

**Minutes of the 134th Cirencester Friendly Society Annual General Meeting  
held at Mutuality House, The Mallards, South Cerney, Cirencester GL7 5TQ.  
on Thursday 13 June 2024 commencing at 5pm**

**Present:** Ms J W Banks (Chair)  
 Mr A J Morris (Chief Executive Officer)  
 Mr D Evans (Chief Financial Officer)  
 Ms S E Fell (Chief Operating Officer)  
 Mr A S Lucas (Senior Independent Director)  
 Mr I M Maude (Non-Executive Director)  
 Mr A Payton (Non-Executive Director)  
 Mr M C Sedgley (Non-Executive Director)  
 Ms Karen Purnell (Company Secretary)  
 Ms S Matthews Harrington (Personal Assistant to Chief Executive Officer)  
 Mr M Watson (PKF LLP, External Audit Partner)

In total, there were 52 Members in attendance (including Members serving on the Board of Management). The quorum was noted as 20 in accordance with the provisions of Rule 21(1)(b).

1.	<p><b>MEETING OPENED</b></p> <p>The Chair opened the meeting and extended a warm welcome to those present at the 134<sup>th</sup> Cirencester Friendly Society Annual General Meeting.</p>
2.	<p><b>CHAIR'S REPORT</b></p> <p>The Chair presented her first report as Chair of the Society, the highlights of which included the following;</p> <p>The Chair thanked all Members present for placing their confidence and trust with the Society, for taking out a policy, for continuing to be a member of the Society and for showing support by attending the AGM.</p> <p>2023 was a more successful year than 2022, and the Society's employees worked hard throughout the year to achieve such a positive outcome.</p> <ul style="list-style-type: none"> <li>• 2023 started with a now familiar backdrop.</li> <li>• the lasting effects of Covid 19, particularly impacted our health service;</li> <li>• the conflicts in Ukraine and the Middle East;</li> <li>• shortages of food, oil and other resources; resulted in higher inflation and the cost-of-living crisis.</li> </ul> <p>These factors impacted us all; members, employees, and the business.</p> <p>During 2023, the Society's membership decreased slightly, while the amount paid out in claims increased and the Society paid out over 95% of claims received.</p> <p>Cirencester Friendly is proud to be a mutual society, as this allows a long-term view of the business, our strategy, and the benefits we can offer to members. It is important to use our mutual status to smooth out the highs and lows of short-term performance, and to reward members and employees on a consistent and reliable basis.</p>

