

At the Annual General Meeting of  
THE EQUITABLE LIFE ASSURANCE SOCIETY  
held on Thursday, 31 May 2018 at 11.00 a.m.

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The following persons were present:

Ian Brimecome	(Chairman)	(in the Chair)
Keith Nicholson	(Deputy Chairman)	
Penny Avis		
Daniel Finkelstein		
Ian Gibson		
Cathryn Riley		
Simon Small		
Chris Wiscarson		

There were 66 members entitled to vote present in person. The Chairman and Chris Wiscarson had also been appointed by members to vote on their behalf at the meeting.

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The Chairman, Ian Brimecome, opened the meeting and welcomed those attending. He introduced his fellow Directors.

The Chairman outlined the agenda for the meeting. He said he and the Chief Executive would give their assessment of the Society. General questions would then be taken on the 2017 Report and Accounts.

Presentations to the meeting were then given by the Chairman and by the Chief Executive, Chris Wiscarson.

The Chairman referred to his commitment at the 2017 AGM that the Society would leave no stone unturned in finding a better way to get capital back to with-profits policyholders as fairly and as soon as possible. He said the Society is advanced in plans which we believe would not only secure the 35% capital distribution currently payable when with profits policy benefits are taken, but we believed would increase the 35%.

The Chairman commented that Board expects to make a formal announcement later in June.

The Chairman turned to the Society's performance in 2017. He said the Equitable enjoyed another good year. The Chairman commended the management and staff for what they have achieved over many years. He said the hardworking, loyal, and empathetic team in our Aylesbury office have a great desire to do well by policyholders.

The Chairman remarked that the economic and political climate remains uncertain. He referred to the new developments in Italian politics, and the flight to UK gilts, interest rates having again fallen sharply as a result. The Chairman commented that is what the Society likes least as it puts so much pressure on capital distribution. The new strategy will be key to solving that.

The Chairman concluded by saying that a clear way ahead for the Society is within our grasp. If all goes as Board wishes, it will later next month announce proposals to get capital back into with-profits policyholders' hands as fairly and as soon as possible.

The Chief Executive commented on Board and management's focus on doing things over the years that increase the value of with-profits policies, and sometimes materially so.

The Chief Executive referred to 2010, a period where the Equitable was heavily engaged with Government on compensation. He paid particular tribute to the work of the Equitable Members Action Group.

The Chief Executive remarked that in 2011, having made the important steps to reduce equity, property, and operational risk, the balance sheet was improving, and it could be seen that there might be capital to distribute. Board took the historic step of announcing capital distribution of 12.5%. Overnight, two thirds of with-profits policyholders had a policy value bigger than their guarantee. In many cases, not by much, but bigger nonetheless.

When Simon Small joined the Board in July 2012, he pointed out three things to be addressed: the £0.5bn Equitable staff pension scheme; the £2bn unit-linked book reassured with Lloyds Bank; and the £1bn annuity book.

The recapture of the unit-linked business was a result of Simon persuading Lloyds that the proposal aligned with their simplification programme.

Another major initiative was moving the hosting of the IT systems from Lloyds to Atos, which gave us greater control of our costs, and the timing of when changes would be implemented. Systems migrations are among the hardest things to do. But with Simon leading the implementation, and intense staff training, the transfer was a complete success; not one thing went wrong.

Significantly addressing these risks allowed Board to increase capital distribution to 35%. As a result, over 95 of every 100 individual policyholders had a value greater than their guarantee.

The Chief Executive reiterated that while he is not able to talk about the future until later in June, he is able to talk about our credentials for dealing with the future to get with-profits policyholders' capital back into their hands as fairly and as soon as possible.

He thanked the Society's policyholders for their loyalty and for the confidence they have shown in Board and management these last nine years.

Following the presentations, the Chairman invited Members' questions.

Nine members made reference to the following principal topics:

- the likely level of capital distribution for policyholders associated with the Society's strategic plans
- whether the Board's strategic proposals would be subject to a policyholder vote
- whether there has been any impact on unit-linked investment performance following the merger of Aberdeen Standard Investments
- Executive Director remuneration and retention payments
- the Society's approach to Gender Diversity
- Board's confidence in regard to the strategic options being investigated

Responses were provided by the Chairman, the Chief Executive, the Chair of the Remuneration Committee, and the Finance Director.

The Chairman moved on to the formal business. He asked that the Notice of the meeting and the Auditors' Report be taken as read. This was agreed.

The Chairman then turned to voting on the resolutions to be put to the meeting which were as set out on the poll card which members eligible to vote or their proxies had been given on entering the meeting. The Chairman proposed that all the resolutions should be dealt with on a show of hands.

The Chairman moved that the report of the Directors and the statement of accounts for the year ended 31 December 2017 together with the report of the auditors thereon be received and adopted. This resolution was passed overwhelmingly on a show of hands. The proxy votes received were displayed and the Chairman noted that the result of the show of hands was consistent with the proxy votes received.

The Chairman proposed that PricewaterhouseCoopers LLP be reappointed as auditors of the Society until the conclusion of the next General Meeting at which accounts are laid before the Society at a remuneration to be determined by the Board. This resolution was passed overwhelmingly on a show of hands. The proxy votes received were displayed and the Chairman noted that the result of the show of hands was consistent with the proxy votes received.

The Chairman proposed that the Directors' remuneration report be approved. This resolution was passed overwhelmingly on a show of hands. The proxy votes received were displayed and the Chairman noted that the result of the show of hands was consistent with the proxy votes received.

The Chairman proposed that the revised maximum limit for Directors' aggregate fees be approved. This resolution was passed overwhelmingly on a show of hands. The proxy votes received were displayed and the Chairman noted that the result of the show of hands was consistent with the proxy votes received.

Resolutions relating to the election of Directors in place of those retiring at the meeting were then put to the meeting. The Chairman remarked that, as had been the practice in recent years, all the Society's Directors were submitting themselves for re-election at the current meeting. The meeting voted on a resolution in respect of each of the Directors retiring and seeking re-election at the meeting, these being: Penny Avis, Ian Brimecome, Daniel Finkelstein, Ian Gibson, Keith Nicholson, Cathryn Riley, Simon Small and Chris Wiscarson. The Deputy Chairman, Keith Nicholson, took the chair for the part of the meeting during which the re-election of the Chairman, Ian Brimecome, was proposed and voted on. In each case, the result of the show of hands was overwhelmingly in favour of the re-election of the Director in question. After each show of hands, the proxy votes received were displayed and it was noted that the result of the show of hands was consistent with the proxy votes received. The Chairman noted that each of the Directors standing for re-election had been re-elected as a Director of the Society.

The final resolution related to proposed amendments to the Society's Articles of Association. The Chairman remarked that, in order to provide flexibility as to the timing of the Annual General Meeting, it was proposed to remove the requirement for it to be held in April or May each year and, instead, to specify that it should be held before the end of September each year. The Chairman commented that details of the proposed amendments had been enclosed with the Notice of the Meeting and a copy had been available before and during the meeting.

The Chairman proposed, as a special resolution, that the amendments to the Articles of Association contained in the document submitted to this meeting and, for the purpose of identification signed by the Chairman, be hereby approved and adopted. This resolution was passed overwhelmingly on a show of hands with a majority of clearly more than 75% voting in favour. The proxy votes were displayed and the Chairman noted that the result of the show of hands was consistent with the proxy votes received.

The Chairman thanked the members for their attendance and declared the AGM closed at 12.10 p.m.