

# Shepherds Friendly Society 198th Annual General Meeting

## Tuesday 9th July 2024 - 4pm

### Attendees from Shepherds Friendly's Board of Management

Nemone Wynn-Evans (Board Chair)  
Ann-Marie O'Dea  
Sam Chivers  
Christopher Critchlow  
Simon Pashby  
Cameron Mills  
Mark Myers  
Alison McKinna (via Microsoft Teams)  
Neil Tinegate  
Libbi Martin (Company Secretary)

### The meeting was quorate.

The Chairman, Nemone Wynn-Evans, opened the meeting by welcoming members to Shepherds Friendly's Head Office and those who joined online.

Before the main business of the meeting, Nemone welcomed guest speaker, John Martin from Investors in People, who shared how they support organisations like Shepherds Friendly to get the best from their people and culture. Nemone announced that Shepherds Friendly had been awarded the Platinum Accreditation in 2023 for the second time – a testament to our people strategy in creating a working environment committed to developing and supporting its people.

Thanking the guest speaker, Nemone then turned to the formal business of the meeting and addressed the room, and those who had joined online, with a review of 2023. Nemone described the previous year as challenging due to increased inflation and interest rates, which required many to adjust to the higher cost of living over a longer period. Nemone explained that in response to the financial challenges of 2023, Shepherds Friendly continued to support its members through product innovation and digital communications. With improvements taking place throughout 2023, Nemone shared that the number of policies held by Shepherds Friendly members had increased by 5%. Even though 2023 had proven to be a volatile year for investments, Shepherds Friendly continued to grow the value of its investment assets over the year and paid an increased annual bonus for the 21st consecutive year.

Nemone provided an update on the implementation of Consumer Duty, a key regulatory change which was delivered throughout 2023. It was reported that many processes had been adapted to align with the duty and that the Society was working towards extending the requirements into 2024.

The final remarks from the review detailed the Society's vision for the future and how the principles of offering simple, accessible products through a customer-centred approach are stronger than ever. Nemone acknowledged that challenges still lay ahead as the direction of inflation and interest rates are still uncertain, but the Society is committed to delivering value for its members.

A personal thanks was provided for Nasrin Hossain who stepped down as an Executive Director in April 2023.

Nemone moved on to the Resolutions.

## Resolution 1

To receive the Annual Accounts for the financial year ended 31st December 2023, the Report of the Board of Management and the Auditors' Report.

**Proposed by – Christopher Critchlow**

**Seconded by – Simon Pashby**

Votes received were as follows:

	For	Against
Members votes received	1,110	16
Votes withheld	15	

Resolution 1 was declared carried.

## Resolution 2

To receive the 2023 Remuneration Report.

**Proposed by – Alison McKinna**

**Seconded by – Ann-Marie O'Dea**

Votes received were as follows:

	For	Against
Members votes received	1,074	40
Votes withheld	27	

Resolution 2 was declared carried.

## Resolution 3

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

**Proposed by – Sam Chivers**

**Seconded by – Mark Myers**

Votes received were as follows:

	For	Against
Members votes received	1,052	50
Votes withheld	39	

Resolution 3 was declared carried.

## Resolution 4

That 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 – Cameron Mills**

**Seconded by – Neil Tinagate**

Votes received were as follows:

	For	Against
Members votes received	1,033	62
Votes withheld	46	

Resolution 4 was declared carried.

## Resolution 5

That Simon Pashby 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 Simon and were therefore happy for him to stand for re-election.

**Proposed by – Ann-Marie O’Dea**

**Seconded by – Christopher Critchlow**

Votes received were as follows:

	For	Against
Members votes received	1,016	72
Votes withheld	53	

Resolution 5 was declared carried.

## Resolution 6

To re-elect 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 – Sam Chivers**

**Seconded by – Mark Myers**

Votes received were as follows:

	For	Against
Members votes received	1,023	64
Votes withheld	54	

Resolution 6 was declared carried.

## Resolution 7

To re- elect 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 – Simon Pashby**

**Seconded by – Cameron Mills**

Votes received were as follows:

	For	Against
Members votes received	1,020	71
Votes withheld	50	

Resolution 7 was declared carried.

