

Quarterly Meeting

Meeting Notes and Actions

Everton Football Club and Everton FC Shareholders' Association

Location: Zoom - September 28th, 2021 – 15:00

Attendees: Professor Denise Barrett-Baxendale, CEO, Everton FC

John Blain, Chairman, EFCSA

Steve Butterworth, Executive Committee, EFCSA

Colin Chong, Stadium Development Director, Everton FC

David Gillam, Executive Committee, EFCSA

Tom Hughes, Executive Committee, EFCSA

Julie Hobson, Executive Committee, EFCSA

Grant Ingles, Finance Director, Everton FC

Dave Kelly, Executive Committee, EFCSA

Richard Kenyon, Director of Marketing, Communications and Community, Everton FC

Alan McTavish, Commercial Director, Everton FC

Paul Murphy, Executive Committee, EFCSA

Phil Parker, Executive Committee, EFCSA

Ian Seymour, Honorary Secretary, EFCSA

Keith Seymour, Executive Committee, EFCSA

Apologies John Vanderwerff, Vice Chair, EFCSA

Ian Webster, Honorary Treasurer, EFCSA

AGENDA

1. Introductions
2. Actions from last meeting
3. Publication of Annual Report & Accounts
4. New Stadium Update
5. Update on Fan Led Governance Review
6. New Ticketing Platform
7. AOB

Introductions

Apologies were noted and Denise introduced Grant Ingles and Alan McTavish who were in attendance.

Actions from the last meeting

Actions remain outstanding from previous meetings;

- The proposed meeting with Farhad Moshiri is still outstanding, Denise will now try and get the meeting arranged via Zoom having previously hoped and tried to plan for it to be in-person.
- The meeting between Steve Butterworth and Dave Kelly with Richard Kenyon about Equality and Diversity has not yet happened and each are tasked with expediting this.
- The action on Denise re Digitising Share Transactions has not been progressed and will be carried over to the next meeting.

Socios

The EFCSA had expressed concern about the agreement with Socios prior to the meeting and required more insight than was available at the previous PR Briefing.

Alan McTavish attended the meeting to provide more detail about the relationship and gave a brief overview, much of which was already in the public domain.

Alan described the club's partnership with Socios as a good opportunity and one that would deliver significant revenue in an emerging space. He resisted a challenge by John that this was a 'me-too' relationship and supported by Denise explained that EFC have a robust due diligence process and that Socios had satisfied Everton's stringent rules.

He explained that Everton wanted to enter the emerging space in and around Fan Tokens and that they had selected Socios to be their preferred partner. He described the risk to fans as minimal and those fans are not exposed to any risk.

John challenged this robustly, commented about the potential for market manipulation by professional traders and evidenced this with the speed with which the initial tranche of tokens had sold-out.

John and Julie further challenged how the due diligence process had dealt with the unregulated nature of the offering and the risk fans are exposed to alongside the common perception amongst fans that Everton are monetising Fan Engagement.

The club made it clear that they do not think agreement is monetising fan engagement, the EFCSA disagrees.

The Club noted that this marketing engagement sits alongside the existing engagement channel and does not replace any of them.

With the Club and EFCSA in disagreement Denise suggested that Alan write an overview of the relationship with Socios that could be shared with Shareholders at the forthcoming EFCSA AGM.

John requested that the overview should not simply be a restating of what is already in the public domain.

Action: Alan McTavish to produce an overview of the Socios Relationship

Publication of Annual Report & Accounts

Grant Ingles provided a report on progress around the Annual Report and General Meeting.

He explained that the post end-of-year audit was still in progress and that he was in the process of finalising the Statutory Reports with the Reports of the Officers to follow. He expected the overall report to be finalised by the end of October.

A brief conversation took place about the timing of the publication of the report to Shareholders and the timing of the Annual General Meeting but nothing definitive was available during the meeting.

The AGM is likely to take place in January and although no decision has been made the EFCSA stated a preference for in-person with the Club investigating the potential for a hybrid online/in-person meeting.

John questioned why the funding for the new stadium was not yet in place when Sasha Ryazantsev had said in place by the end of August.

Grant explained that the club had decided not to satisfy the timetable that Sasha had indicated as they wanted to optimise the arrangements by being 'going-to-market' at the best time. He was keen to explain that the August 'deadline' had NOT been missed but the club decided to wait a little longer before going to the market.

Denise talked about the (section 106 and 208) Public Finding provided for the project and noted that as much as 60% of the Goodison Legacy will be funded by public money, she also described the overall stadium/legacy project as costing around £700m

After a question from Keith the club confirmed they are in regular and open contact with the PL to ensure the club's compliance with P&S rules and remain confident that the Club is unlikely to be punished.

Grant agreed to write an overview that could be shared with shareholders at the EFCSA AGM.

Action: Grant Ingles to produce an overview of the accounting and funding status.

New Stadium Update

Colin commented that the decision as to when to go-to-market for the next tranche of funding was event based and not calendar driven, with much of the risk being in the ground making the in-fill of the dock a strategic milestone.

He further commented that the public funding the project had received is something the club was entitled to due to the huge regeneration element of the project. He noted we were cleaning a contaminated site, spending tens of millions of pounds to clean it which were all legitimate reasons for the public funding.

Colin explained the project was picking up pace considering the club only had official control of the site from August 4th and access for the start of in-fill was realised on September 27th.

He was buoyant and confident that progress was good and at the time of the meeting a few weeks ahead of plan.

Denise noted the club's Senior Executive Team would be visiting the site in the coming weeks and suggested Richard arrange for EFCSA members to attend too (with limited allowed on site the Association will ballot members for attendance).

Action: Richard (and John) to agree a site visit for EFCSA to Bramley-Moore dock.

Update on Fan Led Governance Review

Denise gave a further update on progress of the Tracey Crouch lead Fan Led Governance Review explained how the review is progressing with an interim review published at the end of August.

She noted that there had been strong input from fans with 100 hours of evidence taken, 170 submissions and 20,000 survey responses.

The publication of the Final Report was now anticipated late Autumn with Denise saying it would likely include;

- Some independent regulation
- A golden share for stadia moves
- More funding for women's and grass root football
- More protection and support for young players who 'don't make it'
- The Review could possibly be moving away from Fans on the Board of football clubs
- Statutory Regulator
- A licencing system
- A recommendation on the potential for Shadow Boards for Fans

Denise is attending a meeting on the proposed Independent Regulator next week.

There was some debate about Fans on the Board which the EFCSA is keen to see happen.

Denise was supportive of this in principle but did discuss practical issues raised by supporters as part of the review – she commented that as a club she would like us to be ‘ahead of the curve’ and not have to wait and see what comes out of the review.

Richard gave an overview of the Survey of Everton Fans that and that those finding would be taken forward under the auspices of the Fans’ Forum

The EFCSA stated that the Treacherous Six are not sorry, and that they will do it again.

The EFCSA made it clear to a listening EFC that the six (and others) cannot be allowed to get their own way and that the PL needs a robust defence of our national game.

New Ticketing Platform

Steve raised concerns about the re-sale functionality of the platform.

Richard noted that the platform was a third-party development of an extension to the ticketing system and that the club are in dialogue to improve the functionality.

AOB

Dave Kelly thanked the club for the fifty tickets provided for a local mosque for one of the women’s games which had proved extremely popular.

Ian Seymour asked when the Fan Zone would re-open, the club explained that an opening date is reviewed every couple of weeks with satisfying PL Protocols being the reason for the closure.

With no further matters raised the meeting ended at 17:05