

MINUTES OF THE ONE HUNDRED AND THIRTY EIGHTH ANNUAL GENERAL MEETING OF THE SOCIETY

HELD ON 24 JUNE 2025

The Meeting was hosted by Mrs Caroline Whitehead, the Society Chair, from the Society's office at Holloway House, Epsom Square, Trowbridge, BA14 0XG.

1. INTRODUCTION

The Annual General Meeting commenced at 10:05am. The Chair, Mrs Caroline Whitehead, welcomed those attending the meeting.

The Chair also introduced the Board and explained that they were present to answer any questions from those attending.

The Chair noted that the following documents were available if attendees wished to view them:

- Board of Management Terms of Reference.
- Staffing, Salaries & Nominations Committee Terms of Reference.
- Audit, Risk & Compliance Committee Terms of Reference.
- Senior Independent Director Terms of Reference.

The Chair also introduced the Chief Executive, Jon Gratland.

She also confirmed that:

- votes had been already cast ahead of the meeting by members, both online and by post.
- members, as an alternative to voting themselves, could choose to appoint the Chair as Proxy to vote as she saw fit at today's meeting.
- after each motion she would declare the total votes for the motion and added that the proxies the Chair held on behalf of members would be cast in favour of each of the motions.
- there were no null and void votes.

Finally, the Chair asked the room if anybody had already voted. No members had done so.

2. APOLOGIES

The Chief Executive confirmed that apologies were received from Mr David Bones, the Society Vice-Chair.

3. MOTION 1 - TO APPROVE THE MINUTES OF THE ANNUAL GENERAL MEETING HELD ON 25 JUNE 2024

The Chair asked the meeting if they had had chance to read the Minutes of the previous Annual General Meeting, held on 25 June 2024.

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Chair Signature	Date

The Chair declared a summary of the votes cast in respect of the approval of Minutes of the Annual General Meeting held on 25 June 2024 as follows, and confirmed the Chair discretionary proxy votes would be cast in favour of the motion:

	Proxy to Chair discretion - Online & Postal	Proxy to Chair instruction – Online & Postal	Cast at the Meeting	Total
- For	6	63	7	76
- Against	0	0	0	0
- Withheld	0	0	0	0
- Null and Void	0			

The Chair declared the resolution was duly carried.

The Chair asked if there were any matters arising. There were none.

The Chair declared the minutes were confirmed as a true copy and that she would now sign the minutes as such.

4. MOTION 2 – TO RECEIVE THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

The Chair introduced the Financial Statements and explained that they were for information only, no vote was required.

She added that Mr Dyer, Mr Gould and Mr Gratland would be presenting on specific elements of the Financial Statements.

Chair's Report - Introduction:

Key Messages

- The Society had seen the continued impact of external factors on the business over the last year, just as other firms had. Our planning, implementation management and controls had seen us cope with those challenges.
- We had continued to abide by Consumer Duty regulations which were now part of our everyday business activities and controls. That was to the benefit of the service to our members.
- We remained committed to our members and to be 'Your Specialist Income Protection Provider' that paid claims and bonuses.
- We had succeeded in doing just that in 2024, with 99.25% of claims paid.
- And we had paid bonuses at the same rate as last year for the most part.
- Our growth strategy supported these goals whilst ensuring that we remained true to our mutual "Values" of which we were proud.
- We had a strong financial base to work from.

So, looking back to 2024, the year of the Financial Statements.

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Sales & Performance

- A stable performance overall – premium income was a little lower and we had managed to control our expenses.
- Our sales strategy remained fully focused on the intermediary market. Intermediaries are well placed to access our target Group Employer market, increasingly more important to our sales strategy.
- It was important we delivered the benefits our Holloway members expect. Knowing their claims would be paid was one thing, getting a member bonus is another and Apportionment and Bonus rates had mainly been held at 2024 rates. We reduced the Apportionment slightly and held Bonus for all members.
- Our investment portfolio performance was an important contributor to our income and performance. Our underlying investments delivered a positive total return in 2024 driven by strong returns from the equity portion of the portfolio. In a broader evaluation of our asset portfolio, the Board took the decision in 2024 to sell Holloway House and remain as tenants. This transaction was completed in April 2025 and had directed valuable funds into our investment portfolio, as well as releasing the burden of maintaining a large office building and managing tenants.
- A good indicator of our financial strength was our Free Asset Ratio. It had improved again to 14.8% in 2024 and was a strong result.

