

Minutes GLEIF Board of Directors Meeting

Meeting 40. Board of Directors Meeting

Date	2018-08-30	Time	13:00–15:00 CET	Place	Call Meeting
Present	GLEIF Board of Directors		Other Attendees		
	Gerard Hartsink (Chair)		Stephan Wolf – CEO		
	Nabil Al-Mubarak		Thomas Sprecher – Secretary of the Board		
	Jefferson Braswell		Veronika Schoehl – Head of Board Secretariat		
	Bo Chen		Guests		
	Changmin Chun		For item 3 – Report of the CEO		
	Robin Doyle		Annette Booth – Head of Finance		
	Daniel Goroff		Virginia Flynn – Head of Accreditation & Audit Services		
	Paul Kennedy		Anja Lechner – Head of Service Management		
	Wolfgang König		Clare Rowley – Head of Business Operations		
	Alfredo Reyes Krafft		Sven Schumacher – General Counsel/CCO		
	Ravi Mathur				
	Hiroshi Nakatake				
	Bruno Schütterle				
	Monica Singer				
	Christopher Taggart				
	Elemér Terták				
	Kam Keung Tse				
	Henrique Vergara				
Absent	Michael Ritter (ROC Chair) – excused				
	Joseph Tracy (ROC Vice Chair)				
	Nanda Dave (ROC Vice Chair)				

No	Topics
1	Opening by the Chair
	<p>The Chair, Gerard Hartsink, determines the presence of a quorum. He informs that the meeting was duly convened and the agenda and documentation was provided to the Board prior to the meeting.</p> <p>The Chair welcomes the newly elected Member of the Board, Changmin Chun, from South Korea.</p> <p>The Chair asks the Members to add a resolution to the agenda with regard to changing the time of Board meeting calls upon a recommendation of the Committee of Chairs. The Members accept the agenda at hand.</p>
2	Approval of the Previous Meeting Minutes

Minutes GLEIF Board of Directors Meeting

The Members unanimously approve the minutes of the previous meeting including two smaller editorial amendments.

3 Topics for Information

Report of the CEO

Budget

The CEO, Stephan Wolf, supported by the Head of Finance, provides the Board an overview of the Budget and Q3 Forecast 2018 as well as the Cash Forecast Q3 2018.

- The bottom line variance for the Q3 Forecast 2018 compared to the Q2 Forecast 2018 is favorable.
- Q3 Forecast 2018 shows a favorable variance compared to the Q2 Forecast 2018 due to lower labor expenses and non-labor expenses.
- The AFC Chair, Robin Doyle, informs the Board that the AFC continues to monitor options for investments for the cash position, as appropriate.

Accreditation

The CEO, supported by the Head of Accreditation and Audit Services, provides an overview on the status of accreditation and the annual accreditation verification process.

- There are in total 26 active LEI ROC endorsed pre-LEI issuers and 27 new organizations participating in the accreditation process of the Global LEI System.
- To date, in total 33 organizations were granted a GLEIF accreditation certificate.
- 4 LEI ROC endorsed pre-LEI issuers and 3 new organizations completed the GLEIF annual accreditation verification process. 2 pre-LEI issuers are enrolled in the accreditation annual verification process. The CEO provides a status report on the progress made by some LOUs and the Board provides guidance accordingly. In response to some remarks of Directors, the CEO confirms that GLEIF uses a uniform policy for LEI issuers to comply with the Master Agreement and treats all LOUs equally without discrimination.

Operations

The CEO, supported by his management team, informs the Board of relevant operations topics, key projects and business initiatives of GLEIF. Among other points, the following is highlighted:

- GLEIF finalized a cooperation agreement with ANNA, the Association of National Numbering Agencies, to implement a mapping of the International Securities Identification Numbers (ISINs) and Legal Entity Identifiers (LEIs). This initiative should improve transparency of exposure by linking the issuer and issuance of securities. The CEO states he will deliver a progress update regularly to the Board.
- GLEIF updates on latest research projects and plans for its promotion strategy including for the public sector in Europe and the United States.
- Data Quality: The number of correct data quality checks related to direct and ultimate parent data information further increased. Moreover, new Application Programming Interfaces (APIs) to function as “data quality gates” are being developed to further improve user experience. Besides, GLEIF plans several data

Minutes GLEIF Board of Directors Meeting

quality campaigns in the upcoming months to continuously keep GLEIF's data quality program strong. Upon question of some Members, the CEO explains in more details the planned APIs of GLEIF.

- LEI activity: Monthly issuance averages 24.000 since April. At the end of second quarter 2018, the renewal rate remained steady at 62% and 66% for countries with more than 1,000 LEIs.

