

Draft Minutes of a Link Scheme Holdings Ltd (the “Company”) Board Meeting**Held on Thursday 3rd March 2022 at 9:30 am at LINK’s Office, (Redacted on Confidential Grounds)****(with videoconference connection to noted attendees)****Present:**

Sir Mark Boleat – Chairman
Chris Davis
John Gill
Tracey Graham (via video conference)
John Howells
Lord David Hunt
Bill Raynal
David Rigney

Apologies:

None

In Attendance:**LINK Scheme Executive**

Chris Ashton (Items 6 and 7 only)
Kate Blades (Item 12 only)
Deanne Clifton
Mike Knight
Graham Mott
Adrian Roberts
Tom Sleight
Sue Wallace

LINK Minutes Secretariat

Michelle Maple

1. Welcome and Conflict of Interest Declarations

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

The Chairman welcomed Board Directors and those in attendance, and highlighted the key issues for the Board’s consideration:

(Redacted on Confidential Grounds)

The Chairman reminded the Directors of their obligations under the Companies Act 2006 (CA2006), together with 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 CA2006 and the Company’s 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).

Chris Davis declared his position as a Partner of Kyndryl.

(Redacted on Confidential Grounds)

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

Sir Mark Boleat declared his position as the newly elected Leader of the Jersey Alliance Party.

The Board noted these declarations and agreed that none currently represented a conflict of interest.

2. Minutes of the Previous Board Meetings and Matters Arising

It was noted that the minutes of the meeting held on 3rd February 2022 had been approved via e-mail, with all actions having been completed or included as an agenda item for this or future meetings. There were no matters arising.

3. Committee and Meeting Updates

The Board noted the approved minutes from the Risk Committee held on 3rd February 2022. John Gill, Risk Committee Chair, summarised the main areas of discussion:

(Redacted on Confidential Grounds)

The Board discussed the risks arising from the situation in the Ukraine, noting LINK's and Vocalink's security posture and the monitoring in place, and the wider engagement with cross-industry groups.

4. CEO's Report

The Board considered the contents of the CEO's Report, noting in particular the following points:

(Redacted on Confidential Grounds)

5. Approach to 2022 Board and Committee Effectiveness Reviews

The Board considered the proposed methodology and timeframe. This included considering if any externally facilitated evaluation is required.

While there are no concerns over the Board's current governance or effectiveness, there was general consensus that it would be prudent to include an element of external evaluation this year in line with good governance practice.

Directors suggested a number of possible organisations to provide this support and it was agreed that the Chairman would consider these options and recommend a way forward, with the support of the Chairs of the Risk and Audit Committees and the LINK Consumer Council. **ACTION: Chairman.**

DECISION: The 2022 Board Effectiveness Review to be completed in line with the proposed methodology and timeframe and with an element of external support.

Chris Ashton, Head of Banking Services, joined the meeting.

6. Update on the Co-ordinating Body for Access to Cash

The Board considered, in a wide ranging discussion, the initial work of the Co-ordinating Body, and the roles and responsibilities of the various other bodies involved:

(Redacted on Confidential Grounds)

7. Data Management Risk Assessment of the Work of the Co-ordinating Body

The Board considered the analysis of the risks faced by LINK in handling sensitive data from PNMs in its capacity as the Co-ordinating Body.

(Redacted on Confidential Grounds)

Chris Ashton, Head of Banking Services, left the meeting.

8. Progress with Establishing the Counter Terminal Channel

The Board considered the progress of establishing the Counter Terminal channel. The following points were noted:

(Redacted on Confidential Grounds)

9. Footprint Report

The Board noted the latest ATM Footprint Report, summarising LINK's effectiveness in meeting its commitments to consumers. The following points were discussed:

(Redacted on Confidential Grounds)

10. Stakeholder and Communications Update

The Board considered LINK's stakeholder engagement and communication strategy. The following points were discussed:

(Redacted on Confidential Grounds)

11. Operational Summary

The Board reviewed the report summarising LINK's overall operational position and the Operations Dashboard, noting the following key points:

(Redacted on Confidential Grounds)

Kate Blades, Head of HR joined the meeting.

12. HR Update

The Board considered and discussed the key points of the HR update:

(Redacted on Confidential Grounds)

Kate Blades, Head of HR left the meeting.

13. Scheme Governance and Development Summary

The Board noted the report and discussed the following points:

(Redacted on Confidential Grounds)

14. Risk Summary

The Board noted the overview of key risks in the Board paper and the attached Key Risks Report.

15. Finance Report

The Board discussed the Scheme's overall financial position and noted the following:

(Redacted on Confidential Grounds)

16. Update on LINK's Latest Consumer Behaviours Research

The Board noted the update on LINK's Consumer Behaviours Research. ATM usage would continue to be monitored closely, given the ongoing issues between Russia and Ukraine.

17. Update on ATM Crime and Fraud

The update on ATM crime and fraud was reviewed and noted, including the potential for increasing risks in this area.

18. Report on the Findings of the Member Assurance Cycle for 2020/2021

The report and positive response from Members was noted by the Board.

19. LINK's Operational Resilience Self-Assessment Report

The Board considered the recommendation from the Risk Committee to approve LINK's Operational Resilience Self-Assessment Report. How to conduct benchmarking against

other Financial Market Infrastructures will be considered by the CRO for future iterations.

DECISION: The Board approved the Operational Resilience Self-Assessment Report.

20. LINK's Risk Framework

The Board reviewed the overview of the changes to the core Risk Management Framework documents and considered the recommendation from the Risk Committee to approve the revised Risk Framework.

DECISION: The Board approved LINK's Risk Framework.

21. Information Security Management Policies

The Board considered the Risk Committee's recommendation to approval the following updated Policies:

- Information Security Policy.
- Access Control Policy.
- Information Asset Classification Policy.
- End User Policy.
- Information Security Incident Management Policy.

DECISION: The Board approved the Information Security Management Policies.

22. Noting e-mail Approvals

There were no e-mail approvals to note.

23. Any Other Business

Item 26, Regular Directors Only Session, was deferred to the May meeting. There was no further business.

24. Next Meeting

The next Board meeting will be held on Thursday 5th May 2022 at 10.30 am in London. A short Board Update call will take place on Thursday 7th April at 11.00 am.