

OCLC, INC.  
Meeting of the Board of Trustees  
June 7, 2021

This meeting of the Board of Trustees of OCLC, Inc., pursuant to the notice of the Secretary dated May 27, 2021, and in accordance with Article VII, Section I, of the Code of Regulations of OCLC, Inc., convened at 10:02 a.m., local time, on June 7, 2021, via WebEx Meetings. 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  
Theresa Byrd  
Brady Deaton  
Bernadette Gray-Little  
Cindy Hilsheimer  
Kathleen Keane  
Barbara Lison  
James Neal  
John Patrick  
Skip Prichard  
Anja Smit  
Ginny Steel  
John Szabo  
Sarah Thomas  
Shirley Wong

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  
Eric van Lubeek, Vice President, Managing Director, EMEA & APAC  
Jenny Johnson, Executive Director, Marketing  
Natalie Boyne, Executive Director, Marketing

The Chair called the meeting to order and welcomed the Trustees, OCLC staff 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 minutes of the March 22, 2021 Meeting of the Board, and there being none, he requested a motion to

approve the minutes. Upon a motion duly made and seconded, the Trustees unanimously approved the minutes. The Chair then introduced Mr. Prichard to deliver the President's report.

Mr. Prichard asked that the Trustees look to his written report for details, which was previously provided. Mr. Prichard then provided an overview of the key themes to discuss and acknowledged the uncertainty remains high but OCLC's innovation and determination is higher. Mr. Prichard announced the team will present an FY21 year-end review, provide an FY22 snapshot including the FY22 Corporate Operating Plan, and present an overview of OCLC marketing and branding.

Mr. Prichard asked Mr. Rozek to discuss the current financial performance and outlook. Mr. Rozek reviewed the financial dashboard for FY21 year-to-date, including revenue, contribution and cash flow. He noted the high level of subscription renewals resulting from a focused effort to demonstrate the value of OCLC services. Mr. Rozek then provided an overview of the FY22 Corporate Operating Plan. Expenses are expected to increase as organizations begin to resume in-person activities. Subscription revenue for WMS is expected to grow as well as for Wise as more early adopters go live. FY22 operating expenses are expected to rise due to increased technology and maintenance costs. OCLC's balance sheet remains healthy. Mr. Rozek also provided a preview of financial projections for FY23. This concluded Mr. Rozek's presentation.

The Chair then convened the meeting in executive session at 10:27 a.m. with OCLC staff present. The Board continued in executive session until 10:49 a.m., at which time the Chair re-convened the Board in open session.

Mr. Prichard then introduced Ms. Spayde, Ms. Johnson and Dr. Boyne to provide an overview of OCLC's marketing and branding. Ms. Spayde noted that there are many things happening at OCLC to share including Wise, EZproxy, WMS product enhancements, smart fulfillment, linked data initiatives, grant work including REALM, and community engagement efforts. She then provided a general overview of marketing including brand awareness, consumer marketing and business-to-business marketing. Ms. Spayde described OCLC's marketing transformation. She then introduced Dr. Boyne to discuss corporate marketing at OCLC. Dr. Boyne described key initiatives over the past 2 years including refining corporate messaging and optimizing digital communications. Ms. Spayde thanked Dr. Boyne for her presentation and introduced Ms. Johnson to discuss OCLC product marketing. Ms. Johnson provided an overview of key initiatives in product marketing including understanding the customer journey and working closely with the Sales team. She also described the various product channels for community engagement including the Next Blog, community engagement website and WebJunction.

After discussion, Mr. Prichard delivered final remarks and thanked the Trustees for their support. The Chair commended Mr. Prichard and team for the excellent presentation. This concluded the President's report.

The Chair then called for the report of the Finance and Investment Committee. Mr. Deaton reported that the Committee met with all members present and had: (i) reviewed year-to-date operating results for FY21 and future projections, (ii) reviewed strategic initiatives for FY22, (iii) reviewed and discussed OCLC's 990 Form, as well as the process and timing of filing; and (iv) reviewed and approved a resolution for the FY22 Corporate Operating Plan. Mr. Deaton then brought forward the following resolution to the Board for their approval:

### **RESOLUTION**

RESOLVED, that the fiscal year 2022 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. Deaton's report.

