

Pay. UK Limited**Minutes of a meeting of the Board of Directors held on 31 July 2023**

Members		Attendees	
Mark Hoban (MGH)	Pay.UK Chair	Michael Ellis (ME)	Chief Finance Officer
Anna Bradley (AB)	Senior Independent NED	Indrani Gardner (IG)	Head of Communications
Helen Crooks (HC)	Independent NED	David McPhee (DM)	Chief Policy & Engagement Officer
Marc Pettican (MP)	NED	David Morris (DMO)	Chief Technology Officer
David Pitt (DP)	Chief Executive Officer	Shane Warman (SW)	NPA Programme Director
Lesley Titcomb (LT)	Independent NED	Louise Rebeck (LR)	Company Secretary & Special Projects
Lars Trunin (LTR)	NED		
Ajay Vij (AV)	Independent NED		
Peter Wyman (PW)	Independent NED		
Apologies			
Diane Côté (DC)	Independent NED		

*Board members and attendees met remotely by video conference

23/70 Opening Business

- 23.70.1 Quorum and welcome –The Chair confirmed a quorum was present. Apologies were noted from DC.
- 23.70.2 Conflicts of Interest – MGH reminded directors that under the CA 2006 and Pay.UK’s Articles of Association (the “Articles”), directors were required to declare their interests to the other directors in any proposed transaction or arrangement with Pay.UK. MGH highlighted the importance of directors ensuring their entries in the Register of Directors’ Interests were correct.
- 23.70.3 The Register of Directors’ Interests was made available for members’ review prior to the meeting.

23/71 Regulatory Update

- 23.71.1 MGH stated confirmation had been received from the PSR that was in line with the verbal feedback provided after their Board met on 24 July, in that Pay.UK’s submission had been approved with no conditions attached. MGH added this information would be in the public domain when the PSR published its Board minutes in the coming weeks. The Chair of the PSR Board had confirmed that Pay.UK could share in its communications the outcome of the PSR’s Vendor Contract assurance decision.
- 23.71.2 [Redacted – Commercially sensitive]
- 23.71.10 DP added that the delay was likely to be at least three months and, whilst it would be mitigated as far as possible, this would have an associated NPA programme cost

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[Redacted – Commercially sensitive]. Without complete clarity it was difficult to determine when FMID would give its decision and therefore what the extent of the delay. DP reflected that input from the regulators would be required to help mitigate any further delay.

23/72 NPA Vendor Announcement

[Redacted – Commercially sensitive]

ME, DMO, DM, SW and IG left the meeting.

23/73 Nomination Committee

- 23.73.1 MGH stated that at its meeting on 26 July the Nomination Committee had discussed the current membership of the Board taking into consideration that the Articles of Association permitted three industry NEDs. He added that the Committee had not sought to appoint a third NED following the retirement of John Mountain from the Board. The Committee had agreed that introducing a third NED would be a distraction and was not required at this time.
- 23.73.2 Referring to the Articles of Association, MGH noted that they allowed for two Executive Directors. The Committee felt it appropriate to appoint a second Executive Director to the Board and had focused on the appointment of ME, recognising the breadth of skill and knowledge he brought to the Board and his strategic and commercial awareness. MGH added that the appointment would recognise ME's seniority in the organisation and the role he undertook when DP was on compassionate leave. The Board approved the appointment to the Board of ME as an Executive Director, subject to FMID non-objection.
- 23.73.3 *Post meeting note: Further to communications with FMID via the Regulatory team, it was confirmed a non-object was not required in respect of this appointment. Accordingly, Michael Ellis was appointed as a director w.e.f. 3 August 2023.*
- 23.73.4 It was noted that prior to the meeting DC had confirmed her support of both the Nomination Committee and Remuneration Committee recommendations and decisions.

23.74 Remuneration Committee

- 23.74.1 AB advised that a number of benchmarking reports had been received from Korn Ferry earlier than anticipated. These had been brought to the Remuneration Committee to enable conversations regarding remuneration to take place to address a number of issues that had been identified.
- INED remuneration
- 23.74.2 AB stated that the Remuneration Committee had discussed a recommendation that required Board agreement and had made a number of decisions for which it had delegated responsibility.
- 23.74.3 [Redacted – Commercially sensitive]
- 23.74.14 AB stated the Remuneration Committee had discussed the use of LTIPs as a retention tool for a small number of senior colleagues within the business as well as a performance-related incentive. Conversations would be progressed at the next Committee meeting.

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23/75 Any Other Business

23.75.1 As there was no further business AB thanked everyone present, closed the meeting.

Chair