The Members discuss different aspects of the CEO report.

Report of the Chair

Appointment of Members to the Board Committees

The Chair of the Governance Committee (GC), Paul Kennedy, informs on the deliberations of the GC on the new appointments of Board Members to the Board Committees.

The GC Chair and Board Chair, Gerard Hartsink, inform that the GC plans to propose additional appointments of Members to the Board Committees, such as the TOPS Committee, at the Board Meeting in Cape Town in October 2018.

Succession

The GC Chair informs on the deliberations on the succession planning undertaken by the GC for the period from June 2019 onwards taking into consideration latest feedback of Board Members on this topic. The GC concluded to propose staggering the rotation of eight retiring Directors in June 2019 and to ask at minimum three Directors to serve for an additional year from June 2019 to June 2020. The GC plans to present a respective recommendation for resolution of the Board for the Board meeting in Cape Town. A short discussion takes place.

The GC Chair requests the Members to respond to the succession questionnaire to prepare the recommended resolution for the next Board meeting. Upon question of some Members, the GC Chair states that he will clarify some details related to this topic per e-mail to the Members. The Members are asked to deliver their feedback so that the GC could prepare a recommendation for the Board to take an informed decision on the succession planning.

Organizational Regulations

The Board Chair and GC Chair explain the amendments included in the new version of the Organizational Regulations (Org Regs) and proposes to the Board endorsement thereof.

Board Alumni Network Charter

The Board Chair informs that a group of Members developed a draft Board Alumni Network Charter. The Board Alumni Network Charter is designed for former Board Members wishing to further support GLEIF within the approved GLEIF strategy. A circular resolution will be prepared for the Board to approve the Board Alumni Network Charter.

Promotion

The Chair and Members of the Board brief about their promotion activities including on activities undertaken in cooperation with the CEO to further support GLEIF's promotion in their respective jurisdictions or industries within the approved GLEIF strategy.

2019 Board meeting calls and Board meeting call time

Minutes GLEIF Board of Directors Meeting

The Board Chair informs that the Board meeting call schedule for 2019 is planned to be approved at the Board meeting in Cape Town.

Upon recommendation of the Committee of Chairs, it is suggested to shift the Board meeting calls for one hour later Central European Time (CET).

4 Reports of the Committee Chairs

▪ Governance

The GC Chair, Paul Kennedy, states that he has no further remarks than mentioned under the “Report of the Chair”.

▪ Audit and Finance

The AFC Chair, Robin Doyle, states that she has no further remarks to add under the “Report of the CEO”.

▪ Technology and Operations Standards

The TOPS Chair, Jeff Braswell, updates on plans for the TOPS Committee in Cape Town 2018.

5 Board Resolutions

Appointment of Directors to Board Committees

Upon recommendation of the GC, the Board approves the appointment of the following Members to the Board Committees (while these three Members abstained from voting on their appointment):

- Wolfgang König – Chair of the Business Development Committee (BDC)
- Monica Singer – Member of the BDC
- Hiroshi Nakatake – Member of the Audit and Finance Committee (AFC)

(17 in favor, 1 abstention, 0 objection)

The three Members accept their appointment.

Succession

Upon recommendation of the GC, the Board unanimously approves staggering the rotation of the eight retiring Directors in June 2019 and asking at minimum of three Directors to serve for an additional year from June 2019 to June 2020.

The Board endorses that the GC will analyze the responses of all Directors on the succession questionnaire as requested by the GC and to prepare a recommendation on succession for approval of the Board in Cape Town.

(18 in favor, 0 abstention, 0 objection)

Org Regs

The Board unanimously approves the amendments of the Org Regs thereby adopting version 3.0 of the Org Regs.

(18 in favor, 0 abstention, 0 objection)

Recording of Circular Resolutions

Minutes GLEIF Board of Directors Meeting

The Board confirms the following circular resolutions to be added to these minutes:

- Amendment of the Statutes (14 in favor, 0 objections, 3 abstentions)
- Appointment of the new Member to the Board, Changmin Chun, from South Korea (unanimous approval)

Board meeting call time

Upon recommendation of the Committee of Chairs, the Board unanimously approves to shift the meeting time for Board calls from 13:00 to 15:00 CET to 14:00-16:00 CET effective for the Board call on 12 December 2018.

(18 in favor, 0 abstention, 0 objection)

6 AOB

One Member asks the CEO for the status of a project presented at a workshop in San Francisco in May 2018 and the CEO will provide an update thereof in the next Board meeting.

25 October 2018

Gerard Hartsink
Chairman of the Board

Veronika Schoehl
Secretary of the Meeting