	<p>The Chair confirmed that the Society has increased total membership bonuses, including bonus interest rates for depositors, to £2.7m.</p> <p>Towards the end of the 2023 there was a sense of optimism as the markets anticipated a reduction in inflation and interest rates. This benefited our investment portfolio, and we ended the year in surplus.</p> <p>The Society's regulator, the Prudential Regulation Authority, implemented the new Solvency UK regime, which resulted in a positive change to the valuation of our investment contracts. This new legislation, a measure of a firm's financial strength, replaced the previous EU Solvency II legislation and continues to show that the Society's financial resilience and solvency remain strong.</p> <p>Throughout 2023, we were meticulous in our control of the Society's costs, which resulted in a surplus against budget. Taken together, these have enabled us to generate a surplus to members of £4.1m.</p> <p>The Chair reported Cirencester Friendly has been developing a Society for the future and;</p> <ul style="list-style-type: none"> <li>• Invested in better systems to make Cirencester Friendly easier to operate with.</li> <li>• Developed a new Distribution Strategy</li> <li>• Launched new products, which are already proving successful.</li> </ul> <p>The Society has been recognised within the industry by the following awards;</p> <ul style="list-style-type: none"> <li>• Best Protection Service in the Moneyfacts Investment, Life and Pension Awards</li> <li>• Best Financial Protection Provider in the What Mortgage awards</li> </ul> <p>Cirencester Friendly has invested in extensive training and support to employees and this has been recognised by the prestigious award;</p> <ul style="list-style-type: none"> <li>• Investors in People Gold Accreditation, reflecting that our exemplary service culture extends to our employees.</li> </ul> <p>The Chair congratulated two employees for their individual award achievements;</p> <ul style="list-style-type: none"> <li>• Lynne Richards for Editor's Choice in the Cover Customer Care Awards</li> <li>• Sophie Chapman for Unsung Hero in the Women in Protection Awards</li> </ul> <p>Since the last AGM and following 20 years of service, the Society saw the retirement of the former Head of Claims, Jo Hadland. The Chair wished Jo a happy retirement.</p> <p>Since the last AGM there have also been several changes at Board level;</p> <ul style="list-style-type: none"> <li>• Following 10 years on the Board, the Chair acknowledged the retirement of the former Chair, John Quinn, and welcomed Vicky Churcher and Kate McIntyre as Non-Executive Directors, who bring a wealth of industry and technical expertise.</li> <li>• The Chair congratulated Karen Purnell on her appointment as Company Secretary to the Board.</li> <li>• After serving 9 years on the Board, the Chair confirmed the 2024 AGM marked the retirement of two Non-Executive Directors, Ian Maude and Mark Sedgely. Mark and Ian brought sound advice and constructive challenge to the Board and have been super colleagues. The Chair thank them both for their time on the Board and wished them well for the future.</li> </ul> <p>The Chair concluded her report by congratulating the Society's employees for their continuous commitment and hard work in delivering an improved performance during 2023 and for helping to shape the Society's future to be better and stronger. The Chair confirmed</p>
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	<p>it is the people who make Cirencester Friendly special and commended everyone for their dedication.</p> <p>The Chair invited the Chief Executive Officer to present his report.</p>
3.	<p><b>CHIEF EXECUTIVE OFFICER'S REPORT</b></p> <p>The Chief Executive Officer thanked the Chair for her report on the positive endorsement of the Society's progress.</p> <p>The Chief Executive Officer opened to report a substantial surplus for 2023 in his first full year as CEO, a testament to hard-working colleagues and trusted advisers despite challenging macroeconomic and geopolitical headwinds. Primarily, this provides security and stability to be able to meet our Members needs for the long term, cementing a financially robust and resilient base to take the Society into the future.</p> <p>The Chief Executive Officer delivered his Statement and Report on Results.</p> <p>A 2030 Vision has been set for the Society to enable growth and diversification of the business, building on our success, and ensuring that the Society has a positive strategy to take us forward.</p> <p>It was reported that the Society has already achieved two key targets within this strategy;</p> <ol style="list-style-type: none"> <li>1. The Society always aims to deliver high standards of service as a key part of what sets the Society apart, evidenced by the many prestigious industry awards, more recently with the Society being awarded the Institute of Customer Service ServiceMark with Distinction, an accolade only achieved by the top 6% of businesses in the UK.</li> <li>2. Another key delivery has been the Gold accreditation by the prestigious Investors in People in 2023.</li> </ol> <p>As a mutual Society, we strive to be there when our Members need us the most, when they need to make a claim and are proud of the Society's strong record on the payment of claims.</p> <ul style="list-style-type: none"> <li>• The Chief Executive reported another high level of claims paid at 95.8%, the thirteenth year in a row that we have achieved at least 95%.</li> </ul> <p>The Society adopts a long-term approach to business to support our owners, our members, as we have done for the last 134 years and reported on the financial resilience of the business during another challenging year for the Society:</p> <ul style="list-style-type: none"> <li>• Assets have increased by £3.7m</li> <li>• £4.1m transferred into the Fund for Future Appropriations due to our surplus</li> <li>• The key Solvency Ratio of the Society increased to 227%</li> </ul> <p>2023 has been an important year for advancing the strategy of the Society. In June, the Society launched the eagerly anticipated Short-Term Benefit product, which has more than doubled our addressable market and ensures our income protection proposition stays relevant in the market.</p> <p>The Society continues to invest in our technology infrastructure with our partners at iPipeline, to ensure we provide our advisers and Members with more flexible and efficient features and processes.</p>

