

**Monmouthshire Building Society AGM 2021**  
**List of Members Questions**

- 1. I hold a joint mortgage with my husband. Is there a reason why all emails are addressed solely to my husband?**

It is the Society's practice that all correspondence are addressed to the lead name on the account even when that member holds a joint account.

- 2. Having been a loyal member for numerous years, surely a savings bond with a better interest rate can be issued for members like myself?**

The Society appreciates the support of our loyal members and as such frequently reviews our product ranges for opportunities to launch loyalty products to thank our members. Our most recent loyalty Bond is launching with our AGM for members to take advantage of enhanced rates.

- 3. Over the years the Society has indicated on several occasions that it was about to open a branch in the centre of Cardiff; this has never come to fruition. When will the Society have a proper branch somewhere near the centre of Cardiff?**

The Society remains committed to opening a branch within Cardiff city centre and had entered negotiations on a preferred premises shortly before the Covid pandemic. The impact of the pandemic has however been far reaching and led to the Society being unable to finalise lease agreements with the landlord. We have recommenced our activities this year to ensure a suitable location can be secured and we can progress with our plans to open a Monmouthshire branch in the centre of Cardiff.

- 4. (a) Please can you explain why the top executives are paid such large salaries and bonuses while members earn little or nothing on the money we save, even though the Society is making such large profits**

**(b) I agree with giving to charity but not to the benefit of members savings rates.**

(a) The Society's Remuneration Committee determines levels of remuneration in respect of the Society's Executive. Levels of remuneration reflect the time commitment and responsibilities of the role and are regularly benchmarked to ensure appropriateness for the Building Society sector.

The Society endeavours to offer products to both its savings and mortgage members that are competitive within the market and ensure our mutuality is at the heart of our business.

(b) We are committed to supporting disadvantaged and vulnerable groups within our communities, through adopting a charity that colleagues support throughout the year by undertaking fundraising activities. Colleagues also donate their time by pledging volunteer hours that provide small charities and community initiatives with

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invaluable support. Our commitment to helping those in need extends through the Society's Charitable Foundation who now celebrate their 21<sup>st</sup> year, with donations agreed by the Foundations independent trustees.

**5. Why doesn't the Society offer better savings rates for long term customers or indeed any form of "Loyalty Bonus"?**

The Society appreciates the support of our loyal members and as such frequently reviews our product range for opportunities to launch loyalty products to thank our members. Our most recent loyalty Bond is launching with our AGM for members to take advantage of enhanced rates

**6. (a) Do Directors have access to higher pension contributions than mid-level and entry level customer facing staff and the general population of colleagues at the Society? If so, why does the Remuneration Committee feel this level is appropriate and will they review this moving forward as many other building societies have?**

At the moment the Executive Directors do have access to slightly higher pension contributions than the general population of colleagues. This is on the Remuneration Committee's radar and recent benchmarking in this area highlights that the Society is not an outlier in the sector. The Remuneration Committee are in the process of reviewing the benefit/pension package for any new Society roles that also hold a Board position, with an ambition to bring them in line with the standard 10% Society pension contribution. However, for the last two years we have made minimal change to our reward package as we have navigated the difficult financial path through Covid.

**(b) What actions or programs can the Society share on how management and the Board are trying to promote from within or attract to the Society BAME colleagues, particularly to fill/have a pathway to senior leadership roles within the Society?**

One of our priorities as an organisation is to build an inclusive workplace where everyone feels comfortable and where the diversity of our communities is reflected within our teams. We have six workstreams in our diversity action plan as part of our People and Culture Strategy. These are focussed on widening our talent pool, for example increasing our apprenticeships to ten per year and working with external partners such as the Princes Trust to reach out to ethnic minority talent. Our recruitment processes have also been reviewed, with a number of actions taken to encourage diverse shortlists and avoid unconscious bias. Once on board, as well as a number of actions to make everyone confident to be their full self at work, for example being a Disability Confident Employer, we have a talent management framework to optimise everyone's development to their maximum potential. We have recently set a target to increase our internal promotion percentage to at least 30 percent, encouraging managers to develop their people and colleagues to aspire to maximise their potential.

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- (c) **Any news on Cardiff branch developments? Given the pandemic there must be some attractive lease deals for the Society to consider.**

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- 7. Please be the first Society to raise saving interest rates. The rates are low, and many investors are taking money out of accounts, and this is lowering the Society's profits**

The Society seeks to ensure sufficient profits are earned to ensure the Society's long-term growth and sustainability. As we do not seek to maximise our profits, we are able to offer competitive member-led savings and mortgage products to our membership base, which supports our sustainable growth.

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- 8. Why does the Society not offer better savings rates for long term customers or indeed any form of "Loyalty Bonus"?**

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- 9. Will the Society be introducing credit/debit cards in the near future?**

The Society does not currently have plans to introduce a credit card into its product portfolio although does recognise that our members have expressed an interest in the Society introducing a current account with a debit card. Whilst our current account project stalled during the pandemic in favour of operational resilience, we will now refresh our research and establish a route for delivery of a suitable debit card product for members.

- 10. Please would the Society sponsor the charity I'm involved in?**

We would encourage and invite the customer to complete an Application Form to the Charitable Foundation on behalf of this organisation. The application form is available on the Society's website.

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- 11. When operating reduced opening hours due to Covid 19 why was the Society still opening one hour later on a Wednesday morning and could that training hour be incorporated into staff hours outside public opening hours?**

Throughout the period where the Society was required to reduce opening hours and restrict its operations to essential transactions only in branch, branches opened at 9am from Monday through to Friday, however since normal operations have resumed the Society now opens at 10am on a Wednesday.

- 12. In the past the Society's Charitable Foundation has not supported local charities I have been involved in and those outside of the local area.**

The Charitable Foundation was established 21 years ago to provide modest donations to support charities, clubs and community initiatives across the Society's heartland. We invite applications from a wide range of organisations that are assessed by a board of independent trustees, who agree how to allocate funding. The Foundation is proud to have supported many disadvantaged or vulnerable people through their donations to local charities and community initiatives and hopes to support many more in the coming years.

- 13. Whilst I have agreed with the Director nominations and the annual report and accounts and have read In Touch 2021, I am still a little uneasy with the style and language in which it is written and suggest using case studies where possible relating to your policies to an individual, not necessarily identified by name.**

Thank you for your comments, which are noted. We do endeavour to write our annual report and accounts, and other member communications, in plain English although many of the requirements which dictate the disclosures are technical in nature. We will continue to work on enhancements to the readability of these documents in future years.