The Chair called for a break at 11:48 a.m. The Chair called the Board back into session at 12:21 p.m.

The Chair then delivered the Chair's report. He highlighted the Global Council's focus and meetings on sustainable development goals and thanked Mr. Dempsey and team for leading this successful effort. The Chair reported that he has regular, ongoing communication with Mr. Prichard. He also noted that he attended the Board Membership Committee meeting. He also reported that he has had numerous conversations with library leaders regarding the ICOLC report and thanked OCLC management for their engagement on this and other important matters. This concluded the Chair's report.

The Chair then reported that the Executive Committee met on June 6<sup>th</sup> as well as April 16<sup>th</sup>, both meetings with all members present. The Chair reported that, during its meeting on Sunday, June 6<sup>th</sup>, the Executive Committee had: (i) discussed the proposed schedule for 2022 Board meetings including the potential for an off-site meeting, (ii) discussed the September, 2021 meeting and set a timeline for determining the potential of holding an in-person meeting, (iii) discussed the agendas for the upcoming Committee meetings, (iv) received a preview of the President's report from Mr. Prichard; and (v) held a

brief executive session. The Chair then 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 year 2022, 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 21, 2022  
June 6, 2022  
September 19, 2022  
November 7, 2022

FURTHER RESOLVED, that the annual meeting of the Board of Trustees shall be held immediately following the regular meeting on November 7, 2022.

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 Audit Committee. Ms. Gray-Little reported that the Committee did not hold a meeting in June but will meet in September to review and approve the results of the FY21 financial audit. This concluded Ms. Gray-Little's report.

The Chair then called for the report of the Board Governance Committee. Ms. Lison reported that the Committee met on June 6<sup>th</sup> as well as May 18<sup>th</sup>, both meetings with all members present. Ms. Lison reported that, during its meeting on Sunday, June 6<sup>th</sup>, the Board Governance Committee had: (i) discussed the process for determining committee assignments for 2022, a draft of which will be distributed for review in September, and (ii) discussed considerations for assigning a mentor for incoming trustee Debbie Schachter. There are additional items to be covered in executive session. This concluded the Board Governance Committee 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) reviewed the current forecast for the MIP and LTIP for FY21, (ii) received an overview of participation in the MIP and LTIP, (iii) received a presentation on the results of the employee opinion survey, and (iv) reviewed the committee charter, with no changes needed. There is an additional item to be brought before the Board during executive session. This concluded Ms. Keane's report.

The Chair then called for the report of the Membership Committee. Ms. Thomas reported that the Committee met on June 3<sup>rd</sup> with all members present and had: (i) reviewed the definition of and criteria for membership in the Membership and Governance Protocols and discussed the need to review and possibly update the criteria, and (ii) received updates on Board and Global Council activities. The Committee is convening a small working group to review the criteria for membership and develop recommendations to update the criteria. The recommendations will be presented to the Committee in September. Any proposed changes will be presented to the full Board for approval and then to the Global Council for ratification. This concluded Ms. Thomas's report.

The Chair then requested the Technology Committee report. Ms. Steel reported that the Committee did not hold a meeting in June but will meet in September to receive an update on key technology initiatives. This concluded Ms. Steel's report.

The Chair then convened the meeting in executive session at 12:41 p.m. with Ms. Presas and Ms. Spayde present. The Board continued in executive session until 1:10 p.m., at which time the Chair reconvened the Board in open session. While in executive session, the Board approved the following resolution:

#### **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 fiscal year 2022;

NOW THEREFORE, BE IT RESOLVED, that the recommendations of the Committee regarding the fiscal year 2022 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 1:10 p.m.



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John Szabo, Chair



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Julie Presas, Secretary