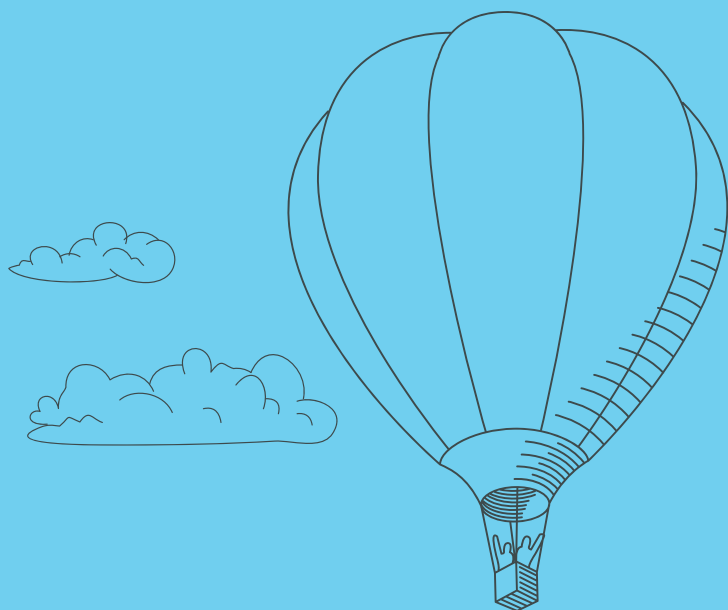


Annual General Meeting 2023

Voting guide and
AGM information booklet



Your invitation to our 2023 AGM

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How you can vote

Voting online is quick and easy; all you need to do is visit:

agm.shepherdsfriendly.co.uk

When you log in, just enter your personal voting code and you are ready to get started. Your unique voting code can be found at the top of the notice letter or the email you have received from us.

If you do not have access to vote online, you can vote over the phone. Simply call our Member Services team on **0800 526 249** and they will guide you through the voting process.

Alternatively, you can vote in person at our AGM; **you are invited to meet the Shepherds Friendly team** at our Head Office or join us online from wherever you are.

You will find all the details about how to vote, what you are voting on and how you can attend in your AGM letter or email.

An update on this year's Annual General Meeting

I am pleased to share that our Annual General Meeting (AGM) will take place on **Tuesday 11th July 2023 at 4.30pm**. As a valued member of Shepherds Friendly, this is your opportunity to meet our Board of Directors, the wider team, and fellow members at our Head Office in Cheadle. I do hope you can join us this year, either in person or virtually, to find out more about our team and how we work together for our members.

Your invitation to join us at our 2023 AGM

You are invited to join us at our 2023 AGM for a cup of tea or coffee and a slice of cake at our Head Office. We're also looking forward to hearing a talk from ClimatePartner, who help us maintain our status as a carbon neutral organisation through certified offset projects.

Everyone can benefit

As a mutual, we are driven by our values. One of our commitments is to ensure that everyone can benefit from being part of Shepherds Friendly. You can contribute to the organisation's future by taking part in our AGM. It is a great way to share your thoughts with us by voting and asking us any questions you would like us to address at the meeting. To put a question forward, please email agm@shepherdsfriendly.co.uk by 12.00pm (noon) on Monday 10th July 2023.

Owned by and run for you

Did you know that Shepherds Friendly was founded by its members and continues to be owned by them today? That means that this is your organisation. Whether you attend the AGM in person or online, it is your opportunity to get to know us a little better, learn more about what we do, and find out about our plans for the future of Shepherds Friendly.

Your votes make a difference

When you vote, you are helping to inform decisions that will affect the organisation. Additionally, for each vote we receive in our AGM this year, we will donate £1.00 to good causes in the local community, so you can also help to make a difference.

What to expect in this booklet

In this booklet, you will find a review of our performance in 2022, as well as my report, which will explain how the Board of Directors has worked to maintain the organisation's continued growth and development. Please take some time to read through this, and please do vote in this year's AGM.

Your votes will help determine what Shepherds Friendly's future will look like, so take this opportunity to use your voice. I do hope you will join us at the AGM so we can continue to work together to make a difference.