Our Board & Governance

- We had a strong set of skills on our Board and their commitment to the business ensured that we addressed challenges as they arose and acted swiftly to make decisions that were in the interests of our members.
- We had had one change to the Board this year. Imogen Astley Marsh left us to pursue a new full time career. Chris Gould took over as our Senior Independent Board Member. We had taken the decision to operate with a Board of five Non Executive Directors and the Chief Executive for the remainder of this year.
- We focused on ensuring that we took advantage of all that new technology could deliver to make the Society run as efficiently as possible, using social media to raise our profile and utilising cloud storage for our data to name just two initiatives.
- We remained committed to Consumer Duty. One of the key developments benefitting existing members was the monitoring of key stages in the member journey, with corresponding Service Level Agreements being monitored and reported at operational and Board level to develop service improvements. Members were also asked to complete questionnaires so the Society can assess service delivery.

Mrs Whitehead asked if there any questions. There were none.

Mrs Whitehead introduced Mr Dyer.

Mr Dyer gave a short presentation about the Key Performance Indicators (KPIs) within the Financial Statements, noting:

Key Performance Indicators (KPIs) – Pages 17 and 18

- Total premium income was down slightly on the previous year though was again stable.
- Controlling expenses had been a key focus. Total Expenses increased by 5.5%, though core operating expenses only increased by 1.2% which the Board was satisfied with in the context of the ongoing economic challenges.
- Caroline explained earlier that paying claims was our main reason for being. Our benefit claims ratio remained fairly constant over the last couple of years.
- The Free Asset Ratio, our financial strength measure, improved again to 14.8%. This was within the target range and at a level we would expect for our business.

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Mr Dyer also noted:

Investments

- 2024 had been a challenging year for the UK economy as a whole, though there had been a recovery with inflation reducing towards its target. The Society’s investment portfolio had risen to those challenges, maintaining the income return and making realised gains in 2024.
- The assets value at the end of 2024 was £12.5m, reducing on 2023 as the value of our investment portfolio decreased due to capital withdrawals to fund expected member exits.
- A key income contribution to the portfolio came from the Society’s investment properties. Property rental income was down as, in 2024, two suites at Holloway House remained vacant. During the year, the Board took the decision to sell this building and this was completed in April 2025. The Board believed the benefits of having the funds in the investment portfolio outweighed the costs of managing the building and finding tenants. For a business of the Society’s size, it needed to use resources to focus on the core business. The Society remained as a tenant in its current suite in Holloway House.
- Market Street was let for the full year under the existing lease which had now come to an end and was being re-negotiated.
- The Society included an Economic, Social & Governance (ESG) assessment into its portfolio management. The ESG assessment was not at the expense of the main portfolio objective, which remained to achieve a balance of maximising income whilst pursuing prudent investment strategies and ensuring protection of the Society’s capital.
- The Society had maintained an investment strategy which balanced risk with potential return, investing over the longer term, and its portfolio was strategically positioned and managed to minimise the effects of market fluctuation and to take advantage of opportunities as they arose.

Auditors Report

- The opinion was that the Statements represented a true and fair view of the Society’s affairs. The Statements had been properly prepared in respect to accounting practice and in accordance with the Friendly Society’s Act 1992.

Mr Dyer asked for questions. There were none.

Mr Dyer introduced Mr Gould who gave a short presentation about the Society Board as explained within the Financial Statements.

Mrs Gould introduced himself before he explained about the Society Board, referencing pages 19 to 26 in the Financial Statements.

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The Society's Board structure

- Mr Gould referred to the fact that we had just the one change to the Board this year as Imogen left us at the end of May this year.
- We had reduced the number of Non Executive Board members to five after Imogen Astley Marsh left, having acknowledged that the Committee structure had reduced. This still provided a suitable mix of new Board members and more experienced ones, with a range of skills and experience.

Board independence

- Board independence was defined by the AFM's Corporate Governance Code.
- At the end of 2024, 83% of the Board were independent.
- This was important from a governance perspective as we sought to maintain strong and appropriate governance, with fresh challenges and ideas.
- Whilst not expecting any further changes this year, the Board maintained a clear succession plan to monitor and anticipate required changes in the future.

Board skills and experience

- Each Board member brought different skills, experience and perspective to the Board operation and we reviewed the skills required for the Board annually.
- The Board were actively engaged in driving the Strategy forward through the Chief Executive and Management Team.

Board Committee development

- The Board delegated functions to its Committees. There were 5 committees in 2024 as the Consumer Duty Committee closed at the end of 2023 with its Consumer Duty responsibilities now picked up by the Governance Committee.
- The Committee Terms of Reference continued to be reviewed and updated as required, with the Committee memberships being restructured to take account of the experiences of the existing and new Board members.