## Resolution 8

To re-elect Alison McKinna as a Non-Executive Director of the Society.

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

**Proposed by – Neil Tinegate**

**Seconded by – Cameron Mills**

Votes received were as follows:

	For	Against
Members votes received	1,032	60
Votes withheld	49	

Resolution 8 was declared carried.

## Resolution 9

To re-elect Neil Tinegate as a Non-Executive Director of the Society.

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

**Proposed by – Alison McKinna**

**Seconded by – Simon Pashby**

Votes received were as follows:

	For	Against
Members votes received	1,016	72
Votes withheld	53	

Resolution 9 was declared carried.

## Members Questions

The following questions were received from member, Mr MacDonald.

**Q. Are directors pension supplements/contributions at the same rate as ordinary colleagues employed by the society? E.G: Do directors get the same defined pension contribution (%) as regular entry level colleagues employed by the society, as I note when looking at a % level between directors these vary significantly.**

A. All employees including Directors receive the same employers' pension contribution with the exception of the Society's CEO.

**Q. Does the society recognise a trade union or staff association for ordinary colleagues employed by the society?**

A. Whilst the Society does not recognise a trade union or staff association, we are fully committed to ensuring that our people are appropriately rewarded and recognised and have development opportunities to further their careers or learn new skills during their employment with us. The well-being of our employees is also very important to us and we have several initiatives to support their well-being. The Society runs regular surveys as well as face-to-face meetings with our people to obtain their feedback on various aspects of their employment. The Society's commitment to investing in its people has been recognised with a formal accreditation by Investors in People – we have been awarded Platinum status, the highest level of accreditation.

**Q. Are there any cost efficiency programs planned to control the significant increase YoY in 'Net operating expenses'. What KPIs does the society use to measure its operational cost efficiency versus other mutuals and peers?**

A. Over 2023, the Society has increased its number of policies by 5%. The combination of this growth in new business volumes, and also strategic investment into the business to support the growth over the next few years, has led to an increase in operating expenses over 2023.

Part of the strategic investment into the business in 2023, and over the next few years, is aimed at improving cost efficiencies by automating and digitising our processes in the Society. For example, we've recently launched the Shepherds Friendly mobile app, which will make member transactions and communications more efficient and effective.

The Board closely monitors the balance between growth and costs incurred by the Society. This is measured in the Society's projection of own funds and solvency ratio, which the Board benchmarks against the industry. As a significant component of the Society's operating expense is the cost of acquiring new business, the Society also monitors the acquisition rate per policy internally and checks that this is not out of line with the industry.

**Q. What is the society doing to attract younger members that may be less familiar with the concept of mutuals and used to digital apps only as the way to save, insure and invest?**

A. We are very aware of the changing needs of the consumer, including intergenerational differences in how our members interact with their products and services. To ensure that we can continue to meet members' needs effectively, we have been and are working hard to create strong technological foundations upon which to build our products and services of the future. This has included recently developing and launching our first mobile app, now available to members holding an ISA or Junior ISA with us, and we will be adding all other products to this in due course.

We have also launched two new digital communications channels in the last 12 months, enabling members to interact with us via live chat or through our online webform. Finally, we are working on a large, multi-year project to modernise our infrastructure, which will provide the means for us to further digitise and streamline processes across all of our products, ensuring that we can offer members who wish to self-serve or communicate with us digitally a first-class experience. This will, of course, supplement our personal and human approach to service and support.

## Conclusion

With no further questions raised, Nemone Wynn-Evans confirmed that concluded the main business of the day.

Following a vote of thanks to the Board Chair, the meeting was declared closed.



**The Shepherds Friendly Society Limited Registered Office:**

Haw Bank House, High Street, Cheadle, Cheshire SK8 1AL.

**Tel:** 0800 526 249

**Email:** [info@shepherdsfriendly.co.uk](mailto:info@shepherdsfriendly.co.uk)

**Web:** [www.shepherdsfriendly.co.uk](http://www.shepherdsfriendly.co.uk)

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