

OCLC, INC.
Meeting of the Board of Trustees
June 10, 2019

This meeting of the Board of Trustees of OCLC, Inc., pursuant to the notice of the Secretary dated May 30, 2019, and in accordance with Article VII, Section I, of the Code of Regulations of OCLC, Inc., convened at 8:30 a.m., local time, on June 10, 2019, at the Conference Center – Lakeside Room at OCLC, 6600 Kilgour Place, Dublin, Ohio. Mr. Szabo presided as Chair and Ms. Presas kept the minutes of the meeting, except during the executive sessions, when Ms. Hilsheimer kept the minutes.

Trustees present:

Craig Anderson
Brady Deaton
Bernadette Gray-Little
Cindy Hilsheimer
Kathleen Keane
Madeleine Lefebvre
Barbara Lison
Jacques Malschaert
James Neal
John Patrick
Barbara Preece
Skip Prichard
Ginny Steel
John Szabo
Sarah Thomas

Trustees absent:

None

Also, present for all or portions of the meeting:

Andrew Bordas, Vice President, Management and Customer Operations
Bruce Crocco, Vice President, Library Services for the Americas
Lorcan Dempsey, Chief Strategist, Vice President Membership & Research
Bart Murphy, Chief Technology and Information Officer
William Nilges, Vice President, Business Development
Julie Presas, Vice President & General Counsel, Secretary
William Rozek, Chief Financial Officer, Treasurer
Mary Sauer-Games, Vice President, Global Product Management
Tammi Spayde, Vice President, Human Resources, Marketing, Facilities

The Chair called the meeting to order and welcomed the Trustees and members of the executive management team. The Chair then inquired as to whether there were any changes to the meeting agenda, at which none were suggested. The Chair inquired as to any changes, objections to, removals from or discussion of the proposed consent agenda, and there being none, he requested a motion to approve the consent agenda. Upon a motion duly made and seconded, the Trustees approved the consent agenda by a unanimous vote. The consent agenda contained the following items:

- Minutes of the March 25, 2019 Meeting of the Board
- Board Membership Committee Charter Resolution
- Finance & Investment Committee Charter Resolution

The Chair then called for the President's report. Mr. Prichard asked that the Board look to his written report for details, which was previously provided to the Trustees. Mr. Prichard addressed 3 follow up items from the March Board meeting. Mr. Prichard then provided an overview of OCLC's finances for FY19 year to date. As part of this presentation, Mr. Prichard also reported on significant sales wins in North America and EMEA. He also provided a status update on significant product and development initiatives for FY19. Mr. Prichard then provided an overview of corporate priorities for FY20 and sought Board feedback through a SWOT analysis. Mr. Prichard asked Mr. Rozek to provide an overview of the FY20 Corporate Operating Plan including revenue forecast by region and investments in OCLC services. Mr. Prichard then introduced Mr. Bordas to speak about the upcoming strategic planning process. After discussion, Mr. Prichard delivered final remarks and thanked the team for their work. Mr. Prichard then made comments honoring OCLC employee Tom Haney, who unexpectedly passed away on June 6th. Mr. Prichard noted that Mr. Haney was an exceptional leader, as well as a trusted and respected colleague. Mr. Prichard reported that his loss was a shock to the OCLC family and there has been an outpouring of support from OCLC staff. This concluded the President's report.

The Chair then called for the report of the Finance and Investment Committee. Mr. Neal reported that the Committee met with all members present and had: (i) approved changes to the Committee Charter, which was approved by the full Board in the consent agenda, (ii) reviewed the year to date operating results for FY19 and future projections, (iii) reviewed and approved the FY20 COP, and (iv) discussed OCLC's investment policy. Mr. Neal then brought forward the following resolution to the Board for their approval:

RESOLUTION

RESOLVED, that the fiscal year 2020 budget of the Corporate Operating Plan, as presented to the OCLC Board of Trustees at this meeting, be and the same hereby is approved.

Needing no second, and with no further discussion, the resolution was voted on and approved by a unanimous vote. This concluded Mr. Neal's report.

The Chair then called the meeting into executive session at 10:04 a.m. The Board continued in executive session until 10:19 a.m. at which time the meeting was called back into open session and the Chair called for a break.

The Chair reconvened the meeting at 10:38 a.m. and then delivered the Chair's report. He reminded the Committee about the recent election of Theresa Byrd and noted that he's been in communication with her. The Chair then reported that he has regular, ongoing communication with Mr. Prichard. He also

thanked OCLC staff for their good work on the preparation for the Board meetings. This concluded the Chair's report.