We look forward to hearing your views and, hopefully, seeing you soon.



Nemone Wynn-Evans
Board Chair
May 2023

Board Chair's review 2022

Reflections on the past year

I am proud to reassure our members that 2022 has been another year that the Society has shown resilience in uncertain circumstances and continued to deliver products and services that meet the needs of our members. 2022 has been anything but the year many of us would have expected, having endured the challenges and uncertainty posed by the Covid-19 pandemic in previous years. The ongoing war in Ukraine, coupled with supply shortages following the post-Covid demand spike, spurred inflation and sent energy prices soaring here in the UK. And then a mini-budget in September and the uncertain political situation in the UK exacerbated the volatility in investment markets and reduced consumer confidence. As a result many consumers now face a cost of living crisis with inflation and interest rates at levels not seen in many years.

Against that backdrop it is vital that we are here for our members, always aiming to deliver products and services they want at fair value, and offering the support they need when they need it.

Our members

Our increased appeal to consumers alongside strategic focus on the retention of our existing membership base has meant that our membership numbers increased by 7% over the year.

Despite the very challenging market conditions over the year, I am delighted that we were able to maintain annual bonus payments awarded to our with-profits plan holders and do our part in supporting them through this financially challenging period.

Over the year we have enhanced our internal processes so we consider vulnerability when we receive requests from members, and external communications for the more vulnerable groups of our membership ensuring that we take due account of their specific circumstances, so they are treated fairly and with proper dignity, respect and consideration.

Our technical provisions for in-force plans have increased by £4.6m over 2022 to £103.3m as at 31 December 2022. The increase is driven by the growth in the Society's with-profits business combined with the significant increase in interest rates over the year. These increases in our liabilities have in turn contributed to a reduction in members' funds by £2.3m to £16.4m as at 31 December 2022.

The reduction is in line with our expectations after allowing for the impact of volatile investment markets and maintaining bonuses for our members. Our solvency ratio has increased from 166% to 171% as at 31 December 2022. The solvency ratio is carefully monitored through our risk management framework to ensure our members long-term interests are safeguarded.

Our people

The success of the Society and the positive experience that our members receive is a credit to the high level of dedication and commitment of our people. We are proud of their talent and we value the retained knowledge and capabilities in the business which is integral to achieving our strategic goals. As a Board, we are conscious that they are also not immune from the cost-of-living challenges experienced by our members. I am pleased that we were able to award our people, below senior management level, a discretionary one-off payment to help ease the ongoing financial uncertainties.

Governance and regulation

Good governance is a key part of any successful business and here at Shepherds Friendly we take great care to maintain excellent standards of conduct. To that end, I am delighted to welcome Neil Tinegate and Alison McKinna, who were appointed as Non-Executive Directors at the 2022 AGM. Neil and Alison's extensive knowledge will I am sure be a huge benefit to realising the Society's potential.

Effective risk management is a particular area of focus of any insurance business, and it is no different for the Society. We have continued with the integration of risk management across the business to stay on top of emerging risks and so we can adopt appropriate risk mitigations to strengthen the Society's longer-term resilience.

Consumer Duty is an important new piece of regulation being introduced by the Financial Conduct Authority this year to ensure that insurers, like us, offer products and services that meet consumers' needs and offer them at fair value. The values within the Society align well with this new regulation and its objectives. The Society has progressed with its implementation plan over 2022 and we are on track to meet the regulatory timescales.

Vision for the Society

As Board Chair, I am confident that the Society's strategy will continue to deliver value for its members. Our purpose is to deliver simple and accessible products that provide members with a more certain financial future. We have been successful in offering members a range of both savings and protection products that meet their needs, and we want to further develop the range of products we offer.

The world of course continues to change and evolve, particularly with new technological initiatives. We will be continuing to adapt our technology to enhance how we communicate with our members and widen our appeal to consumers. We continue to seek opportunities with innovative partners who can complement the value we give to our members.

As our people work hard to implement our plans, I am confident that the Society can continue growing its membership base by offering products and services that really meet the needs of our members.

