
Minutes of a Link Scheme Holdings Ltd (the “Company”) Board Meeting

Held on Thursday 4th November 2021 at 9:30am at LINK’s offices (Redacted on Confidential Grounds)

Present:

Sir Mark Boleat – Chairman
Chris Davis
John Gill
Tracey Graham
John Howells
Lord David Hunt
Bill Raynal
Liz Richards
David Rigney

Apologies:

None

In Attendance:

LINK Scheme Executive
Kate Blades (Item 17 only)
Deanne Clifton
Mike Knight
Graham Mott
Adrian Roberts
Tom Sleight
Sue Wallace

1. Opening of Meeting

The Chairman declared that a quorum was present and that the meeting had been duly convened.

2. Presentation from Victoria Richardson, Chief Strategy Officer, Australian Payments Network Limited

Victoria Richardson joined the meeting via video conference.

The Board was apprised on developments in the Australian Financial Markets Infrastructure (FMI) marketplace and parallels with UK FMIs. The Board thanked Victoria for spending time to share her insights with the Board.

Victoria Richardson left the meeting.

The Board noted the value of the presentation and the many parallels with the UK marketplace. It agreed that external payment industry presentations should be a periodic Board agenda item. A request was made for the next presentation to focus on learnings from Sweden’s payment industry. **ACTION: STRATEGY DIRECTOR.**

3. Welcome and Conflict of Interest Declarations

The Chairman welcomed the Directors and those in attendance, formally introducing Chris Davis the new LSHL Non-Executive Director effective 1st November 2021 (subject to the non-objection of the Bank of England), and noting that the Board was delighted to be face-to-face in the LINK Harrogate office for the first time since March 2020. The Chairman highlighted the key topics for the Board's consideration:

(Redacted on Confidential Grounds)

The Chairman reminded the Directors of their obligations under the Companies Act 2006 and the Articles of Association of the Company to declare the nature and extent of their interests (whether direct or indirect) in a situation in which he/she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company. As required by section 175 of the Act and the Articles, each Director (as applicable) confirmed and declared the nature and extent of his/her interest (whether direct or indirect) in accordance with section 175 of the Act and the Articles (the Conflicted Directors).

David Rigney declared his position as Non-Executive Director of Principality Building Society which has a contractual relationship with a Network Member.

Chris Davis declared his position as Executive Director and Chief Operating Officer at The Co-operative Bank. The Board noted that his employment at The Co-operative Bank will cease as of 31st December 2021 and that he is currently on gardening leave. On this basis, the Board accepted that there was no conflict.

4. Minutes of the Previous Board Meetings and Matters Arising

The Chairman stated that the minutes of the meeting held on 2nd September 2021 had already been approved. All actions have been completed or were on the agenda for this or future meetings. There were no matters arising.

5. Committee and Meeting Updates

The approved minutes of the Audit Committee meeting held on 2nd September 2021 had been included in the Board papers for this meeting. Liz Richards (Chair of the Audit Committee) noted the meeting's focus being primarily on Internal Audit.

Tracey Graham (Chair of the Consumer Council) briefed the Board on key topics covered at the Consumer Council meeting held on 3rd September 2021:

- The output of Barclays and NatWest's pay-to-use analysis and their subsequent actions to support vulnerable customers.
- Initial views from other large Issuers on taking similar action.
- Engagement of RSA to undertake research into pay-to-use ATM use.

The Board requested the preparation of a publicly available summary of the banks' pay-to-use investigations. **ACTION: CCO.**

6. CEO's Report

The Board considered, in a wide-ranging discussion, the contents of the CEO's Report:

(Redacted on Confidential Grounds)

7. Update on the Access to Cash Action Group

The Board considered the progress of the Cash Action Group (CAG) (Redacted on Confidential Grounds)

8. Progress with Establishing the Counter Terminal Channel

The Board considered the report on the progress of establishing the Counter Terminal service and noted the following points:

(Redacted on Confidential Grounds)

9. Footprint Report

The Board considered the Footprint Report, outlining LINK's effectiveness in meeting its commitments to consumers and noted the achievement of the 100th Directly Commissioned ATM in September 2021 at RAF Odiham, concluding that this was satisfactory.

10. Stakeholder and Communications Update

The Board noted the Stakeholder and Communications Update (Redacted on Confidential Grounds)

11. Operational Summary

The Board discussed the key points of the overall operational position of LINK, including the latest Operations Dashboard included in the Board pack:

(Redacted on Confidential Grounds)

12. Scheme Governance and Development Summary

The Board was updated by a new regular paper on the overall position in relation to Scheme Governance and Development, noting the following key points:

(Redacted on Confidential Grounds)

13. Risk Summary

The Board reviewed the management of the Key Risks facing LINK (Redacted on Confidential Grounds)

14. Finance Report

The Board considered the Scheme's financial position (Redacted on Confidential Grounds)

15. LINK Volume Forecast for 2022

The basis for the 2022 LINK ATM forecast was presented to the Board, outlining the analysis, trends and data inputs used to develop it. (Redacted on Confidential Grounds)

16. Consideration for Approval of Financial Inclusion Policies

The Board considered and approved the amendments to the Deprived Area ATM Policy.

DECISION: Revised Deprived Area ATM Policy approved.

17. HR Report

Kate Blades joined the meeting.

The Board considered the regular HR update (Redacted on Confidential Grounds)

Kate Blades left the meeting.

18. Noting of any e-mail Approvals

The following responses, documents and process were approved via e-mail prior to the November Board Meeting:

(Redacted on Confidential Grounds)

19. Any Other Business

The Board noted the LSHL AGM will take place on 10th November. The meeting will be held virtually via Microsoft Teams.

20. Next Meeting

The next meeting will be held on Thursday 9th December at 10:30am (Redacted on Confidential Grounds)

21. Regular Directors Only Session

In accordance with previous years' practice, the CEO and SMT were asked to leave the meeting for this item in order that the Board, under the direction of the Chairman could consider the Scheme Executive and CEO's performance over the previous 12 months. This is recorded in a separate note. **ACTION: CHAIRMAN.**