

## Minutes GLEIF Board of Directors Meeting

### Meeting 56. Board of Directors Meeting

Date	2020-09-09	Time	14:00–16:00 CEST	Place	Video conference call
<b>Present</b>	<b>GLEIF Board of Directors</b>		<b>LEI ROC observers</b>		
	Steve Joachim (Chair)		Francois Laurent – LEI ROC Chair		
	Sandra Boswell		Alan Deaton – LEI ROC Vice Chair		
	Hany Choueiri		<b>Other Attendees</b>		
	Changmin Chun		Stephan Wolf – CEO		
	Daniel Cotti		Thomas Sprecher – Secretary of the Board		
	Daniel Goroff		Veronika Norman – Head of the Board		
	Salil Kumar Jha		Secretariat		
	Amy Kabia		<b>Guest</b>		
	Alfredo Reyes Krafft		Sven Schumacher – General Counsel		
	Humaid Mudhaffr				
	Hiroshi Nakatake				
	Javier Santamaria				
	Monica Singer				
	Kam Keung Tse				
	Zaiyue Xu				
<b>Absent</b>	Elemér Terták (Director)				

No	Topics
<b>1</b>	<b>Opening by the Chair</b>
	<p>The Chair of the Board, Steve Joachim, opens the meeting and welcomes the Board in his new capacity as Chair of the Board outlining the main agenda points for this meeting.</p> <p>The Chair 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 prior to the meeting. The Board accepts the agenda at hand.</p>
<b>2</b>	<b>Approval of previous meeting minutes</b>
	The Board Members approve unanimously the minutes of the previous Board meeting on 25 June 2020.
<b>3</b>	<b>Topics for information and resolution</b>
	<b>3.1 Report of the CEO</b>
	<b>GLEIS 2.0</b>
	The CEO, Stephan Wolf, outlines relevant projects and business initiatives with regard to the implementation of the GLEIS 2.0 LEI scale-up strategy. The Board discusses different strategic aspects of the report including ways on how GLEIF and ROC could jointly work on

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initiatives for the implementation of GLEIS 2.0. The Members support that for specific business topics such as LEI in digital verifiable credentials (blockchain) the dedicated Committee of the Board will take on the discussion and possible workshops for interested Board Members could be organized as proposed by the Board Chair.

### **Operations**

The CEO provides an update on regular Operations topics. Major enhancements were made for GLEIF's data platform by servicing a new GLEIF API and LEI 2.0 search engine with advanced functionality for users. As an example, GLEIF receives in total 800,000 API requests per day, from which 700,000 derive from the LEI Search 2.0 user interface and 100,000 from public GLEIF API endpoints. Further, the CEO outlines proposals for GLEIF's corporate identity. After a short discussion, the Board supports measures to strengthen the GLEIF brand including to upgrade the GLEIF logo.

The CEO updates the Board on the 2Q financial results including forecast for Q3 which showed a favorable variance compared to the budget 2020 due to the combined effect of increased revenue (mainly through higher LEI issuance numbers) and decreased total expenditure projections.

The AFC Chair, Sandra Boswell, who just started her role as new AFC Chair, informs the Board on the recently held Interim AFC meeting to review the AFC's work program and priorities going forward. AFC Members were comfortable with the overall financial reporting by Management. With regard to the review of the 2Q financial update including forecast for Q3, the AFC welcomed, despite the global pandemic crisis of Covid-19, increased LEI issuance numbers and stable cash reserves as well as GLEIF's efforts to effectively manage budget risks. The Board discusses different aspects of the financial update as presented by the CEO. The AFC Chair informs that the AFC will continue to monitor the developments of the pandemic to assess any potential financial impacts on GLEIF. The Board Chair notes that the pandemic crisis also presents opportunities to accelerate growth of GLEIF's business in the light of the digital transformation of the economy.

### **3.2 Report of the Chairs**

#### **Report on Governance**

The Chair of the Governance Committee (GC), Hiroshi Nakatake, in cooperation with the Chair of the Board, Steve Joachim, inform on relevant governance topics as discussed in recent GC meetings.

#### **D&O Insurance**

The GC Chair outlines, supported by the General Counsel, the new D&O Insurance Policy for Board Members and GLEIF officers/staff. After a short discussion, the Members support the renewal of the D&O Insurance Policy as presented and task the Risk Committee to assess the adequacy of the insurance coverage after one year, in August 2021, when the next renewal is due.

#### **Board Committee structure**

Within the Board transition process, the Board Chair and Board Committee Chairs in cooperation with the CEO exchanged comments on the effectiveness of the current structure of Board Committees which were brought to the GC for discussion. The GC concluded to propose to the Board to merge the existing two Business Committees, the

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Financial Industry Committee (FIC) and the Supply Chain and Digital Economy Committee (SCDEC) into one Board Committee to more efficiently ensure the Board's oversight of GLEIF's business strategy by addressing cross-sector linkages for LEI adoption in the financial industry, the digital economy and the supply chain and to avoid overlaps of Board Committee work. The GC proposes to the Board to adopt a related Charter for a new Board Committee entitled "Business Strategy Advisory Committee (BSAC)".

The Board approves unanimously the establishment of the BSAC and adoption of the BSAC charter and tasks the GC to make relevant changes to the Organizational Regulations.

