

Minutes GLEIF Board of Directors Meeting

Meeting 28. Board of Directors Meeting

Date	2017-01-18	Time	13:00 – 15:00 CET	Place	Basel, Switzerland
Present	GLEIF Board of Directors Gerard Hartsink (Chair) Wolfgang König (Vice Chair) Jefferson Braswell Bo Chen Arthur Cousins Daniel Goroff Hiroshi Kawagoe Paul Kennedy Alfredo Reyes Krafft Hyoung-Seok Lim Ravi Mathur Bruno Schütterle Christopher Taggart Elemér Terták Kam Keung Tse		ROC Observers Michael Ritter Other Attendees Stephan Wolf – CEO Thomas Sprecher – Secretary of the Board Veronika Schoehl – Head of Board Secretariat Guests For item 3 – Report of the CEO John Alton – External Auditor (EY) for the Financial Statements Virginia Flynn – Head of Accreditation and Audit Services Clare Rowley – Head of Business Operations Sven Schumacher – General Counsel		
Absent	Nabil Al-Mubarak – excused Robin Doyle – excused Joseph Tracy – excused Daisuke Yamazaki – excused				

No	Topics
1	Opening The Chair, Gerard Hartsink, determines the presence of a quorum. He notes that the meeting was duly convened and that the agenda and documentation was provided to the Board prior to the meeting. The Chair makes the following announcements: <ul style="list-style-type: none"> - The GLEIF Financial Statements drafted in accordance with the Swiss Code of Obligations will be subject to the agenda and vote by the Board. The external auditor of EY will deliver a report to the Board accordingly. - The results of the Board of Directors’ self-assessment will be subject to the Board meeting in Moscow. - The ROC Plenary will be held on 25 January 2017 and the respective presentation will be provided to the Board for information. - Two accreditation cases (GS1 Germany and Bundesanzeiger Verlag) for the issuance of an accreditation certificate (step 2 of the accreditation process) will be subject to discussion and vote.

Minutes GLEIF Board of Directors Meeting

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- The Board will decide on the mandate and composition to establish an ad-hoc Committee on Competition.

The Board members accept the agenda.

2 Previous Meeting Minutes Approval

The members unanimously approve the minutes of the previous meeting.

3 Topics for information

Report of the CEO

- **Accreditation**

The CEO, supported by the Head of Accreditation and Audit Services, provides a status update on the accreditation of ROC-endorsed pre-LOUs and the new applicants.

The CEO, supported by the Head of Business Operations, explains the two accreditation proposals, GS1 Germany and Bundesanzeiger Verlag, submitted to the Board for approval of granting an accreditation certificate. He highlights the results of Management analysis qualifying the candidates for certification by having completed relevant accreditation requirements in accordance with the Master Agreement.

The Members discuss the proposals, including aspects of the cost-recovery principles, scoring results of the candidates as well as outlook for market penetration and industry coverage. It is noted that the LEI adoption could potentially further expand to markets beyond capital markets contributing to overall strengthening the Global LEI System.

The CEO also informs about upcoming accreditation proposals to be submitted to the Board.

- **2015 Swiss Financial Statements**

The external auditor from EY, John Alton, explains that according to article 957 of the Swiss Code of Obligations (OR), GLEIF is required to apply the new Swiss Accounting Law for the 2015 financial year for its annual financial statements. The Board already approved the voluntary 2015 IFRS Annual Report (including the financial statements) during its meeting on 14 April 2016. However, additional statutory financial statements have to be prepared and approved by the Board to comply with OR legal requirements.

The external auditor states that no significant findings are brought to the attention of the Board. For this purpose, EY has issued a comprehensive report of the auditor and a representation letter to the Board.

The objective of the audit was to issue an opinion as to whether the GLEIF financial statements comply with Swiss law and the articles of incorporation and to confirm the existence of an internal control system, designed in accordance with the instructions of the Board of Directors for the preparation of financial statements.

- **Operations Update**

The CEO highlights the most important projects in Operations, including Service Management, Data Quality, Public Consultation, Standards, Communications and IT as well as Level 2 implementation. Data quality reports for LEI issuing organizations will be published on the GLEIF website in the future. The GLEIF challenge service process works effectively. Level 1 data checks will be updated and necessary steps will be undertaken to ensure the effectiveness of Level 2 data checks. GLEIF undertakes a self-evaluation of its

Minutes GLEIF Board of Directors Meeting

own services published on the GLEIF website. The CEO will keep the Board updated on public consultations GLEIF participates in on a regular basis. The Chair recommends review of such draft consultations by Directors.

The CEO also briefs on planned pilot and research projects predominantly discussed in the margins of the TOPS Committee. The Chair notes that the CEO will update the Board on strategic projects based on the discussions in the Board Committees.

The Head of Accreditation and Audit Services provides a status update on the ongoing and planned internal audits.

Report of the Chair

- **Mandate and composition of the ad-hoc Committee on Competition**

The GC Chair underlines that it has been ensured that the committee would be set up in accordance with the relevant provisions of the Statutes and By-laws. Feedback was received by several Members on the proposed mandate. The proposed composition was distributed to Members for consideration. The GC informs that the committee plans to get together in Moscow in April 2017.

- **Promotion**

The Chair provides an update of latest promotion activities.

4 Reports of the Committee of Chairs

- **Committee of Chairs**

The CoC Chair, Gerard Hartsink, informs on a consolidated list of public consultations GLEIF participates in to be submitted to the Board on a regular basis providing an overview on GLEIF's active role in this field.

- **Technology and Operations Standards**

The TOPS Chair, Jefferson Braswell, informs on the previous, very effective TOPS Committee meeting focused on GLEIF's current and future projects. He informs that an analytical note with comments of the participants will be prepared for the next meeting.

- **Audit and Finance**

The AFC Chair, Robin Doyle, provides an update on the previous AFC meeting highlighting the most relevant topics discussed.

- **Governance**

The GC Chair, Paul Kennedy, briefed under agenda item 3.

- **Business Development**

The BDC Chair, Kam Keung Tse, informs that his committee will focus on the review of the implementation of the GLEIF strategy with regards to timelines and deliverables for 2017 and 2018.

5 Decisions taken by the Board

- **GLEIF 2015 Financial Statements per Swiss law**

Minutes GLEIF Board of Directors Meeting

The Board unanimously approves the 2015 Annual Report including the 2015 Financial Statements in accordance with the Swiss Code of Obligations (OR) and takes note of the Report of the statutory auditor on the Financial Statements as of 31 December 2015.

(15 in favor, 0 abstention, 0 objection)

- **Accreditation**

The Board approves the issuance of an accreditation certificate to the candidate Bundesanzeiger Verlag GmbH.

(14 in favor, 1 abstention, 0 objection)

The Board unanimously approves the issuance of an accreditation certificate to the candidate GS1 Germany GmbH.

(15 in favor, 0 abstention, 0 objection)

- **Ad-hoc Committee on Competition**

The Board members unanimously approve the mandate and composition of the ad-hoc Committee on Competition.

(15 in favor, 0 abstention, 0 objection)

- **Recording of mail vote recommendations**

The Board requests that the following circular resolutions are included in the minutes.

CEO Recommendations for signing the Master Agreement for accreditation (step 1) of the following candidates:

- KDD Slovenia (unanimous approval)
- INSEE France (unanimous approval)

6 AOB

No points are raised.

22 February 2017

Gerard Hartsink
Chairman of the Board

Veronika Schoehl
Secretary of the Meeting