

Minutes

Title	Minutes of the Meeting of the LBMA Board held at 62 Threadneedle Street, London EC2R 8HP and via Zoom at 03:30 BST on Friday 20 May 2022		
Present	Paul Fisher (Chairman) Mehdi Barkhordar (MMTC PAMP) Davide Collini (BNP Paribas) Ruth Crowell (LBMA) Wenjian Fang (Bank of China) Hitoshi Kosai (Tanaka Kikinzoku Group) Raj Kumar (ICBC Standard Bank Plc) Sakhila Mirza (LBMA) Andrew Quinn (Non-Executive Director) Isabelle Strauss-Kahn (Non-Executive Director) Paul Voller (HSBC)	Observers	Anne Dennison (LPPM) Andrew Grice (Bank of England)
		By Invitation	Luke Holt (Moore Kingston Smith) Jonathan Patrick (Migrate Partners) Victoria Speers (Migrate Partners)
		In	Ed Blight
		Attendance	Amber Dhardwar Kate Green Varsha Peiris (in place of Neil Harby) Edel Tully

<ol style="list-style-type: none"> Apologies for Absence Apologies were received on behalf of John Cullen who was not able to attend the meeting. Confidentiality & Competition Law Reminder The Board was reminded of its obligations under Confidentiality and Competition Laws. Conflicts of Interest Reminder The Board noted no new conflicts of interest. The Board were reminded, in light of the ongoing sanctions against Russia and to avoid any conflicts of interest, that any issues concerning removal or suspension from the Good Delivery List were not to be discussed at the Board. Minutes of the Previous Meeting The Minutes of the Meeting from Thursday 3 March 2022 were reviewed and approved for publication. Financial Management <ol style="list-style-type: none"> 2021 Financial Audit Report Luke Holt, Head Auditor for Migrate Kingston Smith, discussed the audit outcome with the Board. It was noted that LBMA had successfully turned a deficit into a surplus in their accounts over the last year. The Board approved the accounts for signature. Strategic Financial Risk Review EB summarised the paper. The Board discussed member fees and noted the impact of the most recent fee increase. It was agreed that LBMA work towards implementing a framework for member fee increases to manage the inflation risk and ensure a consistent approach in the future. <i>Wenjian Fang joined the meeting.</i> Management Accounts The Board noted the position of the Management Accounts. Bank Guarantee EB summarised the paper and the Board approved the resolution as required in connection with a VAT claim. 	Action:
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Accordingly, after consideration of the financial position of the company and its future requirements, and after giving consideration to the requirements of sections 171 to 177 of the Companies Act. 2006,

- (a) That it was, in the opinion of the Directors of the company, for the benefit of the Company and for the purpose of an ancillary to its business that it should enter into an engagement facility.
- (b) That it should sign or execute and deliver to a Facility Letter, related Acceptance, Authorization Forms and other documents signed by the Company.

6. Chief Executive's Report

a) Update on Sanctions & CEO Report

The Board noted the positive response following the actions taken by LBMA and that LBMA would continue to support the market with questions on pre-existing Russian stock.

The Board **approved** the proposal to reappoint Andy Quinn and Paul Fisher for a further 3-year term. It was **agreed** that LBMA would update the Memorandum and Articles of Association to include the potential appointment of a fourth Non-Executive Director to assist succession planning.

The Board noted the positive feedback received from Members on the 'Virtual Tea with Ruth' initiative and that Isabelle Strauss-Kahn would join the next Members Town Hall on 26 May 2022. It was also noted that AD had successfully briefed all Committees on the diversity and inclusion initiative, encouraging members to bring junior staff to a meeting.

The Board were requested to review the draft Speaker Programme for Lisbon and submit their feedback.

Andrew Grice joined the meeting.

b) Risk Appetite

RC summarised the risk appetite and the Board discussed the appetite for reputational risk. The Board also discussed cyber security risk and EB summarised plans to engage a supplier to conduct a Cyber Security Review, with results to be shared with Board once complete. The Board **agreed** the LBMA risk appetite, and it was noted that the risk register would be updated accordingly for approval at the next meeting.

7. Market Development, Governance & Strategy

a) Gold Bar Integrity

The Board noted the increase in number of pilot participants and the project next steps. The Board discussed concerns raised by some participants over potential conflicts of interest and noted that LBMA would ensure objectivity across the project.

b) Sustainability & Responsible Sourcing

RC summarised the success of this event in terms not only of attendees but the LBMA's strategic aim of addressing the wider sustainability agenda as well as ASM.

c) Amendments to AGM Agenda

The Board **approved** the AGM agenda. It was confirmed that a new provider had been selected following the issues experienced in 2021.

d) Memorandum & Articles of Association

SMM summarised the proposed changes to Memorandum & Articles of Association.

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There was produced to the meeting a form of the Written Resolutions of the members of the Company, firstly to change the name of the Company and secondly to amend the Company's articles of association.

By written procedure, the Board **approved** the below written resolutions:

- 1.1.1 approve the Written Resolutions in the form produced to the meeting; and
- 1.1.2 send the Written Resolutions to every eligible member of the Company for approval and to the Company's auditors.

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8. LBMA Executive: Business Operations & HR

a) Office Relocation Update

The paper was taken as read.

b) HR Update

It was noted that the HR Committee would be re-named to the HR & Remuneration Committee.

9. Any Other Business & Questions on Papers for Information

Nothing raised.

10. Date of the next Meeting

It was **agreed** that the next meeting would be held on Friday 8 July at 13:00 BST.

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30 May 2022