporting that 2020 had been an extraordinary year for the world and our members. On behalf of the Society, she would like to express our heartfelt sympathies to all our members who have been affected by the virus. The Society, as ever, will continue to be here for our members and to support them in the best way we can during these uncertain times.

The Chairman advised that:-

She would like to reassure our members that the Society's liquidity, solvency and operations remained resilient against the continuing uncertainty. Looking back to the start of Covid-19, the Society was immediately faced with a number of challenges because of the scale of the pandemic. While the social and health impact had been unlike anything most of us had ever experienced, the Society was well prepared for events like these. The strategic focus for the Society had always been on maintaining financial resilience and through its annual risk self-assessment exercise, the Board maintained an understanding of the Society's principal risks, the financial impact of those risks and the actions that need to be taken to strengthen the Society's resilience. Some of the actions that had to be taken, such as reviewing pay-outs to with-profits policyholders, had been difficult but always made with the view of fairness, protecting the long-term strength of the Society and balancing the long-term interests and immediate needs of our membership.

An important decision the Board had to make was to protect the wellbeing of all our staff. Our staff continued to work from home as they had been throughout most of 2020. They had remained committed, more than ever, to look after our members in these very difficult times and deliver the great service we pride ourselves on. Therefore, they had remained secure in their jobs and continued to be paid in full. We continue to invest in our people, technology and innovation to protect their wellbeing and to give the Society the capacity to increase our interaction with members despite having to work from home. The Society had not felt it was necessary to take advantage of available government furlough or loan schemes and had no plans to do so.

Fast forward to today and despite all the uncertainties, the Board and the Executives took positive steps to manage the crisis for the Society and our members. These accomplishments had been reflected in a strong set of financial results and she was pleased that even in these challenging times, we continued to pay annual bonuses to our members. This was a good outcome for our members, sustaining years of positive returns for them and highlighting the benefits of our with-profits products.

The success of the Society is a credit to the high level of commitment and dedication of our people. She would like therefore, to take this opportunity to thank all her Board Colleagues, the team of Executives and the staff in the Society for their untiring efforts over the last year. She would also like to say how proud we were of our staff and the help and support they had shown to each other and our members.

Finally, she would also like to say thank you to our members for your ongoing support. Their support was so important to all of us. Please stay safe and well.

With no questions raised on the resolutions the Chairman moved onto the formal business of the day.

Resolution 1

To receive the Annual Accounts for the financial year ended 31st December 2020, the Report of the Board of Management and the Auditors' Report.

Proposed by - N Wynn-Evans

Seconded by - S Chivers

Votes received were as follows:-

	For	Against
Proxy Votes	552	
Members votes received	237	11
TOTAL	789	11
Votes withheld	11	

The Chairman declared Resolution 1 carried.

Resolution 2

To receive the 2020 Remuneration Report.

Proposed by - M Myers

Seconded by - N Hossain

Votes received were as follows:-

	For	Against
Proxy Votes	552	
Members votes received	214	30
TOTAL	766	30
Votes withheld	15	

The Chairman declared Resolution 2 carried.

Resolution 3

To appoint BDO LLP as Auditors of the Society until the conclusion of the next Annual General Meeting.

Proposed by - C Mills

Seconded by - A M O'Dea

Votes received were as follows:-

	For	Against
Proxy Votes	552	
Members votes received	212	23
TOTAL	764	23
Votes withheld	24	

The Chairman declared Resolution 3 carried.

Resolution 4

That Mrs Joanne Hindle be re-elected as a Non-Executive Director of the Society.

It was confirmed that the Board had assessed and were very satisfied with the performance of Joanne and were therefore happy for her to stand for re-election.

Proposed by - S Pashby

Seconded by - C Critchlow

Votes received were as follows:-

	For	Against
Proxy Votes	552	
Members votes received	198	29
TOTAL	750	29
Votes withheld	32	

The Chairman declared Resolution 4 carried.

Resolution 5

That Mrs Nemone Wynn-Evans be re-elected as a Non-Executive Director of the Society.

It was confirmed that the Board had assessed and were very satisfied with the performance of Nemone and were therefore happy for her to stand for re-election.

Proposed by - C Mills

Seconded by - S Chivers

Votes received were as follows:-

	For	Against
Proxy Votes	552	
Members votes received	196	31
TOTAL	748	31
Votes withheld	32	

The Chairman declared Resolution 5 carried.

Resolution 6

To re-elect Mr Simon Pashby as a Non-Executive Director of the Society.

It was confirmed that the Board had assessed and were very satisfied with the performance of Simon and were therefore happy for him to stand for re-election.

Proposed by - N Wynn-Evans

Seconded by - N Hossain

Votes received were as follows:-

	For	Against
Proxy Votes	552	
Members votes received	195	32
TOTAL	747	32
Votes withheld	32	

The Chairman declared Resolution 6 carried.

Resolution 7

To re-elect Mr Cameron Mills as a Non-Executive Director of the Society.

It was confirmed that the Board had assessed and were very satisfied with the performance of Cameron and were therefore happy for him to stand for re-election.

Proposed by - M Myers

Seconded by - C Critchlow

Votes received were as follows:-

	For	Against
Proxy Votes	552	
Members votes received	192	32
TOTAL	744	32
Votes withheld	35	

The Chairman declared Resolution 7 carried.

Resolution 8

To re-elect Mr Mark Myers as a Non-Executive Director of the Society.

It was confirmed that the Board had assessed and were very satisfied with the performance of Mark and were therefore happy for him to stand for re-election.

Proposed by - J Hindle

Seconded by - A M O'Dea

Votes received were as follows:-

	For	Against
Proxy Votes	552	
Members votes received	195	31
TOTAL	747	31
Votes withheld	32	

The Chairman declared Resolution 8 carried.

Members Questions

The Board responded to the following questions which had been received in advance of the meeting :-

Q. How did Shepherds fair in the pandemic in comparison to its competitors?

A. The Board and the Executives took positive steps to manage the crisis for the Society and our members. These accomplishments had been reflected in a strong set of financial results. A diversified product range and being quick to react in the Income Protection market had been a key strength compared with competitors.

Q. How did the MVR impact protect the members who remained invested?

A. An MVR was a way that we ensure that our members who hold investments with us were not unfairly disadvantaged when other members leave during periods of poor market performance. By applying the MVR, we had ensured that members who had left early received a fair share of the Fund as it stood at the time of withdrawal. To give members who leave early more than their fair share would leave less for those members that remain with us, resulting in us not being able to pay them their fair share at some point in the future.

Q. What did the Society learn from the pandemic and its investment strategy and would this prompt changes in the future?

A. The Society learnt from the pandemic that the change in investment strategy undertaken in 2019 had been the right decision. The move from investing directly into the market to the Royal London Multi Asset Strategies Fund (MAST) protected the Society during the sharp market falls we saw during 2020. By moving to MAST we had seen less volatility and steady returns, providing better protection for our members. As a comparison at the height of the pandemic the FTSE fell by some 30% where as MAST fell by around 15%.

Conclusion

With no further questions raised, the Chairman confirmed that concluded the main business of the day.

Before closing the meeting, Joanne Hindle advised that this had been her last meeting as Chairman of the Board of Shepherds Friendly. She therefore wished to express her absolute honour and privilege to have served as Chairman of the Board over the last eight years. She had been delighted to see Shepherds continue to develop and move onwards and provide superb service to its members. She looked forward to staying on the Board for another year in a different role, and see that journey continue, and wished to thank the fabulous team both Non-Executive and Executive with whom she had worked with over the period.

With a vote of thanks to the Chairman, the meeting was declared closed.



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