



Minutes of the Thirteenth Annual General Meeting of the Association of Financial Mutuals

Meeting held at the De Vere Cotswold Water Park,
commencing at 10.00 on 10 October 2022

1. The outgoing AFM Chair, Jane Nelson, opened the Annual General Meeting of the Association.

Martin Shaw confirmed that the meeting had achieved quorum (50% of members present); indeed the AGM was the best attended ever. A list of attendees is included below.

Tamasin Laroque-Fathers and Martin Shaw of AFM were appointed as tellers.

The minutes from the previous meeting were approved, and the Chair verified that there were no actions arising.

2. Review of Progress

The Chief Executive, Martin Shaw presented a review of the year. He confirmed that AFM was actively working now against a set of four priorities, which he reported on to the Board on a quarterly basis.

The range of outcomes reported this year were described, including:

- Cooperatives, Mutuals and Friendly Societies Bill formulated, to produce a more equal playing field
- Over 170 pieces of media coverage in the year, mainly in the national consumer media
- Crowdfunded project 'Strategic landscape for financial mutuals' has provided a clear path for future work
- Input to review of Solvency 2, to seek greater proportionality
- BEIS has agreed to review definition of Public Interest Entity
- Support for members on ESG reporting, Consumer Duty, GI value measures
- Over 100 events and meetings provided, online and in-person
- AFM Conference delivered in only 8 weeks

- Accelerate and Stepping Up in 2021, with new development programmes developed for 2022
- To widen the pool of candidates for the AFM Board, we changed the qualification rules in 2021
- We started a recruitment exercise for a new CEO, and to replace a number of retiring Directors, in May

3. Accounts for period to 30 June 2022

Martin Shaw set out the final position at the end of 2021/22, and reported that the outcome was a deficit of £49,000, which was within the limits agreed by the Board.

4. Election of Board Directors

Jane Nelson provided a brief overview of the nomination process for the Board this year. There were 14 candidates, and as the constitution provides for a maximum of 11 Board Directors, it would be necessary for the AGM to agree a temporary relaxation of the constitution, in order that all 14 become Directors.

Members were invited to agree the relaxation of the maximum size of Board, as well as to confirm the Board for the next 12 months by a show of hands. As a result the following were appointed to the Board:

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|--------------------|-------------------|
| • Bob Andrews | • Ann-Marie O’Dea |
| • Marc Bicknell | • Ben Pears |
| • Peter Green | • Russ Piper |
| • Chris Kenny | • Martin Pringle |
| • Socrates Mhlanga | • Sophia Reed |
| • Andy Morris | • Stuart Tragheim |
| • Teddy Nyahasha | • Nick Warr |

The Board had previously proposed that, subject to their election, Stuart Tragheim would become Chair and Teddy Nyahasha Vice-Chair.

5. Plans and Budget for 2022/2023

Martin Shaw set out the details of the budget for 2022/23. The Board adopted a principle that the reserves should be held at a minimum of 12 months fixed costs. As a result, the Board had agreed to increase subscriptions for the first time in three years, and to reduce project costs, whilst also allowing for the exceptional costs of recruiting a new CEO.

Questioned were raised by Wiltshire Friendly and Foresters Financial, regarding the reduction in the PR budget, and Martin Shaw explained that the Board recognises we would not expect to repeat the extensive PR outputs in 2021, and was therefore planning to use a limited PR budget on a more ad hoc basis, rather than via a retainer, and AFM was keen to work with members to obtain full impact.

Martin Shaw confirmed that the plans for the year ahead include:

- Cooperatives, Mutuals and Friendly Societies Bill to be taken forward,
- Consider next steps on The Mutual Way as part of a targeted PR campaign
- Continue support for members on ESG actions and metrics
- Look for more proportionality in Solvency 2 and elsewhere (12 consultation responses to date)
- Complete 2022 development programme and plan for 2023
- Review AFM Corporate Governance Code, in light of AFM review and FRC update
- Maintain diverse programme of training and events
- Undertake induction process for new AFM Board members
- Refine AFM strategy and priorities
- Complete AFM succession planning

6. Resolutions

Jane Nelson invited the AGM to vote, via a show of virtual hands, on the three resolutions:

- **The resolution to approve the Accounts for the year ended 30 June 2022 was passed unanimously.**
- **The resolution to temporarily expand the Board, from 11 to 14 Directors, was passed unanimously.**
- **The resolution to approve the nominations for Board Directors was passed unanimously.**

7. Any Other Business

Medicash offered a vote of thanks to the outgoing members of the Board and to Martin Shaw, for all their years of dedicated service.

Jane Nelson closed the meeting at 1030.

Register of attendees

The following 33 firms attended and took part in voting during the AGM. The Chair also received a proxy form from Tees Mutual, making the total voting members at 34 (out of 44 members).

In person:

Activities Industry Mutual	Medicash
Anglo-Saxons	MetFriendly
Benenden Health Care	National Friendly
British Friendly	OneFamily
Bus Employees Friendly Society	Paycare
Cirencester Friendly	PG Mutual
Compass Friendly	Railway Enginemen's
CMutual	Red Rose Assurance
DG Mutual	Scottish Friendly
Education Mutual	Sheffield Mutual
Exeter Friendly Society	Shepherds Friendly
Foresters Financial	Sovereign Health Care
Foresters Friendly Society	The Oddfellows
Health Shield	Transport Friendly
Healthy Investment	Veterinary Defence Society
Holloway Friendly	Wiltshire Friendly Society
MDDUS	

(We were also grateful for the many other representatives, from members and Associate members.)