Thank You

I cannot let the year pass without acknowledging my huge sense of gratitude to Joanne Hindle who stepped down as a Non-Executive Director from the Society at the 2022 AGM. Joanne, who was Board Chair over much of her time with the Society, was instrumental in shaping the Society as it is now, and we are indebted to her tireless efforts and dedication. We wish Joanne every success for the future.

Lastly, but by no means least, I want to thank our people at the Society. It is such a vibrant, modern and exciting place to work that is driven by the enthusiasm and dynamism of everyone who works here. The past year has not been without its challenges. So, it is a true testament to their hard work that the Society has performed to target over 2022 despite the uncertainties over the year. For that I am deeply thankful and I am confident that in their hands we can realise the Society's potential for continued responsible growth and providing enhanced value to our members.



Nemone Wynn-Evans

Board Chair

24th April 2023

Chief Executive's review

2022 business review

The past year has been another highly challenging one and the fact that the Society has performed as it has is a reflection of the commitment and dedication of our people. We entered a cost-of-living crisis exacerbated by the war in Ukraine, an ill-fated mini-budget, higher interest rates, and a spike in inflation. This has had an inevitable downward impact on investment returns and the Society has not been immune from those effects, particularly in the value of its insurance book of business.

So it is with great pride that despite all these challenges, the Society continues to deliver against its strategic objectives:

- Membership numbers have increased to 136,000 (2021: 127,000);
- Gross premium income has grown to £35.3m (2021: £31.8m) from new business and contributions from existing members; and
- Total assets have increased to £185m (2021: £179m) despite the investment loss of - £0.7m in the year (2021: gain of +£10.2m).

How our members benefit

We are, ultimately, here for the benefit of our members. Again, we have a good story to tell:

- Payouts to members over the year increased to £16m (2021: £14m) reflecting our mission to support our growing membership base when they need us most;
- We accepted and paid over 96% of Income Protection claims;
- We maintained the 2022 bonus award to with-profits plan holders, and increased bonus rates on policies maturing in 2023;
- We enhanced the investment returns on assets held for with-profits plan holders by 0.7%, being an allocation of profits made on other protection products offered by the Society; and
- Over 2022, our people have committed over 300 hours of volunteering work at local charities.

I am particularly proud of the industry awards achieved by the Society over 2022, including:

- COVER Customer Care Awards for Outstanding Claims Team and Outstanding Business Development Team;
- Highly Commended Investment Life & Pensions Moneyfacts Awards for Best Junior ISA Provider, Best Protection Service and Best Claims Support; and
- Commended Investment Life & Pensions Moneyfacts Awards for Best Income Protection Provider.

Financial resilience

In this age of uncertainty, it is natural that consumers expect insurers with whom they place their money to be resilient against the many challenges we face. The Society has been in existence since 1826 and our longevity is a testament to the responsible way in which the business has been managed over all that time.

This year I am delighted that a key indicator of financial strength, our solvency ratio, has increased to 171% at the end of 2022, up from 166% at the end of 2021. Our fund for future appropriations stands at £16.4m at 31 December 2022 against £18.8m at the end of the prior year. The reduction was caused primarily by the significant increase in interest rates over the year and the volatile investment market conditions. Overall, the increased solvency ratio ensures the Society is financially more resilient.

Each year we undertake extensive stress and scenario tests to test the resilience of the business to adverse events. That process has again confirmed our ability to withstand extreme events and gives us confidence that we are operating as a sound and prudently run business should be.

As the business evolves, we are ever more conscious of the right ways in which we can manage the risks in the business. This has helped us consider the right balance of investments to deliver against our objective seeking to maximise the financial returns to with-profits plan holders whilst aiming to ensure that returns do not fluctuate significantly from year to year. We have also reviewed additional risk mitigation techniques to add further levels of protection for the business in times of stress. This includes making increased use of reinsurance and increasing the range of reinsurers with whom we work.

Responsible investment and climate change

Climate change is an important consideration for us all and the Society takes its role in this seriously. We are fully supportive of the steps both regulators, the Prudential Regulation Authority and the Financial Conduct Authority are taking on this as well as on the wider impact of environment, social and governance (ESG) issues.