Voting results of present and voting members: 15 in favor, 0 abstention, 0 objection

The Board approves unanimously the dissolution of the FIC.

Voting results of present and voting members: 15 in favor, 0 abstention, 0 objection

The Board approves unanimously the dissolution of the SCDEC.

Voting results of present and voting members: 15 in favor, 0 abstention, 0 objection

The Board tasks the GC to make relevant changes to the Organizational Regulations.

### **Board Committee composition and leadership roles**

The GC, in cooperation with the Board Chair and Board Committee Chairs, carefully reviewed the Board Committee assignment and leadership role nominations for the next period based on the requirements of Article 13 of the Statutes to reach a balance in terms of sector, regional and skill representation.

Based on the GC's recommendation, the Board approves the below listed elections of Members including leadership roles.

(The Members who are subject to the decision abstain from voting.)

Board

- Election of Monica Singer as Vice Chair of the Board (14 votes in favor, 1 abstention, 0 objection)

Election of five Members to the Governance Committee (GC)

- Election of Daniel Goroff as Vice Chair (14 votes in favor, 1 abstention, 0 objection)
- Election of Steven Joachim as Member (14 votes in favor, 1 abstention, 0 objection)
- Election of Daniel Cotti as Member (14 votes in favor, 1 abstention, 0 objection)
- Election of Humaid Mudhaffr as Member (14 votes in favor, 1 abstention, 0 objection)
- Election of Kam Keung Tse as Member (14 votes in favor, 1 abstention, 0 objection)

Election of three Members to the Audit and Finance Committee (AFC)

- Election of Javier Santamaria as Vice Chair (14 votes in favor, 1 abstention, 0 objection)
- Election of Changmin Chun as Member (14 votes in favor, 1 abstention, 0 objection)
- Election of Salil Kumar Sha as Member (14 votes in favor, 1 abstention, 0 objection)

Election of seven Members to the Risk Committee (RC)

- Election of Amy Kabia as Vice Chair (14 votes in favor, 1 abstention, 0 objection)
- Election of Sandra Boswell as Member (14 votes in favor, 1 abstention, 0 objection)
- Election of Changmin Chun as Member (14 votes in favor, 1 abstention, 0 objection)

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- Election of Alfredo Reyes Krafft as Member (14 votes in favor, 1 abstention, 0 objection)
- Election of Elemer Tertak as Member (14 votes in favor, 1 abstention, 0 objection)
- Election of Monica Singer as Member (14 votes in favor, 1 abstention, 0 objection)
- Election of Zaiyue Xu as Member (14 votes in favor, 1 abstention, 0 objection)

Election of nine Members to the Business Strategy Advisory Committee (BSAC)

- Election of Monica Singer as Chair (14 votes in favor, 1 abstention, 0 objection)
- Election of Daniel Cotti as Vice Chair (14 votes in favor, 1 abstention, 0 objection)
- Election of Salil Kumar Jha as Member (14 votes in favor, 1 abstention, 0 objection)
- Election of Humaid Mudhaffr as Member (14 votes in favor, 1 abstention, 0 objection)
- Election of Amy Kabia as Member (14 votes in favor, 1 abstention, 0 objection)
- Election of Hiroshi Nakatake as Member (14 votes in favor, 1 abstention, 0 objection)
- Election of Javier Santamaria as Member (14 votes in favor, 1 abstention, 0 objection)
- Election of Kam Keung Tse as Member (14 votes in favor, 1 abstention, 0 objection)
- Election of Zaiyue Xu as Member (14 votes in favor, 1 abstention, 0 objection)

Based on the GC's recommendation, the Board approves the below listed removal of Members of Board Committees.

- Removal of Changmin Chun as Member of the GC (14 votes in favor, 1 abstention, 0 objection)
- Removal of Hiroshi Nakatake as Member of the AFC (14 votes in favor, 1 abstention, 0 objection)

### **Report on Audit & Finance**

The Chair of the Audit and Finance Committee (AFC), Sandra Boswell, already updated the Board under 3.1) Report of the CEO. She thanks the former AFC Chair and AFC Members for their good work in the previous years. As next steps, the AFC will review the annual Financial Statements according to the Swiss Code of Obligations as well as the annual budget 2021 presented by Management in October 2020.

### **Report of the Committee of Chairs**

The Chair of the Board, Steven Joachim, informs the Board on relevant topics and priorities discussed by the Committee of Chairs during the transition process of the Board since the end of June 2020 including with regard of the Board meeting planning and Board support, Board decision making and meeting conduct, Board succession and the Board Alumni Network. The Board endorses unanimously the principles and recommendations of the Report of the Committee of Chairs.

### **Recording of Circular Resolutions**

The Board has passed resolutions on the following subject matters by means of circular letter according to Article 23 of the Statutes since the last Board meeting and approves to add them to these Board minutes:

- Approval of the Expense Report of the former Chairman of the GLEIF Board, Gerard Hartsink (unanimous approval)
- Accreditation Certification (step 2) | | Nasdaq CSD SE (14 votes in favor, 2 abstentions, 0 objection)

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- Election of Hiroshi Nakatake as Chair of the Governance Committee (16 votes in favour, 1 abstention, 0 objection)

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**4**    **AoB**

No further comments are raised.

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October 2020

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Steven Joachim  
Chairman of the Board

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Veronika Norman  
Secretary of the Meeting