

Minutes GLEIF Board of Directors Meeting

Meeting 62. Board of Directors Meeting

Date	2021-10-27	Time	12:00- 14:15 CEST	Place	Video conference call
Present	GLEIF Board of Directors		ROC Observers		
	Steven Joachim (Chair/President)		Francois Laurent – ROC Chair		
	Sandra Boswell		Alan Deaton – ROC Vice Chair		
	Hany Choueiri		Other Attendees		
	Chang Min Chun		Stephan Wolf – CEO		
	Salil Kumar Jha		Thomas Sprecher – Corporate Secretary		
	Amy A. Kabia		Guests		
	Alfredo Reyes Krafft		<u>GLEIF</u> : For agenda items 1. to 3.2		
	Francisco Javier Santamaria		Annette Booth – Head of Finance		
	Zaiyue Xu		Ines Gensinger – Head of Global Corporate Communications		
	Vivienne Artz		Anja Lechner – Head of Service Management		
	T. Dessa Glasser		Zornitsa Manolova – Head of Data Quality Management		
	Nassib Abou-Khalil		Karla McKenna – Head of Standards		
	Daniel Cotti		Antonia Christoforidi – Head of Accreditation & Audit Services		
	Jacques Demaël		Christoph Schneider – Head of IT Development & Operations		
	Kaoru Mochizuki		Sven Schumacher – General Counsel		
			Hiroshi Nakatake- General Representative GLEIF Japan		
			Clare Rowley- Head of Business Operations		
			External guests		
			Threeroms Brand Agency joined for 3.3.6 agenda item		
Absent	Humaid Mudhaffr, Hendus Venter				

No	Topics
1	Opening by the Chair
	The Chair of the Board of Directors, Steve Joachim, opens the meeting and determines the presence of a quorum. He informs that the meeting was duly convened, and that the agenda and documentation were provided to the Board of Directors prior to the meeting.
2	Approval of previous meeting minutes

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The Board of Directors approves unanimously the minutes of the previous Board of Directors meeting held on 7 July 2021.

3 Topics for information and resolution

3.1 Report by the Chair of the Board

The successful Onboarding orientation program was held in Frankfurt from the 4th till 7th of October for the new Board Directors. GLEIF Management performed the “speed-dating” exercise to present GLEIF departments and its operations.

The Chair presented the Board meeting schedule for 2022. 4 Board meetings are planned on the 2 of February (virtual), 6 April in Rome, 15 June in Frankfurt/Basel and 27 October in South Africa.

3.2 Update from the ROC Chair

François Laurent announced his retirement from the ECB on the 29 of October 2021 and shared the update on ROC Activities. Alan Deaton becomes the temporary ROC Chair till the end of January 2022. François complimented the GLEIF team and thanked Stephan for the good work through the years.

3.3 Report of the CEO

3.3.1 Recap on the activities and projects for the next year.

Financial Sustainability: Climate- Aligned Financial Applications OS-Climate, AWS and GLEIF collaboration was presented. The CEO continued on Recap on Strategy 2022 and the LEI “Onion Ring” Growth Model.

LEI Adoption for Users, the business model dilemma was explained. There are 3 Barriers to growth: Fees; Costs for changing legacy and No value for the LEI holders. The CEO showed possible solutions for higher adoption rates and presented GLEIF’s Strategy Foundation.

Mission of Project Program Zero, desired end state “GLEIS 2.0” and Business models 2022-2027 GLEIS 1.0 and GLEIS 2.0 were explained.

The Head of Business Operations presented Global Regulatory Framework for the LEI, including 122 Regulations from 46 jurisdictions.

Implementing bulk issuance as a concept and GLEIS 2.0 Validation Agent Status as of September 30, 2021 was demonstrated.

3.3.2 Forecast Q4

The Head of Finance and Business Administration presented the Comparison: DRAFT Q4 Forecast v Budget 2021.

3.3.3 LEI fee structure

The Head of Business Operations explained the summary of active LEI growth, Midpoint scenario. The CEO continued on Proposed Fee Structure 2022.

