



# Annual General Meeting 2020

**Thursday 30 April 2020**

**#EcologyAGM**

# Welcome

Steve Round, Chair



# Agenda

- Welcome
- 2019 highlights and 2020 Priorities
- Accounts Report and Auditors
- Remuneration Report
- Election and re-election of Directors
- Ask the Directors
- Voting results
- Any other business

# 2019 Highlights

- 13% increase in lending - 308 sustainable properties and projects
- Savings accounts available for new members
- Second successive year of record profits to boost future growth needs
- Award winning: Finance for the Future, MFG and Yorkshire Financial Awards
- Extending influence in sustainable finance

# 2020 priorities

*Against uncertain backdrop of impact of coronavirus*

- Continued investment in operational resilience capability
- Continue to grow sustainable lending
- Support the community-led housing sector
- Enhance digital and online capability
- Provide great service for members
- Continue to influence and pioneer policy changes to support low carbon finance solutions

# Accounts Report 31 December 2019

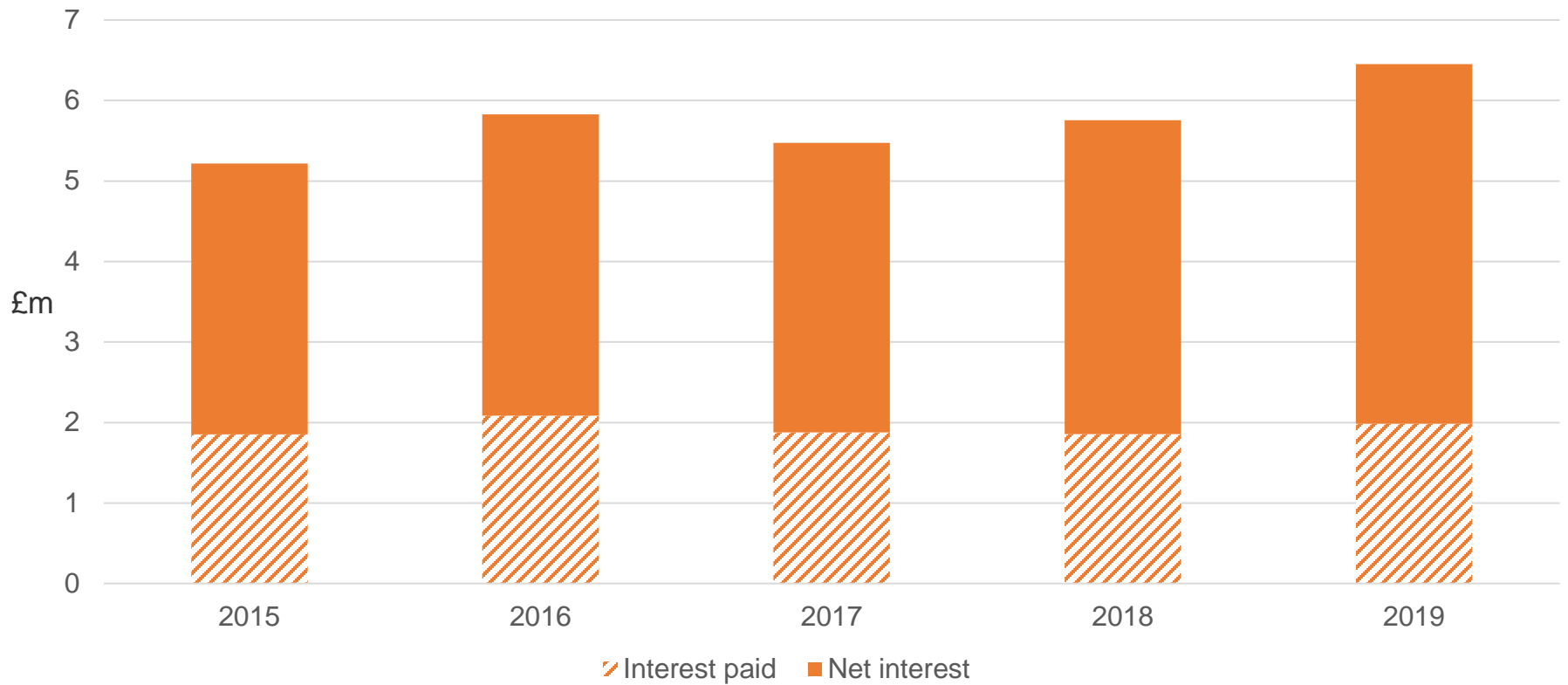


Tim Morgan  
Non-Executive Director

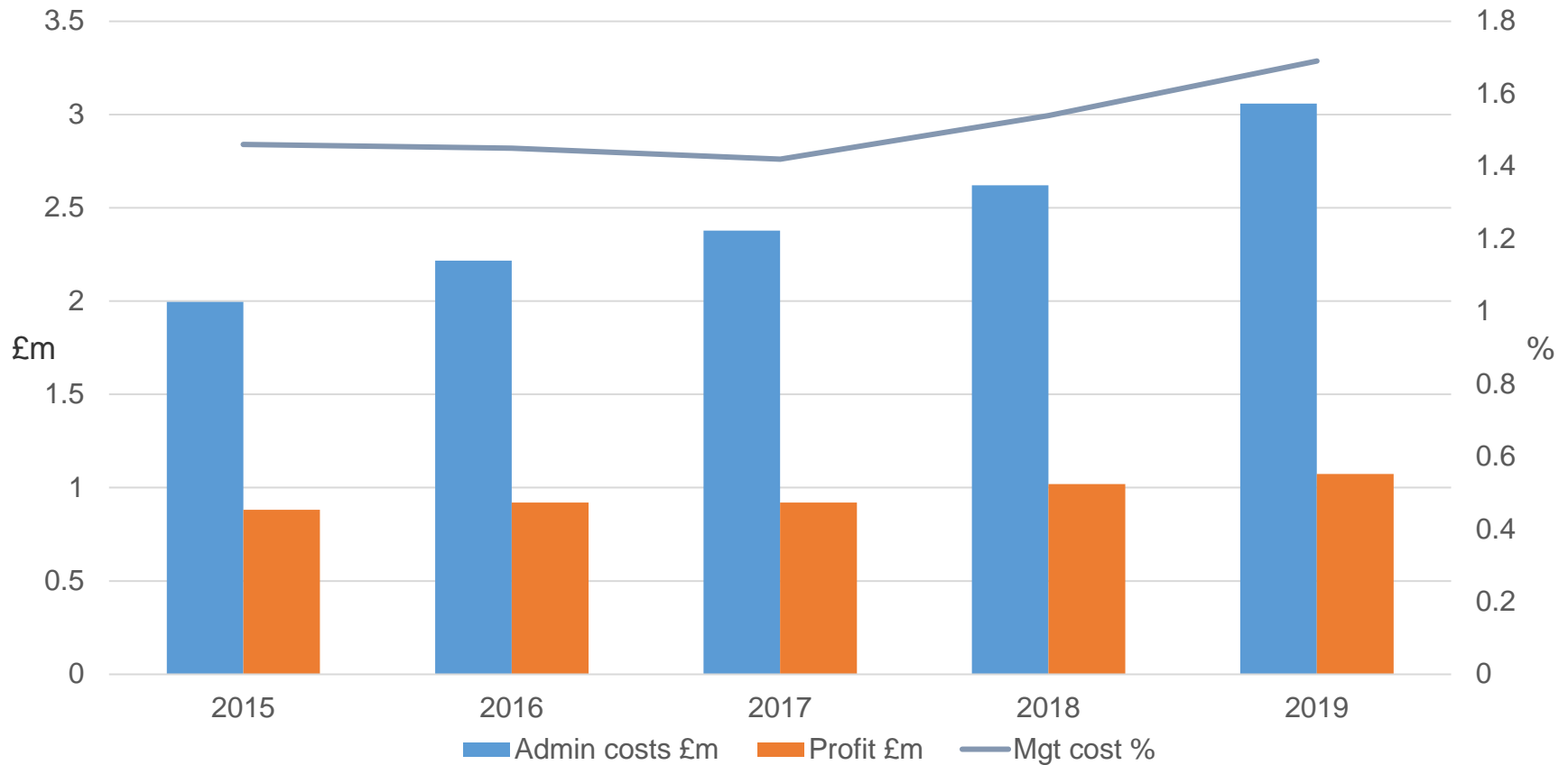


Amanda Chambers  
Finance Director

# Interest earned and paid

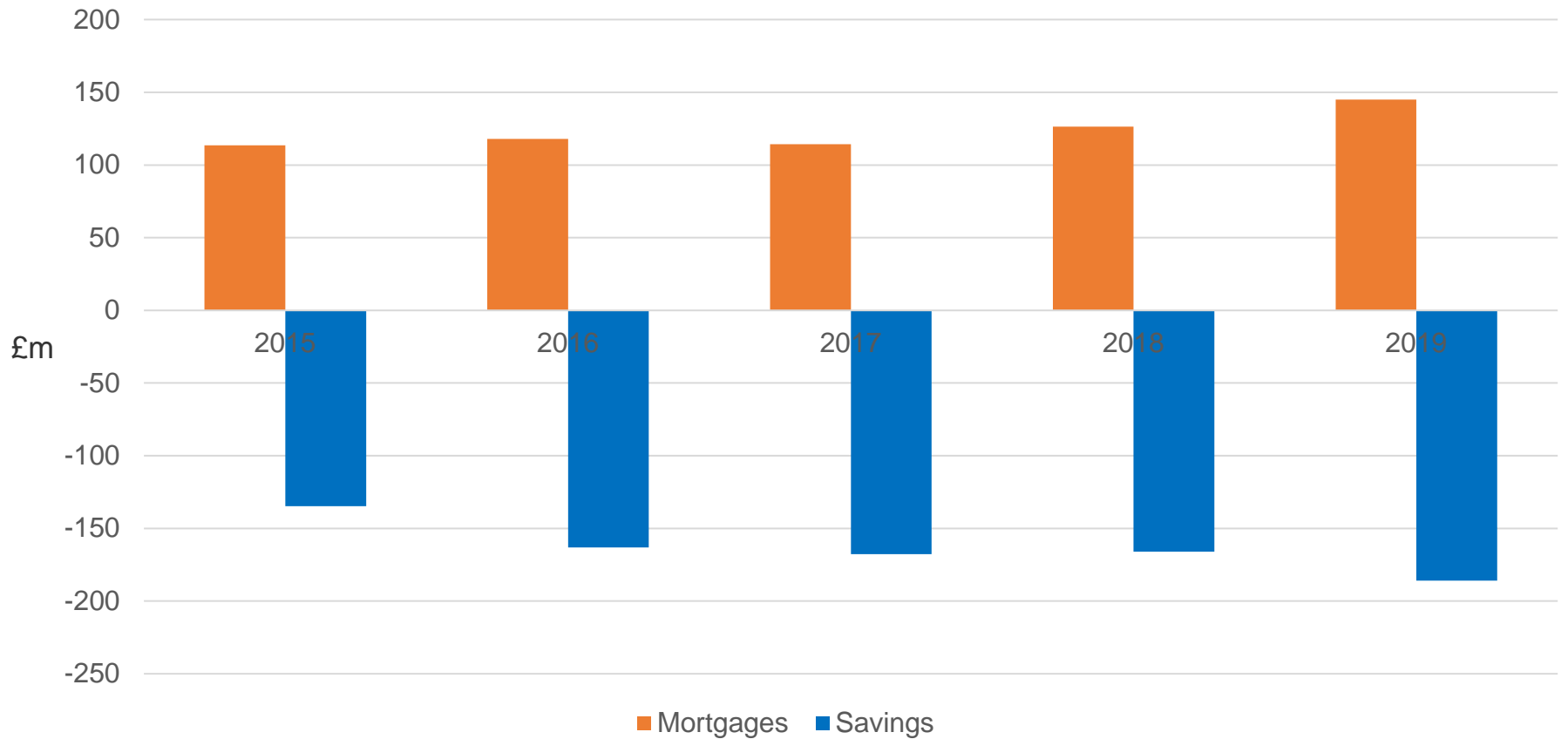


# Administration cost and management expense %

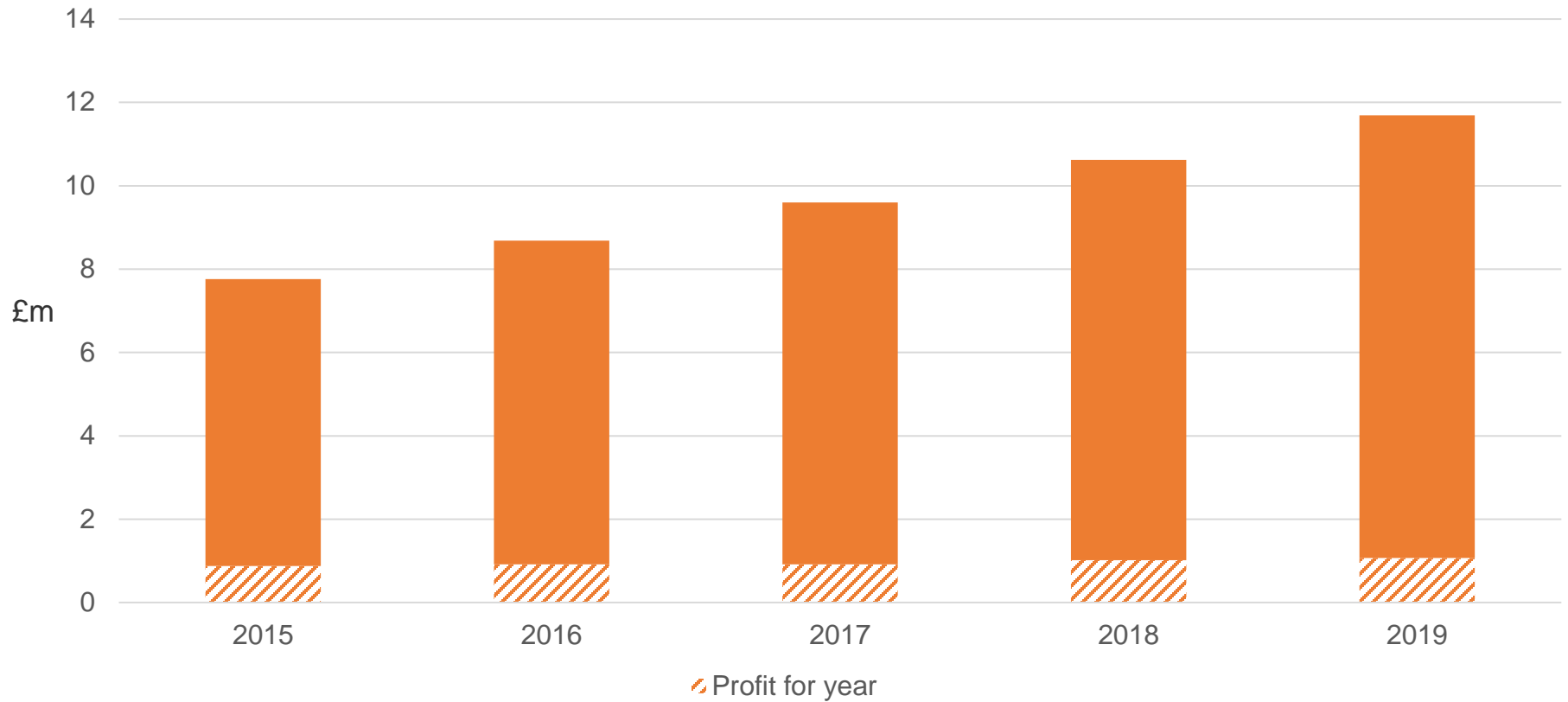




# Mortgage assets and savings



# Reserves and profit



# Auditors

- We ask our members to authorise the reappointment (or selection of a new) auditor each year, at the AGM
- The Audit Committee leads on recommending the auditor
- The rules on compulsory retirement from an audit position meant KPMG would have to stand down after 2020 audit (latest)
- We decided to review early so that we had plenty of time

