

Minutes

Title	Minutes of the Meeting of the Board held at 1-2 Royal Exchange Buildings, London, EC3V 3LF at 09:30 on Thursday 17 May, 2018		
Present	Paul Fisher (Chairman) Mehdi Barkhordar Ruth Crowell Hitoshi Kosai Raj Kumar Steven Lowe Sakhila Mirza Andrew Quinn	By Invitation	Anne Dennison (LPPM, Observer) Jeremy East (LBMA Consultant) Andrew Grice (Bank of England, Observer) Brian Larkman (Board Effectiveness Review) John Sutcliffe (Kingston Smith Auditors)
		In Attendance	Ed Blight Neil Harby Jade Maisey

	Action
<p>1. Apologies for Absence Apologies were received from Grant Angwin, Tim Pearce and Sid Tipples.</p>	
<p>2. Minutes The minutes of the meeting held on the 22 February 2018 were reviewed and approved.</p>	
<p>3. Matters Arising The Board was notified that the matters arising from the previous minutes, were either complete or included within the agenda.</p>	
<p>4. Kingston Smith Audit Update The Board was presented with the Financial Statements for year ending 2017 noting the LBMA group position, including any identified risks and opportunities. The Board provisionally accepted the statements subject to a few minor amendments and final approval from the Finance Committee. In anticipation of final sign off, the Board was asked if they were aware of any issues since the last accounts audit, which they were not. A special thanks was extended to the Finance team.</p>	
<p>5. Board Effectiveness Review <i>(Andrew Grice and Brian Larkman (BL) joined the meeting at this point.)</i> BL thanked the Board for the time they had invested to allow him to conduct a thorough exercise. The findings concluded that the changes that were made in 2016 had been successful and that governance was moving in the right direction. Nevertheless there was further progress that could be made. The Board discussed a number of the recommendations within the review and agreed to action all key recommendations. It was further agreed to include discussion of the optional recommendations within the three-year strategic plan meeting scheduled for July.</p> <p>The Board agreed that an immediate action arising from the report was that a number of policies were to be formally written and made available publicly via the LBMA website. It was also agreed that an Executive Summary of the review was to be published which Members could access via the website.</p> <p><i>(BL left the meeting at this point. The Board expressed their appreciation for the work he had provided.)</i></p>	<p>RC RC</p> <p>SMM RC/Board</p>
<p>6. Chief Executive's Report <i>(Jeremy East (JE) joined the meeting for this item only.)</i> The Board reviewed the report noting the current work streams and outreach of the Executive. JE provided an in-depth summary on the market in Asia and strategic considerations to further</p>	

LBMA's presence in the region. The Board discussed outreach opportunities, including the continuation of translating official guides and the need for further education on benchmarks.

7. LBMA Strategy & Governance

(a) LBMA Three-Year Plan

The Board reviewed the proposed outline for the forthcoming strategy discussion and noted the fundamental work necessary in advance to ensure a constructive outcome. It was **agreed** that the Board meeting of the 13 July was to commence earlier to allow for additional time for the strategy meeting.

JLM

(Mehdi Barkhordar excused himself from the meeting at this point.)

(b) Gold Bar Integrity RfP Update

The Board noted the status of the project and the considerable interest surrounding it.

8. LBMA Procedural & Compliance Reports

(a) Responsible Sourcing

The Board was advised of the high number of Good Delivery applications as well as the projects the team were involved in. Following the work on the Responsible Gold Guidance Version 8, it was identified that that the Terms of Reference for the Refiners Forum were to be reviewed to allow for a more frequent dialogue. The Board **agreed**.

NH/SMM

(b) Membership Update & Due Diligence Report

The Board noted the current status of membership applications. It further noted the applications received to expand the Membership Committee, in which all three applicants were **agreed** by the EXCOM.

EB

It was also advised that a consolidated and formalised rulebook covering Policies and Procedures for Members was being written with supporting counsel from relevant committees and an independent consultant.

9. Finance Report

(a) Management Accounts

The Board reviewed the Management Accounts and the end-Q1 positions. It was **agreed** that the item of 'commercialisation' was to be discussed in greater depth at the next meeting.

RC/JLM

10. Any Other Business

(a) London Good Delivery Lists

The Board was debriefed on the formal process concerning a recent suspension from the Good Delivery List.

(b) General Meeting Agenda

The Board was asked to provide any comments on the proposed agenda for the thirtieth General Meeting scheduled for 12 July 2018.

[Subsequent to the meeting, no changes were proposed to the agenda.]