

Ethical Consumer Research Association
DRAFT Minutes from the Annual General Meeting
held on Thursday 21st September 2023 at 7:05pm via video conference

Members present

Employee members: Rob Harrison, Jane Turner, Elizabeth Chater, Anna Clayton, Francesca de la Torre, Tom Bryson, Nadine Oliver, Alyson Tyler, Shanta Bhavnani, Edward Lander, Sorcha Bowles, Katalin Csatadi, Louisa Gould (minute-taker), Ruairidh Fraser

Non Staff Board members: Dan Welch (investor director), Shaun Fensom (chair of this meeting, non exec director), Tim Hunt (investor director)

Investor members: Oliver Sweeting, Mike Atkinson, Christopher Sykesud, Alan Drever, Hilary Newmark, Ali Abbas, Michael Wignall, David Hoadley

1. Introductions and welcome

Shaun welcomed attendees and introduced the meeting.

Thanks were given to the worker members, that have stepped down from the Board – Anna Clayton, Jasmine Owens and Billy Saundry and welcome to the new worker board members, Ruairidh, Alyson, and Shanta.

For each item on the agenda the chair will ask for a proposer and then will ask for objections.

2. Apologies

Alex Crumbie, Ruth Strange, Francesca Thomas, Jasmine Owens (employee members),

3. Minutes of the AGM held on 29th September 2022

Rob proposed to accept the minutes as as a true record. There were no objections.

4. Directors' Report and Financial Statements for the year ended 31st March 2023

Rob gave a summary of the financial statements and the Directors' Report and answered questions around the five year plan.

Rob proposed to accept the financial statements and the Directors' Report

They were approved with no objections.

5. Reappointment of accountants (Rule 54) and resolution to utilise exemption from filing audited accounts (Rule 55)

Shaun introduced the item.

We use Third Sector Accounting in Manchester. We don't have a formal audit because our revenue is below the threshold. The proposal is that we re-elect Third Sector Accounting for another term and that we are still exempt from audit. Those are two proposals.

Elizabeth proposed that we reappoint Third Sector Accountancy for the coming year, and that we utilise the exemption from filing audited accounts.

The proposal was accepted with no objections.

6. Discussion on interest rate

Shaun: we have kept our interest rate at 2.5% since 2013. It's important as some investors may consider this figure for whether to invest or not. The base rates have changed so people may feel that means we should also change. Does anyone have anything to say:

Alan: what does Ethical Consumer feel they can afford?

Shaun: Does someone from the board want to comment on the affordability of the interest rate?

Rob: In the long term we can afford small increases as the investor share capital is important to the business.

Michael: Ethical Consumer should offer the lowest rate it can get away with. Over the past twelve months, I have other investments which have done much worse. When was the last time we put out a call for investment?

From online chat:

Christopher Sykesud to Everyone 19:23

The rate seems to be reasonable.

Hilary Newmark to Everyone 19:24

I'm happy with it as it is esp given loss this year

Oliver Sweeting 19:25

is there any way FCSC protection could be provided to funds invested by members? probably impossible, but it would give additional confidence to investors and may encourage them to invest larger sums? I think the rate itself is good (although unfortunately at the moment is being beaten by savings accounts but I don't think people invest purely for the rate)

Oliver then spoke to the meeting

On the rate I think the rate is good. I don't think people invest for the rate. Does anyone know if there's any level of protection that could be given to investors as currently it's all at risk? Perhaps people would invest more if they felt it could be protected in the event of failure?

Shaun: I don't know 100% but I don't expect it could be protected as it's equity. There might be some co-operative arrangements but I have never heard of any. It's important that it's clear to investor members that it's all at risk.

Ali: it doesn't feel that the interest rate is a major factor in supporting ECRA. If there was a need to raise substantially more capital then there might be a questions around that but otherwise if it's business as usual then the current rate is good. Do you see the need to raise substantial amounts of capital in the future?

Shaun: the board does watch closely and if we thought we were getting that message then we would react to it.

Rob: As Ali said, if we wanted to bring in a large additional sum of money we'd consider raising the rate. We've reduced the rate as the risks have gone down. We discussed in the board about an AI project to do some of the work that researchers do. We might be looking at grant funding for that. What we currently get from investors would be enough to explore something like that, but if things got more complex then maybe we'd need to raise the rate to attract more funds.

Shaun: any other comments?

Michael: is there a risk from having too much investor capital?

Shaun: yes you have to pay it out.

No decision needs to be made.

7. AOB

There was no other business.