	<p>The evolution of our marketing and brand strategy has made great progress during 2023 through the enhancement of our website and brand logo, achieved primarily through the excellent efforts of our internal talent.</p> <p>The Society continuously aims to build trust in partnership with our advisers, who provide exemplary service to Members alongside ourselves. The quality of our distribution network has been enhanced in 2023, with new strategic alliances formed, as we prioritise investing in our distribution capability. This demonstrates the valuable return the Society is now getting for the multi-year investment strategy to modernise all aspects of our income protection offering.</p> <p>The Society continues to support Members;</p> <ul style="list-style-type: none"> <li>Members bonuses remain held at 2021 pre-pandemic levels: <ul style="list-style-type: none"> <li>Health &amp; Wealth Dividend £1.56</li> <li>Income Assured products £10.80</li> <li>Retired member interest rate 2.0%</li> </ul> </li> </ul> <p>Member benefits continue to be a focus for the Society, as we strive to deliver the best value proposition for our Members. The demand for our services such as GP24, which provides telephone access to a medical general practitioner, has never been higher; it is a similar story with our mental and physical wellbeing offering through Friendly Voice and Your Halo.</p> <ul style="list-style-type: none"> <li>125 Foundation continues to support our Members in need with individual and community awards, with 52 Members supported and over £50k in donations.</li> <li>In 2023 the community charity was Scoo-B-Doo, who support Neonatal Care at Gloucestershire Royal Hospital. The total raised was almost £3,500 and this was matched by the Society, increasing the final amount raised to almost £7,000.</li> <li>The Society's chosen charity for 2024 is Lucy's Bowl, which raises money in the local area for Guide Dogs for the Blind.</li> <li>Each vote made at the 2024 AGM gives £2 to Lucy's Bowl.</li> </ul> <p>Referencing climate change, the Chief Executive Officer confirmed the Society works with investment advisers to ensure that our portfolio prioritises companies that score well on all aspects of environmental, social and governance measures. Elsewhere, the Society is a member of a carbon offset scheme to plant trees to the equivalent of our total carbon footprint, our energy supply comes from renewables where feasible and we are looking at how best to reduce our waste and increase the proportion that is recycled, together with supporting local environmental initiatives.</p> <p>With reference to regulation &amp; industry, the Chief Executive Officer confirmed the Society welcomes regulatory initiatives to help deliver better outcomes for consumers encapsulated in the Consumer Duty requirements. There is a natural fit for this approach with mutuals, where doing the right thing for our Members is core to the values of Cirencester Friendly. The Society has collaborated hard with its professional advisers to ensure we not only met the requirements of this regulation but build the spirit of the approach into the culture of the organisation, helping to promote the benefits to our Members as a result.</p> <p>The Society's productive interaction with the regulators has further enhanced recently, where the Society is contributing to the Law Commission Review of the legislation affecting our sector, to make it more up to date and are part of a panel, that is looking at how the PRA can help with the new growth priority that has been set by government for the Bank of England.</p>
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	<p>Alongside developing the Society's strategy, we have worked closely with our trade body the Association of Financial Mutuals where the Chief Executive is Vice-Chair of the Board. In collaboration with other mutual and co-operative organisations across the UK, the AFM launched the Mutuals Prospectus, advocating the benefits of our alternative Member-owned business model. We are an integral but often over-looked contributor to financial services in the UK and the Prospectus is an opportunity to influence the political agenda for the upcoming General Election, to give a louder voice and greater representation to organisations such as Cirencester Friendly, who have Members interests at the heart of everything we do, collectively delivering reliable value for millions day in, day out.</p> <p>The Society has an ongoing programme of developing people and 2023 saw the implementation of our leadership and management programmes, which has enabled internal talent to thrive in this environment and we saw eleven internal promotions in 2023, including Karen Purnell joining our Executive Committee as Company Secretary and Director of Finance and Michelle West-Wiggins joining as Director of Customer Experience. Both of whom have loyally served the Society for two decades between them.</p> <p>Following on from The Chair covering the Board changes in her report, the Chief Executive extended his welcome to Vicky Churcher and Kate McIntyre and his gratitude for the years of hard work to Ian Maude and Mark Sedgley.</p> <p>The Chief Executive Officer concluded by extending his heartfelt thanks to each and every employee for their continued support, hard work and infectious enthusiasm during 2023.</p> <p>The Chief Executive Officer invited the Chief Financial Officer to present his report.</p>
4.	<p><b>CHIEF FINANCIAL OFFICER'S REPORT</b></p> <p>The Chief Financial Officer thanked the Chair and CEO for their reports and delivered a detailed report on the Society's financial results.</p> <p>The Chief Financial Officer opened to report, that despite a challenging economic environment and his first complete year as Chief Financial Officer, 2023 was a significant year for the Society with a strong financial performance,</p> <p>If 2022 was characterised by rapidly increasing inflation and geo-political uncertainty; 2023 brought high interest rates and continued pressure on the cost-of-living. The year began with Inflation (CPI) remaining extremely high at over 10% (10.1%), this reduced over the year, (4.0%) as we welcomed the unwinding of global supply shocks, in energy and food prices. At the start of 2023 interest rates were at 3.5% and in August 2023 raised to 5.25%, where they remain today. This rise added pressure to the cost-of-living.</p> <p>As a friendly society, we understand the impact these challenges have, both on our Members and on the financial stability of the business and take a balanced perspective to ensure that the Society operates to meet our Members needs, both now and long term.</p> <p>The Chief Financial Office reported a substantial surplus for the year, enabling the Society to transfer over £4m (£4.1m) into our reserves, (2022: transfer out of the fund of £15.8m).</p> <p>Performance in both equity and fixed income markets during the year has been positive and helped the Society to achieve a trading surplus of £1.1m. A Regulatory change by the PRA, added a further gain of £3.0m, which boosted the Society's capital surplus and accurately reflected the lower risk of our balance sheet. At the end of 2023, the Society had a level of solvency which covered the minimum regulatory requirement, by over nine times.</p>