# Auditors - continued

- In 2019 we looked at eligible firms who had expressed a desire to participate. In doing this we took account of members' views that it would be good to work with a firm outside the "Big Four" if possible
- A few medium sized firms are now coming into the market and we are recommending one of those, BDO, as our new auditor from this year.
- They are building an expertise in these types of audit (at selection BDO had seven Building Society clients). They showed real interest in our work and the ethos of the Society

# Vote

## Resolution 1:

To receive the Annual Report and Accounts for the year ended 31 December 2019

## Resolution 2:

To appoint BDO LLP as auditors

# Remuneration Report

**Andrew Gold**  
Chair of Remuneration  
Committee (RemCom)



# Remuneration Report

- Continuous commitment to fair pay
- Pay ratio 6.14 with 8:1 highest to lowest pay limit maintained
- Executive Directors do not have variable pay
- Policy continues to be mindful of gender pay
- Accredited living wage employer status retained



# Vote

## Resolution 3

To approve the Directors' Remuneration Report for the year ended 31 December 2019



# Election/Re-election of Directors



Paul Ellis  
Chief Executive



Amanda Chambers  
Finance Director

# Election of Amanda Chambers



Amanda Chambers  
Finance Director

## Resolution 4.1

Amanda joined the Society in November 2019 as a member of the Executive team and has succeeded Pam Waring as Finance Director with effect from 28 February 2020. She is a Chartered Management Accountant with 20 years of financial services experience having held senior roles in both mutual and PLC businesses.

Amanda is looking forward to playing a key role in the future success and development of the Society as it responds to the climate and ecological crisis whilst continuing to meet the needs of its members.