Within the Society we have set ourselves the objective of being net carbon neutral, measuring our carbon footprint across the business and using offsetting techniques to mitigate their impact. We achieved an accreditation from Investors in Environment and are continuing to work with them to ensure we continue to manage our carbon footprint. Our approach however is wider than merely the carbon footprint in the business and it extends to the wider ESG context.

This means that we are looking at:

- How our investment partners can transition investments within existing portfolios to a more responsible approach;
- Understanding the possible impact of climate change on how our assets may perform, and how our business may be affected, including ensuring we have the right approach to risk management, governance and disclosures;
- Understanding what our members want from their products in the wider ESG context, and ensuring we have the right products to meet those needs; and
- Working with our people to increase the level of recycling at our Head Office and developing initiatives to lower our energy and waste consumption.

People transformation

The Society's people and culture strategy will be regularly updated to allow for the continued growth of the business and its employees. The strategy focuses on ensuring our people have the relevant skills and competencies as well as investing in and enhancing the Society's value proposition as an employer.

The Society takes seriously the need to be a diverse and inclusive organisation and we are proud of our achievements:

- Achieving 32% female representation in senior management;
- Maintaining female representation in the Society at above 40%; and
- Enhancing our recruitment procedures to increase diversity within the Society's workforce.

We recognise that the human factor is one of the key elements to a successful business. There currently exists a strong culture of innovation which allows the Society to be agile and responsive to the need for business change.

Throughout this change we are working hard to ensure that our people continue to feel engaged, involved and an integral part of the process. Collaboration across the Society is an important part of the change process, and we are developing our systems to facilitate knowledge sharing across the business.

It is important that the Society has the right people in the right roles at the right time. Investment in the up-skilling, re-skilling, and development of our people in both technical and interpersonal competencies will take place, while recognising that having external expertise and perspective will also be important to enhance and support the current internal expertise and knowledge.

Roadmap for the future

Achieving our vision for what we want the Society to be is dependent on us ensuring we can continue to grow and evolve as a business. We are cautious of the challenges ahead, so we continue to adopt a responsible approach to the way we manage our members' money, and we continue to innovate to ensure we maintain currency in this uncertain world.

A key part of any modern business is ensuring it maintains currency with emerging software and mobile technology developments. The Society will continue to advance its technological capabilities by both modernising its plan management systems to meet member expectations and support further innovation and evolving its data gathering and analytical capabilities to enable a deeper level of insight into both consumer behaviours and business performance. Our overall technology development objective is to deliver an improved member experience including that for vulnerable members.

We will seek to maintain our focus on developing new products and new business partnerships to further diversify the Society's routes to market. Understanding the member and their needs underpins much of this activity, and this is achieved through a programme of research with consumers and members, aimed at nurturing a market-orientated approach to our innovation.

At the heart of these initiatives is ensuring we are operationally resilient. The Society went through an extensive process over 2022 to review its key business services and we will continue to develop our framework to ensure it remains up to date in the light of the rapidly changing environment we work in.

And finally

I would like to express my heartfelt thanks to everyone who works with the Society: our people who show so much dedication to making the business such a success, all the external organisations who work with the Society to help us realise our goals and to our Board of Directors who continue to provide invaluable guidance and support.

With such a great team I am confident that Shepherds Friendly will realise its future plans to provide members with a more certain financial future.



Ann-Marie O'Dea

Chief Executive

24th April 2023

Going concern statement

The AFM Corporate Governance Code comments that the Directors should state whether the business is a going concern over the next 12 months.

In considering the going concern statement, the Directors have considered the following:

- The Group's business activities, together with the factors that are likely to affect its future development and financial strength (see details in the Board Chair's and Chief Executive's Reports from page 4);
- The analysis of material risks faced by the Group and the management of those risks;
- The confirmation from the Society's actuary that the Society had a solvency level higher than that required for regulatory purposes as at 31 December 2022 and throughout the year (further details are included in the Solvency and Financial Condition Report which will be made available on the Society's website); and
- The actions management can take to manage emerging risks and the scenario testing performed as part of the annual Own Risk and Solvency Assessment (ORSA) process demonstrating solvency above the minimum regulatory requirements under a number of plausible but extreme market scenarios.