End of business and meeting closed (approx. 7:35 pm).

AGM (additional minutes – non-official business)

6:30 Introduction of attendees

Attendees introduced themselves.

6:40 Short Presentations on our campaigns

Spain Campaign (Fran De le Torre)

Reporting on issues from migrant workers in Spain since 2019. Looking for more systemic change, published a report in 2023 which showed that nine of the UK's major supermarkets source from farms which violate human rights. Paper made recommendations including full disclosure of suppliers. Paper was covered in over 35 newspaper outlets.

Arranged a meeting with the ETI and all supermarkets were in attendance.

Anna: Any questions?

Nothing.

Rob: Spain campaign was also crowdfunded during Covid.

Amazon campaign (Kati Csatadi)

We have been encouraging consumers to boycott Amazon for over ten years, we have an Amazon campaign team now with five members who meet every few weeks.

We have been asking whether readers have any tips to share about how to avoid Amazon/use Amazon alternatives. We also asked how Amazon has affected your life. In the third quarter we launched the Amazon-free August pledge, including a web page and a weekly email. We found this quite successful with over 600 pledges. At the moment we're conducting research on Amazon alternative vouchers to be ready in time before Black Friday.

From online chat:

Ali Abbas to Everyone 18:47

I was just going to ask about the vouchers because they keep giving them away at work – look forward to seeing some alternatives!

Ali Abbas to Everyone 18:49

FYI, I came across this charity gift shop card recently, in case you've not come across it:

<https://thecharityshopgiftcard.co.uk/>

(charity shop gift card, even!)

Ruth has joined and it's her birthday (we sang).

Climate Gap report (Ruth Strange)

Third year of the report. We're trying to track progress of decarbonisation in the UK. This includes food, home heating and consumer goods. Although consumer choice has a role, this is never going to be enough so we're collecting recommendations for the Government. Government have taken several steps backwards, so we're trying to keep the pressure on. We are using targets from the CCC (climate change committee), but we're also challenging the fairness and credibility of some of these. It also assumes that we should continue with growth. We have a survey to gather peoples' feedback, and we'll also have a session about this during the EC conference in November. Report will be published on 10th October.

Anna: any questions?

From online chat:

Ali Abbas 18:52

Pls sign this petition calling on the Government to think again about watering down its climate plans: <https://action.friendsoftheearth.uk/petition/tell-government-fix-its-weak-climate-plans>

Nadine Oliver 18:53

<https://www.conference.ethicalconsumer.org/>

Ali Abbas to Everyone 18:54

Climate gap report 2022: <https://www.ethicalconsumer.org/climate-gap-report>

Our new plans for the 'Best Buy' product label (Rob Harrison)

Best Buy label which is used in the buyer's guides generate around 5% of our revenue. Usually used for small or very ethical companies, where the company can license the use of the logo. We think that we're at the beginning of a mega-trend of ethical products, where there is too much out there that we won't be able to do guides on. If companies score highly enough, then the proposal is to be able to give the Best Buy logo to those companies (not in our guides), should be ready in November.

Current interested brands: paint brand, ethical diamond brand, Suma tinned tomatoes.

Will have a committee to assess risk, and start with a small cohort to begin with.

Will likely be discussed in the magazine in November.

As well as generating income for Ethical Consumer, it also creates a small community of disruptive ethical brands.

Anna: any questions?

Kati: how did those companies who showed interest approach Ethical Consumer?

Rob: these are companies that approach Ethical Consumer on a regular basis in general. Simon [Simon Birch deals with our advertising and Best Buy sales] keeps a list of people who we have turned down in the past to do guides. When it's launched, we can promote it. Can see a clear demand for this.

Online Chat:

Oliver Sweeting 18:57

sounds really good – a way to increase audience

Michael Wignall 18:59

It may be useful to have a non-exec director who runs an ethical business

Ranking Revolution update

Fran DLT: since the last AGM we've done two new trial guides, one on furniture and one on mince pies which will be our shortly. Should be doing a full run in two magazine's time.

7.05 Official AGM business

[See above minutes]

7:20 Further questions and comments

After the official AGM closed, attendees were invited to comments or questions

Ali: is there any more information about the new ratings systems?

Fran DLT: next magazine will have a feedback form, and the second trial guide on mince pies.

Anna: also on the website there is a way to provide feedback.

Rob: the mince pies guide will cover supermarkets. We're likely to go over to a new scoring system from February next year, where everything will score out of 100.

No more questions

Call to an end.