As a keen hiker Amanda is embracing life in the Yorkshire Dales, while her passion for music sees her performing in amateur community musical theatre shows and playing the piano.

# Election of Kerry Mashford

## Resolution 4.2

Kerry is a mechanical engineer by background and Fellow of the Institution of Mechanical Engineers, Institution of Civil Engineers and Institution of Engineering and Technology. She was Chief Executive of the National Energy Foundation for over five years, previously working across manufacturing, construction, innovation, sustainability and building performance, and receiving an OBE in 2017.

Kerry is a private sector board member and Energy Champion for the South East Midlands Local Enterprise Partnership, and an active member of built environment think tank, The Edge. With her husband she built one of the Future World homes in Milton Keynes where their family lived for 14 years and has since self-built two further sustainable homes, including her current home in Buckinghamshire.



**Kerry Mashford**  
Non-Executive Director

# Re-election of Tim Morgan



Tim Morgan  
Non-Executive Director

## Resolution 4.3

Tim is a Chartered Accountant and Secretary who has worked in the social impact sector for the last 25 years. His main role is as Finance Director and Secretary of fair trade lender Shared Interest, a financial mutual with a social purpose based in Newcastle upon Tyne.

Tim has worked with a number of leading fair trade organisations such as Traidcraft and Cafedirect, which support small-scale farmers, producers and workers to get a better deal from trade. He was also a director in the NHS for nine years, until March 2016.

Tim's wife is originally from Malaysia and they have two early-teenage daughters – food and travel are high on the list of hobbies!

# Re-election of Chris Newman

## Resolution 4.4

Chris brings expert knowledge in working out how best to improve homes from an energy and CO2 perspective through his work as a director of Parity Projects. His work covers setting retrofit investment strategies for large housing providers down to individual private homes. He came to the field of sustainable building via his concerns over climate change, energy resources and fuel poverty.

Chris has a young family who live in his recently eco-renovated home in south east London. Before his career change due to a bit of an epiphany, Chris worked as a consultant at one of the large accountancy firms and then in internal audit and compliance for an investment bank.



Chris Newman  
Non-Executive Director

# Election of Louise Pryor



Louise Pryor  
Non-Executive Director

## Resolution 4.5

Louise is a climate change actuary and risk specialist with thirty years of experience in actuarial consulting, software development and academia, having worked with a variety of clients in the public and private sectors.

She has worked on emerging risks, risks to cities, and how insurers can support resilience to climate risks and recently has been focusing on climate-related financial disclosures. Louise is a Fellow of the Institute and Faculty of Actuaries, a Fellow of the Institute of Environmental Management and Assessment, and Chair of the London Climate Change Partnership.

Louise is a keen hill walker (in spite of living in Cambridge), an avid park-runner, and enjoys researching early medieval landscape history

# Ask the Directors



Amanda Chambers



Louise Pryor



Tim Morgan



Andrew Gold



Chris Newman



Kerry Mashford



Vince Smith



Paul Ellis



Steve Round

# Ask the Directors

What risks does the Coronavirus outbreak pose to the survival of the Society and what actions is the Society taking to mitigate those risks?

In what way will the experience of Covid-19 help shape future investment policies?



# Ask the Directors

The management expenses ratio was 1.69 in the latest year.

In the past it has been lower, for example, 1.21 in 2010 and 1.19 in 2009. Please could the board comment on this increase and what they are doing to control the Society's costs?

# Ask the Directors

Can the board explain more fully the basis for the 8% or so rise in the remuneration of Non-Executive Directors and the larger increase in the remuneration of the Executive Directors.

Does the Chief Exec monitor the working hours of its employees, and the Chair monitor those of the Directors and Non-Executive Directors?

# Ask the Directors

Can the Board provide members with a fuller explanation of the interest rate reductions applied to savings accounts?

# Voting results

## Resolution

1. To receive the annual report and accounts for the year ended 31 December 2019
2. To appoint BDO LLP as auditors
3. To approve the Directors' Remuneration Report for the year ended 31 December 2019
- 4.1 To elect AMANDA LOUISE CHAMBERS
- 4.2 To elect KERRY JEAN MASHFORD
- 4.3 To re-elect TIMOTHY DAVID MORGAN
- 4.4 To re-elect CHRISTOPHER JON NEWMAN
- 4.5 To elect LOUISE MARGARET PRYOR

# Any other business

To extend thanks on behalf of the Society's Board and members, to the two retiring Directors, Pam Waring and Alison Vipond

# Closing comments



Paul Ellis  
Chief Executive