Having due regard to these matters and after making appropriate enquiries, the Directors confirm that they consider it appropriate to prepare the financial statements on a going concern basis.

Longer-term viability assessment

The Directors are also expected to assess the prospects of the Group and the Society over a period longer than 12 months required for the going concern review. The Directors have determined a period of assessment of three years to consider the Society's longer-term viability. Three years is believed to be the most appropriate timeframe due to the fact that the Directors have reasonable clarity over a three-year period, allowing an appropriate assessment of the principal risks to be made. During the year, the Directors attended two strategy sessions during which they carried out a robust assessment of the opportunities, threats and principal risks for the Society over this period. This assessment, performed as part of the ORSA process, considered resilience of the Society to risks that would threaten the business model, future performance, solvency or liquidity of the Society. The ORSA process included an assessment of the Society's capital resilience to stress testing using a range of severe but plausible scenarios to the end of 2030. The scenarios included significantly unfavourable variations in the levels of new business, underlying economic assumptions, and plan lapses and claims compared to those expected. In the 2022 ORSA, we have also considered how those variations might evolve with the current cost-of-living pressures and increasing interest rates.

Based on these assessments, the Directors have a reasonable expectation that the Group and the Society will be able to continue in operation and meet their liabilities as they fall due over the period at least to December 2025. While the period of assessment is three years, the ORSA indicated a viability over a longer period.

Remuneration report 2022

The Remuneration & Engagement Committee provides this Report in accordance with the Friendly Societies Act 1992 in respect of remuneration for the Executive and Non-Executive Directors of the Society. The Board has approved the Remuneration Policy which is implemented and governed by the Remuneration & Engagement Committee which consists of independent Non-Executive Directors.

Remuneration Policy

The Society's remuneration policy rewards both corporate and individual performance as well as providing a competitive package to attract and retain high calibre individuals. The policy complies with all relevant regulatory obligations. We also comply with good corporate governance practice as well as relevant principles of the AFM Code.

This policy provides the framework within which all remuneration decisions relating to people and Executives will be made. The Society aims to ensure that our approach to reward and remuneration is straightforward and easy for our people to understand and aligns with our brand values of simplicity, working together and doing the right thing.

Executive Directors' remuneration

The Committee is responsible for recommending the remuneration package of the CEO to the Board. The Committee is responsible for approving recommendations from the CEO regarding the remuneration package for senior executives and ensuring that they comply with the remuneration policy. The CEO is responsible for setting the remuneration of all other employees in line with the remuneration policy. The components of the Executive Directors' remuneration are described below:

Salary

The salary level is set commensurate with that of similar sized businesses in our sector, and to reflect the skills and experience of the individual. The salary is competitively pitched based on an annual benchmarking exercise.

Performance bonus

The Executive Directors can earn an annual bonus following the successful achievement of performance targets that are set to ensure the strategic objectives of the Society are achieved. Targets are quantifiable measures linked to financial, corporate, governance and culture related objectives. The bonus has a maximum potential of 30% of basic salary. The targets are monitored at various intervals during the financial year. The final bonus calculations are based principally on the performance of the Society measured against the agreed targets and subject to the Committee's discretion. The bonus payable is recommended for approval by the Committee to the Board. The Committee also exercises its discretion to ensure that other factors are taken into account to ensure objectives are not achieved in the current year as a result of actions which would be to the longer-term detriment of our members or the Society.

Pension

The Executive Directors participate in the Group's defined contribution pension scheme, or can participate in alternative personal pension arrangements as approved by the Committee. Contribution entitlements can be paid in cash instead at no further cost to the Society and subject to approval by the Committee where individuals would incur tax if pension contribution limits are exceeded.

