

Minutes

Title	Minutes of the Meeting of the Board held at 1-2 Royal Exchange Buildings, London, EC3V 3LF at 10:00 on Friday 17 May, 2019		
Present	Paul Fisher (Chairman) Grant Angwin Mehdi Barkhordar (via video conference call) Ruth Crowell Hitoshi Kosai Raj Kumar Sakhila Mirza Andrew Quinn (via conference call) Sid Tipples Edel Tully	By Invitation	Davide Collini (MeC Chair, BNP Paribas) Anne Dennison (Observer, LPPM) Jeremy East (Senior Advisor, LBMA Asia, via conference call) Andrew Grice (Observer, Bank of England) John Metcalf (Observer, LPPM) John Sutcliffe (Auditors, Kingston Smith)
		In Attendance	Ed Blight Neil Harby Jade Maisey

	Action
<p>1. Apologies for Absence There were no apologies. The Board welcomed Davide Collini (DC) to the meeting as Membership Committee Chair. John Sutcliffe (JS) was also invited to the meeting to present on the 2018 Audit.</p> <p>The Board noted that the meeting would be the last for GA and ST who were both stepping down.</p>	
<p>2. Confidentiality and Competition Law Reminder The Board was reminded of its obligations under Confidentiality and Competition Law.</p>	
<p>3. Conflicts of Interests Reminder The Board declared no new conflicts of interest.</p>	
<p>4. Minutes The minutes of the meeting held on the 14 February 2019 were reviewed and approved for publication.</p>	
<p>5. Matters Arising The Board noted the revised Anti-Bribery & Corruption Policy was awaiting final changes from the Finance Committee. All other matters arising from the previous minutes were either complete or included within the agenda.</p>	
<p>6. Kingston Smith Audit Update The Board was presented with the 2018 audited account statements and considered the LBMA's Group position. The Board agreed with the findings and noted the trends that required follow-ups for the Finance Committee.</p> <p><i>[JS excused himself from the meeting at this point. AG & JE joined the meeting]</i></p>	EB
<p>7. Chief Executive's Report</p> <p>(a) <u>Update on Work, Strategy and Projects</u> The Board considered the status of the agreed objectives for the year. Recent momentum in Asia, driven by the upcoming Shenzhen Conference, meant the LBMA Asia team had a growing presence within the region. Looking beyond Q2, the Board noted the intent to focus closely on Asia membership interaction and strategy.</p> <p>(b) <u>Market Maker Review</u> The initial stage of Market Maker meetings was due to conclude and the collated feedback was to be shared at the upcoming User Group meeting. The intention of the review was to</p>	

ensure the term 'Market Maker' was fit for purpose and added value back to that group.

8. LBMA Strategy and Governance

(a) LBMA-I Update

The Board was provided with an update on the project, noting the next round of Members were to on-board in June.

(b) Gold Bar Integrity Update

The Request for Information had concluded with the outcome to develop security feature standards. A market briefing was to take place on a range of topics relating to the findings of the project, including the supply chain provenance element.

(c) Refiners Committee Terms of Reference

The Board reviewed the Refiners Committee Terms of Reference and **agreed** with the minor amendments requested by the Committee.

NH/RC

(d) AGM Agenda

It was noted that Paul Fisher's three tenure as Chairman was approaching and a selection committee was to be formed to oversee the reselection process. The Board was asked for volunteers to sit on the Committee, whereby AQ, RC, MB and GA **agreed** to participate.

AQ/RC/GA/MB

The Board **agreed** with the proposed AGM agenda noting it was the year of the Market Makers to run for election, as well as there being a vacancy for one Full Member representative.

RC

(e) NSFR Position Paper

In advance of a series of meetings with international prudential regulators, the Board was asked to provide its feedback on the latest NSFR position paper. The LBMA-i data was central in supporting the calculations for gold and it was hoped that platinum and palladium daily reporting would be signed off at an earlier date to begin the calculations for other metals.

9. LBMA Procedural & Compliance Reports

(a) MeC Chair Report & Membership Classification Review

The Board was updated on the recent work of the Membership Committee, which included the review of membership classifications. The Board **agreed** with the intent of the review and recognised the value in streamlining the process, particularly for companies translating the application process from English. The Board also **agreed** with the preliminary proposals put forward by the Executive and Membership Committee in respect of Membership classifications.

EB

EB

(b) Membership Update & Due Diligence Report

The Board reviewed the latest membership position and discussed strategy towards membership outreach.

(c) Responsible Sourcing

The Board considered the summary report of the Responsible Sourcing audits and proposed a number of additional items to include within the GDL Rules Review Manual.

[AG excused himself from the meeting at this point]

(d) GDL Rules Review

The table of contents were presented to the Board and following its earlier discussion, a full version was to be reviewed at the next Board Meeting.

(e) SGE kilobar Standard

The Board received an update on the market-wide consultation that had taken place between the LBMA and SGE to review international kilobar standards.

10. Finance Report**(a) Management Accounts**

The Board reviewed the Management Accounts and noted the restructuring of the templates by department.

(b) 2019 Conference Budget

The Board was requested to note the budget position and respond to the Finance Committee's proposed approach to Committee Member Conference fees. After some deliberation, the Board **agreed** that the policies for Committee Member fees should remain unchanged.

EB

11. HR Update

The Board noted a new addition to the team.

12. Any Other Business

The Board thanked the LPPM for another successful platinum week in London.

The Board also expressed their sincere appreciation to GA for his invaluable contribution as Chair and Vice-Chair during his ten-year tenure. And to ST for his service to the Board over the last five years.