	<p>Our capital surplus, over the regulatory requirement, has increased to over £64m (£64.3m) (2022: £59.4m), providing a significant buffer in our reserves. This resulted, in the key Solvency Ratio of the Society increasing to 227% (2022: 215%) a strong position to be in, which provides long term financial security and stability for Members.</p> <p>The Society continues to be efficiently managed and administration expenses have remained flat year-over-year (£7.5m) indicating that the Society continues to spend our Members money wisely.</p> <p>As a friendly society, we strive to be there when our Members need us the most, when they need to make a claim, or, when they need to use the variety of value-added benefits provided.</p> <p>The CFO congratulated the Society for achieving an impressive performance for Members.</p>
5.	<p><b>COMPANY SECRETARY</b></p> <p>The Chair advised the meeting that all members of the Board of Management, including the Chairs of sub-committees, Andrew Payton, Chair of Audit and Risk and Andy Lucas, Chair of People and Remuneration, were present and available to answer questions on the Annual Report and Accounts.</p> <p>The Company Secretary informed the meeting that Society General Rule 18(6) prescribed what business should be transacted at the Annual General Meeting, namely:</p> <ol style="list-style-type: none"> <li>1. Report and Accounts</li> <li>2. The Auditors' Report</li> <li>3. The election and re-election of Board Members</li> <li>4. The re-appointment of the Auditors</li> <li>5. Business brought before the meeting by the Board of Directors</li> <li>6. Notice of resolutions under Rule 21</li> </ol>
6.	<p><b>APOLOGIES FOR ABSENCE</b></p> <p>Apologies for absence had been received from Christine Fox, a constant supporter of the Society. No other apologies received.</p>
7.	<p><b>NOTICE OF ANNUAL GENERAL MEETING</b></p> <p>The notice of the Annual General Meeting was taken as read. The Chair referred to the proxy voting form, which had been distributed with the Member News leaflet.</p> <p>The Chair reported that after each resolution had been put and voted upon by a show of hands in the room, the results of the postal votes/electronic votes would be announced. The Chair reminded Members that they could not vote at the meeting if they had already voted online, as their vote had already been counted. It was noted that votes withheld did not count in law and would not be counted in the calculation of the proportion of votes for and against the resolutions.</p>
8.	<p><b>MINUTES OF AGM HELD ON 15 JUNE 2023</b></p> <p>The Minutes of the Annual General Meeting held on 15 June 2023 were presented for approval. The Chair acknowledged the Minutes as a true and accurate record, which were proposed by Ms S Fell and seconded by Ms S Chapman and <b>AGREED</b> by all present. There were no matters arising.</p>