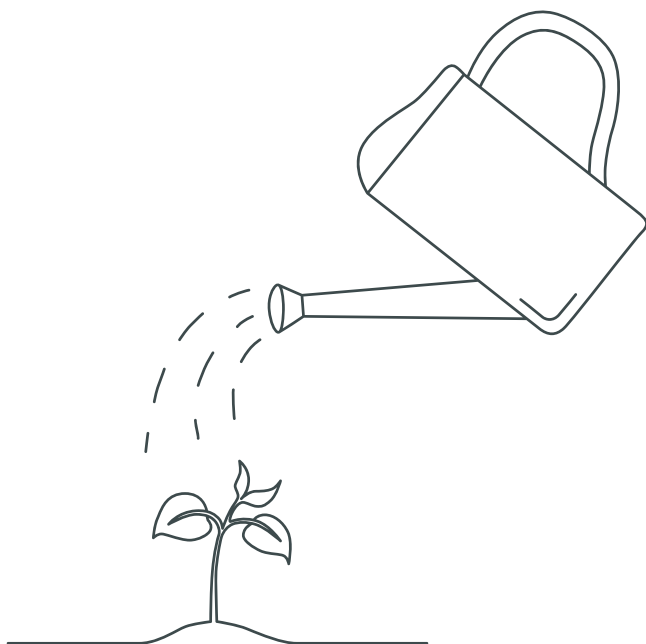
Benefits in kind

The Executive Directors are provided with private healthcare insurance.

Non-Executive Directors' remuneration

The fees of the Non-Executive Directors are agreed by the Board and reviewed by the Committee on an annual basis. The fees are based on current market rates and the level of time commitment required to fulfil their duties.

Our policy is that no element of the remuneration of Non-Executive Directors is performance related. The Non-Executive Directors stand for election annually on the basis that their prior year performance has been assessed as satisfactory by the rigorous appraisal system and commitment to ongoing professional development applicable to them.



Board remuneration 2022

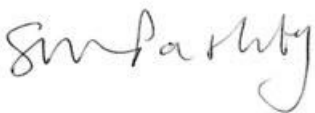
The remuneration of the Executive and other members of the Board is set out in the audited table below.

Name	Basic pay £	Bonus £	Pension supplement £	Other benefits ³ £	Total 2022 £	Total 2021 £
Executives						
A M O'Dea	233,736	62,917	23,202	2,313	322,168	311,352
N Hossain	117,436	35,081	10,055	1,772	164,344	152,208
S Chivers	122,861	36,858	10,565	814	171,098	164,343
C Critchlow	152,712	45,814	14,961	17,221	230,708	201,878
	626,745	180,670	58,783	22,120	888,318	829,781
Non-Executives						
N Wynne-Evans	54,382	-	-	1,337	55,719	44,514
S Pashby	35,583	-	-	1,450	37,033	32,424
C Mills	30,092	-	-	909	31,001	29,392
M Myers	30,092	-	-	2,351	32,443	30,343
N Tinegate¹	15,745	-	-	496	16,241	-
A McKinna¹	15,745	-	-	617	16,362	-
J Hindle²	15,046	-	-	773	15,819	41,601
	196,685	-	-	7,933	204,618	178,274
TOTAL	823,430	180,670	58,783	30,053	1,092,936	1,008,055

1 Appointed on 28 June 2022.

2 Retired on 28 June 2022 and previous Board Chair until 30 June 2021.

3 Executive Directors receive private medical cover. Mr Critchlow and Non-Executive Directors receive expenses for travel to and from the Group's Head Office. These are included under "Other Benefits" and taxed through PAYE.



Simon Pashby

Remuneration & Engagement Committee Chair

24th April 2023

Directors' update

For the year ended 31st December 2022

Corporate Governance

The Society is governed primarily by the Friendly Societies Act 1992 and complies with the Corporate Governance Code set by the Association of Financial Mutuals. The Society is also committed to meeting requirements set by its regulators, the Financial Conduct Authority and Prudential Regulation Authority and which have contributed to improved overall governance standards.

The AFM Corporate Governance Code (The AFM Code)

The Society is a member of the Association of Financial Mutuals (AFM) and has applied the AFM Corporate Governance Code (the Code) for Mutual Insurers over 2022. The Code sets out a set of principles of good corporate governance using an 'apply and explain' approach, focussing on culture within an organisation and employee and stakeholder engagement.