The Chair then reported that the Executive Committee met Sunday with all members present and had: (i) received a preview of the President's Report from Mr. Prichard, (ii) heard from all Committee chairs on business before the Board, and (iii) reviewed the proposed dates for the 2020 Board meetings, which had been distributed to the Board in March for feedback. The Chair also reported that the consensus of the Committee was to have the June 2020 meeting in Montreal. The Chair noted that due to a Grand Prix auto race in Montreal in early June, the proposed meeting date for June was moved forward one week.

After discussion by the Board, Mr. Szabo brought forward the following resolution to the Board for their approval

RESOLUTION

RESOLVED, that regular meetings of the Board of Trustees shall be held, in calendar 2020, at the offices of the Corporation or at other locations designated by the Board at 8:30 a.m., local time or at such time determined by the Board Chair, on the following dates:

March 23, 2020
June 15, 2020
September 21, 2020
November 9, 2020

FURTHER RESOLVED, that the annual meeting of the Board of Trustees shall be held immediately following the regular meeting on November 9, 2020.

Needing no second, and with no further discussion, the resolution was voted on and approved by a unanimous vote. This concluded the report of the Executive Committee.

The Chair then called for the report of the Board Governance Committee. Ms. Lison reported that the Committee met with all members present, and had: (i) discussed the process to determine committee assignments for 2020, (ii) discussed proposed changes to the Code of Regulations and Bylaws, and passed a resolution approving the changes, which will be brought forth during the Trustee Members meeting following this meeting, (iii) discussed exit survey results and determined that there are no actionable items resulting from the feedback provided, (iv) discussed Board succession planning including the development of a new Board skills matrix, and (v) discussed the mentor assignment for incoming Trustee Theresa Byrd and recommend Ginny Steel to serve as her mentor. Ms. Lison also noted that the Board Self-Assessment

Survey will be distributed in late August and asked Board Members to complete and return the Survey after they receive it. This concluded Ms. Lison's report.

The Chair then called for the report of the Personnel and Compensation Committee. Ms. Keane indicated that the Committee met with all members present and had: (i) received an overview of OCLC's Management Incentive Plan and Long-Term Incentive Plan, including the objectives, participation levels and FY19 forecast for payouts, and (ii) received an update from Ms. Spayde about succession planning for OCLC leadership including individualized succession planning. Ms. Keane also noted that there is one item discussed by the Committee, which will be reported during executive session. This concluded Ms. Keane's report

The Chair then called for the report of the Membership Committee. Ms. Preece reported that the Committee met on March 26, 2018 with all but 2 members present, and had (i) approved changes to the Committee Charter, which was approved by the full Board in the consent agenda, (ii) received updates on activities of the Board and the Global Council, (iii) discussed ways to strengthen communication between the Board and Global Council, and (iv) agreed on a process for developing a list of potential candidates. This concluded Ms. Preece's report.

The Chair then called for the report of the Audit Committee. Mr. Deaton reported that the Committee did not meet in June and reminded the Board about the upcoming financial audit by BDO at the end of the fiscal year. The results of the audit will be reviewed by the Committee at its meeting in September. This concluded Mr. Deaton's report.

The Chair then requested the Technology Committee report. Mr. Patrick reported that the Committee did not meet in June. The Committee will hold a meeting in September. Mr. Patrick noted that he will work with Mr. Murphy on an agenda for September's meeting. This concluded Mr. Patrick's report.

The Chair then convened the meeting in executive session at 10:59 a.m. with Ms. Spayde present. The Board continued in executive session until 11:03 a.m., at which time the Chair re-convened the Board in open session.

During the executive session, Board moved and approved the following resolution with Mr. Prichard abstaining:

RESOLUTION

WHEREAS, the Personnel & Compensation Committee (the "Committee") of OCLC, Inc. (the "Corporation") has

completed its review and recommendations regarding the CEO's Operational Goals for FY2020;

WHEREAS, the Committee has presented its recommendations regarding such compensation matters to the Board, and the Board deems it advisable and in the best interests of the Corporation to adopt such recommendations as presented;

NOW THEREFORE, BE IT RESOLVED, that the recommendations of the Committee regarding the fiscal year 2020 CEO operational goals are hereby approved as presented.

The Chair then asked if there was any further business. There being no further business to come before the Board at this time, a motion to adjourn was moved, seconded and unanimously approved at 11:04 a.m.



John Szabo, Chair



Julie Presas, Secretary