Minutes GLEIF Board of Directors Meeting

Meeting 29. Board of Directors Meeting

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<th>Date</th>
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<td>2017-02-22</td>
<td>13:00 – 15:00 CET</td>
<td>Conference Call</td>
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Present

GLEIF Board of Directors
Gerard Hartsink (Chair)
Wolfgang König (Vice Chair)
Nabil Al-Mubarak
Jefferson Braswell
Robin Doyle
Bo Chen
Arthur Cousins
Daniel Goroff
Hiroshi Kawagoe
Paul Kennedy
Alfredo Reyes Krafft
Hyoungh-Seok Lim
Bruno Schütterle
Christopher Taggart
Elemér Terták
Kam Keung Tse

ROC Observers
Michael Ritter
Joseph Tracy
Daisuke Yamazaki

Other Attendees
Stephan Wolf – CEO
Thomas Sprecher – Secretary of the Board
Veronika Schoehl – Head of Board Secretariat

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Stephan Wolf – CEO
Thomas Sprecher – Secretary of the Board
Veronika Schoehl – Head of Board Secretariat

Absent
Ravi Mathur – excused

No Topics

1 Opening

The Chair, Gerard Hartsink, acknowledges the presence of a quorum. He informs that the meeting was duly convened and that the agenda and documentation was provided to the Board prior to the meeting.

2 Previous Meeting Minutes

The members unanimously approve the minutes of the previous meeting.

3 Topics for information

Report of the CEO

- Operations
  a) Key accomplishments 2016

The CEO informs the Board on the accomplishments of the year 2016 highlighting, inter alia, the following:
  - Launch of international website 14 languages (of G20 Languages);
  - new jurisdictions added into quality process;
- monthly quality reporting extended to LEI issuers and published on website;
- the countries where GLEIF trademark is registered;
- GLEIF Challenge Portal was implemented
- duplicate check was rolled out
- Level 2 project cooperation model was prepared and testing with five ‘first mover’ LEI issuers together with a G-SIB was launched successfully
- governance framework – Policies were implemented
- GLEIF participated in 13 external consultations in 2016
- cooperation regarding mapping prepared with SWIFT (LEI-to-BIC mapping) and ANNA (LEI-to-ISIN mapping)

All in all, GLEIF delivered what it was asked for. Key projects were implemented in time despite of delayed hiring of staff.

b) Operations Update
The CEO also briefs on current Operations activities, inter alia:
- Service management: Increased challenges are issued with LEI issuers which is very effective;
- quality road map: very dense timelines schedules;
- service performance of GLEIF is now published on the website;
- discussion on the inclusion of branches, funds and individuals acting in a business capacity in identification;
- LEI adoption: 2016 growth rate is 17% and LEIs issued in more jurisdictions in Africa;
- CEO was appointed as Co-convener of the International Organization for Standardization Technical Committee 68 FinTech Technical Advisory Group (ISO TC 68 FinTech TAG) in January 2017. The group acts as an advisory sounding board to support and engage with the Fintech community on standards requirements, for the effective and efficient use and development of standards to support FinTechs and the broader financial services industry, delivered using a cooperative relationship approach.

A discussion takes place.

- **External Audit**
The CEO briefs about the audit for the GLEIF 2016 Financial Statements undertaken by the appointed external auditor EY. The EY engagement letter was presented to the AFC for review and Board for approval.

- **Accreditation Update**
The CEO provides an update of the accreditation process.
A short discussion takes place.

- **Internal Audit Update**
The Head of Accreditation and Audit Services provides an update on finalized and planned internal audit projects.
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Report of the Chair

- Ad-hoc Competition Committee
The Chair of the GC, Paul Kennedy, informs that after feedback was received by Directors, the Chair of the ad-hoc Competition Committee was suggested. It was agreed that the ad-hoc Competition Committee should soon hold a meeting.

- Code of Conduct of the Board of Directors
The Chair of the Governance Committee together with the Chair of the Board present the Code of Conduct of the Board of Directors. The Code sets out the rules applicable in matters of professional ethics and behavior. The Code embraces the mission, core principles and values of the GLEIF as not-for-profit organization under Swiss law.

The Governance Committee agreed to recommend to the Board the approval of the Code of Conduct. The Code of Conduct will be made publicly available.

- Promotion
The Board Chair and the AFC Chair inform on their promotion activities.

4 Reports of the Committee of Chairs (for information)

- Committee of Chairs
The CoC Chair, Gerard Hartsink, announces that he will inform on a non-executive matter under “AOB”.

- Technology and Operations Standards
The TOPS Chair, Jefferson Braswell, informs on the results of the previous TOPS Committee meeting stating that a summary will be made available for Directors of the Board for Moscow.

- Audit and Finance
The AFC Chair, Robin Doyle, informs on the audit process with the external auditor EY. The 2016 Financial Statements are planned to be approved at the next Board Meeting in Moscow. The AFC Chair informs that the AFC will focus its discussion in Moscow on the 2016 Financial Statements, the cash flow and internal audit results.

- Governance
The GC Chair, Paul Kennedy, has briefed under agenda item 3 on the Competition Committee and on the Code of Conduct.

- Business Development
The BDC Chair, Kam Keung Tse, informs that CEO will focus on timelines and deliverables for 2017 and 2018 implementing the GLEIF Strategy.

5 Decisions taken by the Board

- Chairman Ad-hoc Competition Committee
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The Board unanimously approves to nominate Mr. Elemer Tertak as Chairman of this ad-hoc committee.
(0 abstention, 0 objection)

- Code of Conduct of the Board of Directors

The Board unanimously approves the Code of Conduct of the Board of Directors.
(0 abstention, 0 objection)

- Engagement Letter

The Board unanimously approves the terms of engagement, including the engagement letter and the scope of the 2016 financial audit. The Chair of the Board and the Chair of the AFC will sign the engagement letter.
(0 abstention, 0 objection)

- Recording of mail vote recommendations

The Board unanimously approves that the following circular resolutions be included in the minutes.
CEO Recommendation for the issuance of a GLEIF accreditation certificate (step 2) to:
- Business Entity Data B.V. (14 in favor, 1 objection, 2 abstentions)

6 AOB

The GLEIF General Counsel informs the Board on a legal assessment of data protection issues pertaining to Individuals acting in a business capacity. The Board has a brief discussion.

Non-executive Board
The Executive Management and the staff leave the meeting.
The Board Chair informs the Board on the recommendation of the Committee of Chairs for the bonus of the CEO and the bonus pool for the staff. The Board unanimously approves the recommendation.

5 April 2017

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Gerard Hartsink  Veronika Schoehl
Chairman of the Board  Secretary of the Meeting