Role of the Senior Independent Director - Simon Pashby

In publicly listed companies, the role of a Senior Independent Director is to act as a voice of the shareholders, ensuring their interests are fully understood by the Board. At Shepherds Friendly, our members are in effect the owners of the Society, and we are committed to placing them at the heart of everything we do. Simon's role as the Senior Independent Director is to ensure that this happens, and also to act as a channel of communication for any member who believes they have an issue or problem which cannot be resolved through the usual channels.

Climate change

The Society recognises its role as a responsible business to consider the implications of climate change on our members, our operations and our community. Like most health and life insurers, the Society may be impacted by the transitional effects of climate change. Physical risks of climate change are not, at this stage, expected to have a material impact on the Society.

Complaints

The Society has in place clearly documented procedures for the handling and recording of complaints, which means that the Compliance Officer will investigate all complaints thoroughly and impartially within a reasonable time. Any member who feels dissatisfied with the result of such an investigation has the right to raise the matter with our Senior Independent Director and can also choose to refer the complaint to the Financial Ombudsman Service.

Pension scheme

The assets of the Society's defined benefit pension scheme are totally separate from the assets of the Society and are invested with independent fund managers. The trustees of the pension scheme include both member nominated and employer nominated trustees. The actuaries of the pension scheme are independent of those of the Society.

Appointment of auditors

BDO LLP were re-appointed as auditors at the 2022 Annual General Meeting. BDO LLP is permitted to serve as auditors for a further eight years, subject to annual approval by members. BDO LLP have expressed their willingness to continue in office. A resolution to re-appoint BDO LLP will be proposed at the Annual General Meeting.

Re-elections to the Board



Nemone Wynn-Evans

Non-Executive Director

Experience:

Over 25 years' executive and non-executive experience in the financial services sector, across wholesale and retail, including as a former Finance Director on the main board of a stock exchange. Her board experience includes corporate governance, financial leadership, corporate finance, corporate communications, investor relations, regulatory liaison, risk and compliance and business development. Nemone is a Fellow of the Chartered Institute of Securities and Investment and holds an MBA from Cranfield School of Management.

External appointments:

External appointments: Board Advisor at SORBUS Partners LLP, a private wealth management office, Non-Executive Director and Chair of the Nominations Committee at Hinckley & Rugby Building Society, Non-Executive Director and Chair of the Audit & Risk Committee at Good Energy Group plc, a renewable energy company, and Non-Executive Director and Chair of the Audit Committee at the Income & Growth Trust VCT plc, a Mobeus Venture Capital Trust investing in small UK companies.



Simon Pashby

Non-Executive Director

Experience:

Simon joined the Board in July 2016 and is a Fellow of the Institute of Chartered Accountants in England and Wales and former audit partner with over 30 years' experience working in financial services. He has experience of advising a wide range of organisations in financial services on risk, regulations and controls. Simon retired from KPMG in 2012.

External appointments:

None.



Cameron Mills

Non-Executive Director

Experience:

Cameron was co-opted on to the Board in January 2019 and his appointment was confirmed by members at the AGM in June 2019. Cameron qualified as a Fellow of the Faculty and Institute of Actuaries in 1988. He has worked in the insurance industry for over 30 years not only in the UK but also in Europe and Asia. Prior to retirement, Cameron was the Chief Actuary for a mutual insurance company and before that he has held roles in risk, compliance, marketing and sales.

External appointments:

None.



Mark Myers

Non-Executive Director

Experience:

Mark joined the Board in June 2019 and has worked in the Financial Services sector for 38 years and has a broad range of experience across banking and insurance, having worked for both public companies and mutual organisations. His recent experience was as CEO of British Friendly, a mutual Income Protection provider and interim CEO of MetFriendly, an affinity based With-Profits mutual which provides savings and investment products to members of the police service.

External appointments:

Committee Member of Huntingdon Racecourse, and Chair of the Finance and Operations Committee for the King's School, Ely.



