
Minutes of a Link Scheme Holdings Ltd (the “Company”) Board Meeting**Held on Friday 4th November 2022 at 9:30 am (Redacted on Confidential Grounds)****Present:**

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

Apologies:

None

In Attendance:**LINK Scheme Executive**

Mike Knight
Graham Mott
Adrian Roberts
Tom Sleight
Sue Wallace
Nick Quin – Item 9
Michelle Maple (minutes)

1. Opening of Meeting

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

2. Welcome and Declarations of Interests or Potential or Actual Conflicts

The Chair welcomed Board Directors and members in attendance.

(Redacted on Confidential Grounds)

The Chair 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.

Chris Davis declared his position as Partner of Kyndryl and Chair of Deal Value Creation Partners.

Sir Mark Boleat declared his position as Chair of the Board of the International Business and Diplomatic Exchange.

Tracey Graham declared her position as Non-Executive Director of Close Brothers Bank.

Tracey Graham also declared her position as a Non-Executive Director on the Board of Nationwide. In relation to this declaration, the Board noted that, with regards to decisions on interchange, Tracey Graham should not take part in the associated votes, although her contributions to the debates would be useful and appropriate.

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

3. Minutes of the Previous Board Meetings and Matters Arising

It was noted that the minutes of the meeting held on 1st September 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.

4. Committee and Meeting Updates

The Board noted the approved minutes from the Audit Committee held on 1st September 2022.

(Redacted on Confidential Grounds)

The Board noted the approved minutes from the Consumer Council held on 8th September 2022. Tracey Graham, Consumer Council Chair, summarised the main areas of discussion as follows:

- A detailed discussion took place on ways in which to improve access to cash and digital inclusion in Wales, with David Rigney providing valuable insights from his time on the Board of Principality Building Society.
- A report on the Financial Inclusion Programme was received. As part of this, visits to a sample of deprived areas considered to be “resolved” have now commenced to ascertain whether these issues have been solved for customers.
- Council members were pleased to note that LINK’s campaign to raise awareness of cash at the till had resulted in an uplift in users of this service.

The Board noted the approved minutes from the additional Risk Committee meeting held on 6th October 2022.

(Redacted on Confidential Grounds)

5. CEO Report

The Board considered the CEO’s Report.

(Redacted on Confidential Grounds)

6. Update on the Co-ordinating Body

The Board considered the progress report on the work of the Co-ordinating Body.

(Redacted on Confidential Grounds)

7. (Redacted on Confidential Grounds)

8. Footprint Report

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

It was agreed that the number of cash access points provided through Post Office locations, cash at the till and, if available, Barclays' cashback without purchase terminals would be incorporated within the next report. **ACTION: CCO**

9. Stakeholder & Communication Update

The meeting was joined by Nick Quin.

The Board reviewed and noted LINK's stakeholder engagement and communication activity.

(Redacted on Confidential Grounds)

Nick Quin left the meeting.

10. Operational Summary

The Board reviewed the report summarising LINK's overall operational position.

(Redacted on Confidential Grounds)

11. Scheme Governance & Development Summary

The Board noted the report on Scheme Governance and Development, together with the report on how the constitution supports the appointment of Directors of Network Members as LINK Directors.

It was noted that Article 55 of the LSHL Articles permits a Director of LSHL to also be a Director of a Network Member, providing they declare their interest in writing to the LSHL Board and comply with Board procedures for managing conflict.

It is recognised that the declarations recorded at the start of each Board meeting do not necessarily represent a conflict. Accordingly, the Board agenda has been amended to "Declarations of Interests or Potential or Actual Conflicts" with Directors declaring any

other interests for the Board's consideration and, if considered a potential source of conflict, agreement of the process for managing the potential conflict.

Additionally, some minor amendments (including consideration of its name) will be made to the Conflicts of Interest Policy to support this revised approach.

12. Ongoing Insight of Interchange

(Redacted on Confidential Grounds)

Tracey Graham took part in the discussion but not the decision, in line with previous Board decisions on potential conflicts of interest.

13. Risk Summary

The Board considered the risk summary report and noted the significance of the risks currently facing the organisation, and the actions being undertaken to mitigate these risks.

14. 2023 Risk-Focused Board Strategy Event

The Board reviewed the proposed arrangements for the 2023 risk-focused Board Strategy Event.

(Redacted on Confidential Grounds)

15. Finance Report

The Board discussed the Scheme's overall financial position.

(Redacted on Confidential Grounds)

16. Cash and Payments Forecast

The Board reviewed and noted the latest forecast for cash payments and ATM use.

17. HR Report

The Board reviewed and noted the contents of the HR report. It was agreed that the next report would also include diversity statistics. **ACTION: COO.**

18. Noting e-mail Approvals

The following email approvals were noted:

(Redacted on Confidential Grounds)

19. Any Other Business

The was no other business.

20. Appointment of LINK's Chair

The Sir Mark Boleat and the SMT, other than the CEO, left the meeting and Lord Hunt took the chair.

The Board considered RemNomCom's proposal to appoint Sir Mark Boleat for a further three-year term, following the end of his current term in February 2023. The Board approved this reappointment. It was noted that this would be the third and final term for Sir Mark under the Company's Articles. The Board then considered RemNomCom's proposal to increase the Chair Fee to £155k from £145k, this to be effective from 1st December 2022. The Board approved this change. The CEO is instructed to make the necessary arrangements in relation to Sir Mark's re-appointment and the Chair Fee.

ACTION: CEO.

Sir Mark Boleat re-joined the meeting and took the chair.

The Board considered RemNomCom's proposals to increase Non-Executive Director Fees from £45k to £55k with an additional £10k for committee chairs, this to be effective from 1st December 2022. The Non-Executive Directors did not take part in this discussion and decision. The Board approved this change. The CEO is instructed to make the necessary arrangements in relation to Non-Executive Director Fees.

ACTION: CEO.

21. Regular Directors Only Session

In accordance with agreed practice, the CEO left the meeting for this item in order that the Board could consider the Scheme Executive and CEO's performance over the previous 12 months.

(Redacted on Confidential Grounds)

22. Next Meeting

The next Board meeting will be held on Thursday 8th December 2022 at 10.30 am
(Redacted on Confidential Grounds)

The meeting closed at 11.30.