Mr Gould asked for questions, there were none.

Mr Gould introduced the Chief Executive, Mr Gratland, who gave a short presentation about the Society's Strategy contained within the Financial Statements.

He explained the Society Strategy. It was referred to in pages 14 to 17 in the Financial Statements.

Strategic Focus

- We continued to focus on remaining independent, protecting the core Holloway membership base and looking for opportunities within the market place to grow the number of members and premium income.
- The rolling Strategic Plan, reviewed annually, was our focus and the way we assessed and implemented that strategy.
- The Society provides Income Protection only - and would continue to focus on that one product type.
- We promoted the Society to the outside world as a 'Specialist Income Protection Provider.' That allowed us to demonstrate where we were different in the market – though our unique products and our personalised service, something which was not always found amongst the other providers.

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‘Growth’ is from our Strategic Focus

- To be successful in this changing financial world the Society must: Focus on what it knows / Play to its specialism / Spread the word through targeted marketing.
- Whilst we appreciated that our Holloway membership would decline, as members get older and no longer needed the product or retired, we could focus on our other products to find the required growth.
- Our sales strategy therefore focused on specialist income protection plans and that changed from Holloway was taking time to show in new business, though there had been positive signs in 2024 – our Group quotation pipeline was stronger than it had ever been, meaning we were working in the right markets with the right products.
- The retention of existing business within our key target market of Group remained excellent. This was important to provide a strong financial base to grow from.
- Our website explained our products and distribution.
- Products – we were focussing more and more on the growing our business through the ‘Group’ product market i.e. income protection for employers to insure their employees. We knew we had product terms that differentiated us to the other providers e.g. no one else, currently, offered the 4 week deferred period under that product.
- Distribution - the intermediary market was how we would get our products sold – that’s the Independent Financial Adviser and Financial Adviser firms, there were many and they had many clients so we needed them to see the value in our products. Service was also important to those advisers and we could offer that personal service, a named contact at each stage of the sales process, something the other product providers couldn’t always match us on. Business written through adviser distribution channels had increased by 10% in 2024 to 78%.
- Our job was therefore to make the intermediaries and employers aware of what we do differently, that’s through social media.
- We still acquired Holloway plans through a partner intermediary who specialised in the Farrier market, though we did not sell Holloway plans direct to market as we were a product provider only.
- The Society also offered an ‘Information Only’ option for members, giving them a simple and effective way to discuss any required membership variations. Members were presented with options and clear information, so that they could then make an informed decision on whether to vary their membership.

Ongoing review

- The Board focussed on close control and monitoring of the success of the Strategic Plan initiatives and costs, together with associated impact on Society capital.
- We were very aware that the Society needed to be viable in the long term, as well as the short term, and we therefore had mechanisms in place through our forecasting and reporting to ensure that was monitored and acted on as required.

In summary the Society aimed to maintain financial strength and develop and grow. We focussed on delivering the benefits our members expected through their plans and by adding value to the Society that would benefit Society members in the future.

Mr Gratland asked for questions. There were none.

Mr Gratland handed back to the Chair, Mrs Whitehead.

Mrs Whitehead gave a short Chair’s Summary.

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Looking to the Future

- Our strategy for growth remained unchanged.
- We had seen new opportunities start to be realised from our refocussed sales strategy.
- We continued to develop a capable team in our staff and Board.
- We have a strong financial base to take us forward.
- There was a strong governance focus to ensure regulatory compliance and safe stewardship of the Society on behalf of our members.
- We are focussed on looking after the members we have and acquiring new members to help the Society grow.

The Chair confirmed that the Financial Statements had been available on the website since 4 June 2025. She then declared the meeting open for discussion of the Financial Statements.

The Chair asked for questions, there were none.

The Chair confirmed that this motion carried no vote and that the Financial Statements had been received and adopted and the resolution duly carried.

5. MOTION 3 – TO APPROVE THE BOARD REMUNERATION REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

The Chair referred to the Board Remuneration Report and informed the meeting that the Board of Management Remuneration Report was an advisory vote only.

Whilst this was not a legal requirement, the Board considered it to be best practice for members to be able to express a view on this matter.

The Chair declared the following votes in relation to this motion and confirmed the Chair discretionary proxy votes would be cast in favour of the motion:-

	Proxy to Chair discretion - Online & Postal	Proxy to Chair instruction – Online & Postal	Cast at the Meeting	Total
- For	6	62	7	75
- Against	0	1	0	1
- Withheld	0	0	0	0
- Null and Void	0			

The Chair declared the resolution was duly carried.