Alison McKinna

Non-Executive Director

Experience:

Alison has experience in both the public and private sector, and able to operate across multiple industry sectors (utilities, financial services, technology, legal services, healthcare, construction, procurement and charities). Alison is an accomplished strategic delivery and client focused business leader with a successful track record of accelerated business transformation ensuring financial growth, digital innovation, and improved customer experience. Alison was a finalist for Board Director of the Year in the UK Women in IT Awards 2021, recognising her contribution to technology enabled organisations, and support for diversity and inclusion.

External appointments:

Chair at Acivico Group Ltd, former member of the Audit Committee and a previous Chair of the Remuneration Committee, Chair of the Audit Committee for Auriga Services Ltd, Non-Executive Director for BHSF, and Deputy Chair of Governors at a school.



Neil Tinegate

Non-Executive Director

Experience:

Neil has over 25 years executive experience across media, retail, and consumer goods sectors. He held senior and board level digital and commercial roles in a range of corporate structures from global PLCs to private equity backed and AIM listed growth companies. With customer and technology led change as a specialism, he played lead roles in the teams that digitally transformed Argos in the UK and Heineken across Europe.

External appointments:

Trustee on the Board of the Shaw Education Trust and advisor to a range of corporate clients.

Summary of Financial Results

31st December 2022

This financial statement is a summary of information in the audited Annual Accounts and the Report of the Board of Management. You can find the full version on our website: shepherdsfriendly.co.uk/about/reports-and-accounts/

Summary consolidated financial information for the year ended 31st December 2022

Income and expenditure for the year ended 31st December 2022	2022 £'000	2021 £'000
Earned premiums, net of reinsurance	33,295	30,247
Investment income (incl. realised profit/losses)	301	(1,589)
Unrealised losses/gains on investments	(1,064)	11,832
Other technical income	62	153
Total technical income	32,593	40,643
Claims incurred, net of reinsurance	15,901	14,387
Changes in technical provisions, net of reinsurance	4,554	16,457
Net operating expenses	15,053	12,038
Other technical charges	44	130
Tax on other technical net income	(7)	-0
Total technical expenditure	35,544	43,012
Deficit of income over expenditure	(2,951)	(2,369)
Transfer from fund for future appropriations	2,951	2,369
Balance on technical account - long-term business	-	-
Statement of other comprehensive income		
Items that will not be classified to profit & loss		
Actuarial gain(loss) on pension scheme	613	430
Transfer from/(to) fund for future appropriations	(613)	(430)
Total comprehensive income for the year	-	-

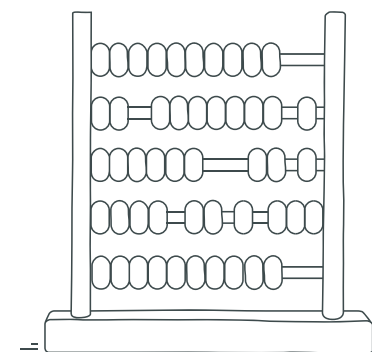
Approved by the Board on 24th April 2023. N Wynn-Evans - Board Chair, A M O'Dea - CEO

Summary consolidated balance sheet as at 31st December 2022

Assets	2022 £'000	2021 £'000
Investments	113,350	111,050
Debtors	3,543	402
Other assets, including cash	6,320	3,180
Prepayments and accrued income	382	346
Long-term business provision for protection business	49,211	48,378
Reinsurers' share of technical provisions	11,003	15,165
Net pension asset	312	-0
Total assets	185,121	178,521

Liabilities	2022 £'000	2021 £'000
Fund for Future Appropriations	16,449	18,787
Technical provisions	165,786	156,776
Creditors arising from direct insurance operations	321	133
Creditors arising out of reinsurance operations	18	-0
Other creditors including tax and social security	1,154	1,104
Accruals and deferred income	1,393	1,351
Net pension liability	-0	370
Total liabilities	185,121	178,521

Approved by the Board on 24th April 2023. N Wynn-Evans - Board Chair, A M O'Dea - CEO





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Shepherds Friendly is a trading name of the Shepherds Friendly Society Limited which is an incorporated Friendly Society under the Friendly Societies Act. Registered No 240F. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, Financial Services Register No 109997. The Head office and Registered office of The Shepherds Friendly Society is based in the United Kingdom.