9.	<p><b>ANNUAL REPORT AND ACCOUNTS</b></p> <p><b>Auditor's Report</b></p> <p>The Chair advised that Mr Martin Watson of PFK Littlejohn LLP (External Auditor) was in attendance. The Chairman proposed that the Auditors' Report for the Year Ended 31 December 2023 be taken as read. There were no objections. The Chair invited questions on the Annual Report and Accounts. None arose.</p> <p><b>Chairman's Statement, Strategic Review, Report of the Board of Management, the Financial Statements for 2023 and the Independent Auditor's Report</b></p> <p>The adoption of the Chairman's Statement, Strategic Review, Report of the Board of Management, the Financial Statements for 2023 and the Independent Auditor's Report for 2023 was proposed by Mr A Waddington, seconded by Mr W Jackson and unanimously <b>AGREED</b>.</p> <p>The result of the proxy vote was announced:</p> <p style="text-align: center;">420 in favour, 2 against and 4 withheld</p>
10.	<p><b>THE BOARD OF MANAGEMENT'S REMUNERATION REPORT</b></p> <p>The Chairman noted that the Chair of the People &amp; Remuneration Committee, Mr Andy Lucas, was present to answer any questions on the Remuneration Report. The Chair then invited questions on the Remuneration Report for the year ended 31 December 2023. No questions arose.</p> <p>The Remuneration Report was proposed by Mr D Smith and seconded by Ms S Seymour and unanimously <b>AGREED</b> by all present.</p> <p>The result of the proxy vote was announced:</p> <p style="text-align: center;">407 in favour, 9 against and 10 withheld</p>
11.	<p><b>RE-ELECTION OF MEMBERS OF THE BOARD OF MANAGEMENT</b></p> <p>Ms J W Banks, Ms K S McIntyre, Ms V Churcher were standing for election and re-election to the Board of Management.</p> <p>The Chair announced that the election and re-election of Board members followed formal performance evaluation, and it had been deemed that their performance continued to be effective and that they had demonstrated commitment to their role. The Board supported the re-election of these individuals because they brought the correct mix of business skills and experience to their respective roles and the Society. The Chair invited questions on the re-election of members of the Board of Management. None arose.</p> <p>The Chair handed over to the Company Secretary to propose The Chair for re-election.</p> <p><b>Re-election of Ms J W Banks as a Member of the Board</b></p> <p>The Company Secretary put the resolution for the re-election of Ms J W Banks to the meeting and asked for a proposer and a seconder. The resolution was proposed by Ms M West-Wiggins and seconded by Ms C Hume and unanimously <b>AGREED</b>.</p> <p>The result of the proxy vote was announced:</p>

	<p>409 in favour, 5 against and 12 withheld</p> <p>The Company Secretary handed over to the Chair.</p> <p><b>Election of Ms V Churcher as a Member of the Board</b></p> <p>The Chair put the resolution for the election of Ms V Churcher to the meeting and asked for a proposer and a seconder. The resolution was proposed by Mr A Waddington and seconded by Ms G Best and unanimously <b>AGREED</b>.</p> <p>The result of the proxy vote was announced:</p> <p>407 in favour, 6 against and 13 withheld</p> <p><b>Re-election of Ms K S McIntyre as a Member of the Board</b></p> <p>The Chair put the resolution for the re-election of Ms K S McIntyre to the meeting and asked for a proposer and a seconder. The resolution was proposed by Ms K Purnell and seconded by Ms S Fell and unanimously <b>AGREED</b>.</p> <p>The result of the proxy vote was announced:</p> <p>406 in favour, 8 against and 12 withheld</p>
12.	<p><b>TO APPOINT PKF LLP AS AUDITORS</b></p> <p>The Chair advised that the Chair of the Audit &amp; Risk Committee, Mr Andrew Payton was present to answer any questions on the appointment of the Auditors.</p> <p>The Chair put the resolution for the re-appointment of PKF LLP as Auditors. The Chair asked for a proposer and a seconder. The resolution was proposed by Mr D Evans and seconded by Ms S Chapman and unanimously <b>AGREED</b>.</p> <p>The result of the proxy vote was announced:</p> <p>412 in favour, 3 against and 11 withheld</p>
13.	<p><b>PROPOSED ALTERATIONS TO THE RULES</b></p> <p>The Chair advised rule changes were proposed following an in-depth review of the Society's current products, as part of the Consumer Duty obligations, whilst also considering what is in the best interest of our members.</p> <p>The Chair noted that the Society's Senior Independent Director and Consumer Duty Champion, Mr. Andy Lucas, was present to answer any questions. None arose.</p> <p>The Chair invited the approval of the rule changes as approved by the FCA in 2023. The alterations to the rules were proposed by Mr A Waddington and seconded by Ms J Wilkie and unanimously <b>AGREED</b> by all present.</p> <p>The result of the proxy vote was announced:</p> <p>409 in favour, 7 against and 10 withheld</p>



14.	<p><b>ANY OTHER BUSINESS</b></p> <p>The Chair invited questions deemed relevant to the business of the Society. No questions arose.</p> <p>The Chief Executive Officer presented the Member testimonial film.</p>
15.	<p><b>CLOSE</b></p> <p>The Chair thanked everyone for attending and there being no further business, the meeting closed at 5.45pm.</p>