3.3.4 Budget 2022

Comparison: DRAFT Budget 2022 v Draft Q4 Forecast 2021 was explained by Head of Finance and Business Administration. Current GLEIF projects are: Data quality management, IT

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Dev/Ops, LEI ROC policies, LEIs for digital identity, “Zero fee LEIs”. OPEX Run & Change Q4 2021/ Budget 2022 was presented.

3.3.5 5 Year Outlook

5-Year Outlook Overview was presented together with 5-Year Outlook Risks. Risk Management is in place for the GLEIS, GLEIF and Project Risks. GLEIF LEI fee considerations have been shown.

3.3.6 GLEIF rebranding presentation by brand agency

The Threerooms brand agency together with GLEIF’s Head of Global Communications presented new Brand DNA, vision and mission. Brand mission: “We manage a network of partners, known as LEI issuing organizations, to provide trusted services and open, reliable data for unique legal entity identification worldwide.” The new Logo was presented.

3.4 Report of the Chairs

Report of the Audit and Finance Committee

The Chair of the Audit and Finance Committee (AFC), Salil Kumar Jha informed that the Committee meetings were held on 7 and 20 October.

Recommendation: The AFC unanimously recommends to the Board to approve the annual budget 2022 based on an unchanged LEI fee of USD 11.

Resolution: The Board approves the annual budget 2022 and LEI fee of USD 11. Voting results of present and voting members: 14 in favor, 0 abstention, 0 objection.

Report of the Business Strategy Advisory Committee

The Chair of the Business Strategy Advisory Committee (BSAC), Hany Choueiri, informed about successful discussions during Onboarding meetings in Frankfurt and BSAC meetings and proposed 4 Recommendations.

Recommendation: the BSAC unanimously recommends to the Board to approve the implementation of a GLEIF Service Charge based on GDP for LEI bulk issuance through Business Registers.

Resolution: The Board approves the implementation of a GLEIF Service Charge based on GDP for LEI bulk issuance through Business Registers. Voting results of present and voting members: 14 in favor, 0 abstention, 0 objection.

Recommendation: The BSAC unanimously recommends to the Board to approve the adoption of the GLEIF Service Charge for LEI issuance through Validation Agents

Resolution: The Board approves the adoption of the GLEIF Service Charge for LEI issuance through Validation Agents. Voting results of present and voting members: 14 in favor, 0 abstention, 0 objection.

Recommendation: The BSAC unanimously recommends to the Board to approve the rollout of the “zero fee” proposal for vLEI issuance.

Resolution: The Board approves the rollout of “zero fee” proposal for vLEI issuance. Voting results of present and voting members: 14 in favor, 0 abstention, 0 objection.

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Recommendation: The BSAC unanimously recommends to the Board to only charge “active” LEIs under normal LOU and Validation Agent operations and to authorize the GLEIF Management to approach the ROC and the LOUs to start discussions about this recommendation.

Resolution: The Board approves the recommendation to only charge “active” LEIs under normal LOU and Validation Agent operations and authorizes the GLEIF Management to approach the ROC and the LOUs to start discussions about this recommendation. Voting results of present and voting members: 14 in favor, 0 abstention, 0 objection.

Note: one of the Board Directors was not present, when the votes were taken.

Report of the Governance Committee

The Chair, Javier Santamaria informs about the completed activities:

- New Board members search
- Board member search process for the Japanese market
- Chairs and Vice Chairs of Committees and composition
- Orientation program for new members.

Prospects and future activities are the following:

- Follow up on the self-assessment
- Clarification on voting rules
- Review of the Whistler Blowing Policy in 2022
- Time frames management for officer terms
- Review of the three sets of rules, Statutes, By-laws, Organizational Regulations
- Governance challenges addressed previously.

Closing remarks

The Chair of the Board of Directors thanked the retiring ROC Chair François Laurent for his tremendous work and support.

4 AoB

No matters are raised.

October 2021

Steven Joachim
Chairman of the Board

Sven Schumacher
Secretary of the Meeting