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6. MOTION 4 – TO ELECT, OR RE-ELECT, MEMBERS OF THE BOARD OF MANAGEMENT AS LISTED BELOW

The Chair declared the following votes in relation to this motion. She announced that both Mr Bones and Mr Gould were offered for re-election. A summary of the votes cast was as follows:

D C Bones

- For
- Against
- Withheld
- Null

Proxy to Chair discretion - Online & Postal	Proxy to Chair instruction – Online & Postal	Cast at the Meeting	Total
6	63	7	76
0	0	0	0
0	0	0	0

C Gould

- For
- Against
- Withheld
- Null

Proxy to Chair discretion - Online & Postal	Proxy to Chair instruction – Online & Postal	Cast at the Meeting	Total
6	62	7	75
0	0	0	0
0	1	0	1

The Chair declared that the two members of the Board were re-elected, and the resolution duly carried.

7. MOTION 5 – TO RE-APPOINT SUMER AUDITCO LIMITED (FORMERLY MOORE) AS AUDITOR

The Chair declared the following votes in relation to this motion:-

- For
- Against
- Withheld
- Null and Void

Proxy to Chair discretion - Online & Postal	Proxy to Chair instruction – Online & Postal	Cast at the Meeting	Total
6	61	7	74
0	2	0	2
0	0	0	0
0			

The Chair declared the resolution was duly carried.

8. MOTION 6 – TO RE-ELECT THE ARBITRATORS TO SERVE FOR THE COMING YEAR

The Chair declared the following votes in relation to this motion:-

Mike Stillwell

- For
- Against
- Withheld
- Null

Proxy to Chair discretion - Online & Postal	Proxy to Chair instruction – Online & Postal	Cast at the Meeting	Total
6	62	7	75
0	0	0	0
0	1	0	1
0			

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John Pepler

- For
- Against
- Withheld
- Null

Proxy to Chair discretion - Online & Postal	Proxy to Chair instruction – Online & Postal	Cast at the Meeting	Total
6	62	7	75
0	1	0	1
0	0	0	0
0			

Colin Cheshire

- For
- Against
- Withheld
- Null

Proxy to Chair discretion - Online & Postal	Proxy to Chair instruction – Online & Postal	Cast at the Meeting	Total
6	63	7	76
0	0	0	0
0	0	0	0
0			

The Chair declared that all of the arbitrators were duly re-elected and the resolution duly carried.

9. MOTION 7 – TO APPROVE THE PARTIAL ALTERATION OF RULES REGISTERED TO TAKE EFFECT FROM 31 DECEMBER 2024 FOLLOWING A RESOLUTION OF THE BOARD UNDER RULE 40.2 (SUCH PARTIAL ALTERATION BEING TO SCHEDULES 1, 3 AND 3A TO THE RULES AS SHOWN ON THE SOCIETY'S WEBSITE).

The Chief Executive explained:

- Under the previous Schedules to the Rules, a Holloway membership would automatically lose the balance of the full Cash Sum when their membership was lapsed due to arrears. The total Cash Sum balance, regardless whether this was higher than the outstanding arrears, would be transferred to the reserves.
- Under the partial amendment, if, at the date the membership is due to lapse there is a balance payable after taking account of any outstanding arrears, then instead the membership will be closed under a different process. This means that the balance due can now be paid to the member.
- The Society will hold the funds due on account for up to three years whilst the Society seeks to arrange payment.
- If the funds cannot be paid after three years, the amount due will be transferred to the Society's reserves.
- This enhancement is seen as a positive step in terms of fairness to members.

The Chair declared the following votes in relation to this motion:-

- For
- Against
- Withheld
- Null and Void

Proxy to Chair discretion - Online & Postal	Proxy to Chair instruction – Online & Postal	Cast at the Meeting	Total
6	61	7	74
0	2	0	2
0	0	0	0
0			

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10. ANY OTHER BUSINESS & CLOSURE OF MEETING

The Chair explained that under Rule 21.4 of the Society's existing Rules there were no other items to discuss which had been raised by the Board of Management or by the members.

She informed the meeting that the resolutions of the 2025 AGM had now been concluded.

The Chair stressed that the Society continued to maintain a very loyal team of hard-working employees and thanked each one for their commitment and enthusiasm over the last year and also this year for keeping the Society running smoothly.

The Chair also thanked the Chief Executive and her fellow Board members for their expertise and commitment to the governance and the onward development of the Society.

Lastly, on behalf of the Board, the Chair thanked the members for their continued support and that she looked forward to supporting members again in the coming year.

The meeting was declared closed at 10:41am.

Jon Gratland
Chief Executive
24 June 2025

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Chair Signature	Date