



CEO Update



Kurt Erik Lindqvist
CEO

24th November 2022
LINX117



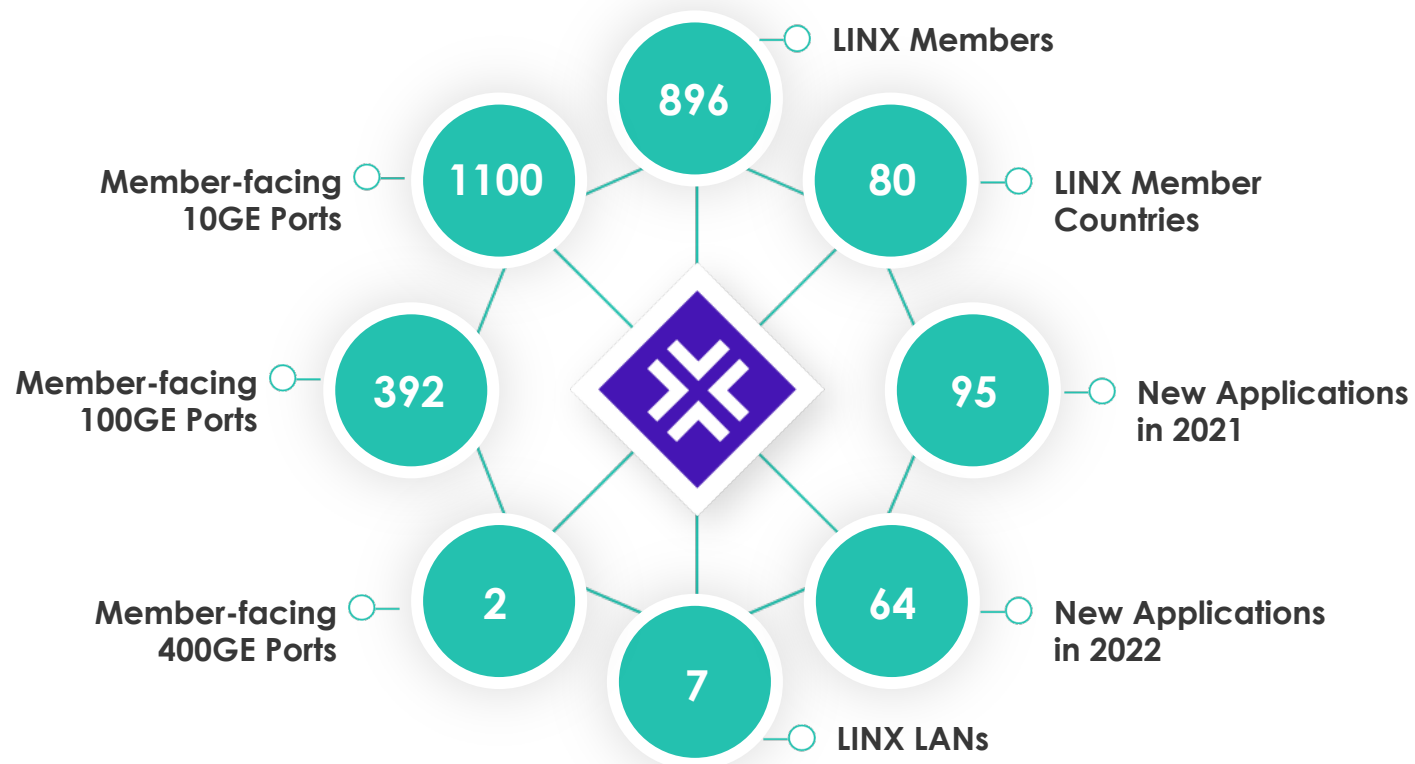


LINX Statistics

20th November 2022

1782
Connected Member Ports

7.424Tbps
Peak Traffic



904
Member ASNs

51.288Tb
Connected Capacity





Growth



- New traffic peaks again on total, LON1, Manchester, JEDIX etc...
- JEDIX competing for the top traffic spot in the region and about to be second largest IXP in the region

IXP	Networks
LON1	857 (+35)
LON2	342 (+8)
LINX Manchester	127(+4)
LINX Scotland	42 (+5)
LINX Wales	12 (0)
LINX NovA	48 (0)
JEDIX	17 (+2)





New Peering Services



- From January 1st, Port services were split from peering services
- This also introduced some new options for members
 - Different service speeds over physical ports
- Since January 1st, 28% of 1GE ports have migrated to 1Gbps peering service over 10GE ports

Peering Service	#
1Gbps over 1GE	281
1Gbps over 10GE	55
2Gbps on 10GE	49
5Gbps on 10GE	20
30Gbps on 100GE	24





Staff Changes

Starters

- Dominykas Valys - NOC
- Olivia Bosch - Compliance Monitoring and Assurance Manager
- Ian Powell - NOC
- Tim Lockwood - Cyber Security Analyst
- Alex Kirk - Trainee NetOps Engineer

Leavers

- Andrew Moore - SRE
- Andrei Blidaru - Network Engineer
- Fabiano Grano - NOC
- Simon Philpott - Product Owner
- Martin Carr - SNE

Vacancies

- Product Owner
- DBRE
- SRE





LINX Nairobi

(Presented in detail at the LINX Mini meeting in August)

- Waiting on our license application to get approved
- First network applied to join!
- Working on deployment logistics in parallel





Changes to billing processes

- Previously LINX have only sent invoices for changed services at the next quarterly billing run
- From January 1st this will change and we will send invoices for the changes in service in the monthly billing run
 - E.g. If you on February 10th upgrade from 5Gbps to 10Gbps peering service, you will get an invoice for the February period





Compliance / Certifications



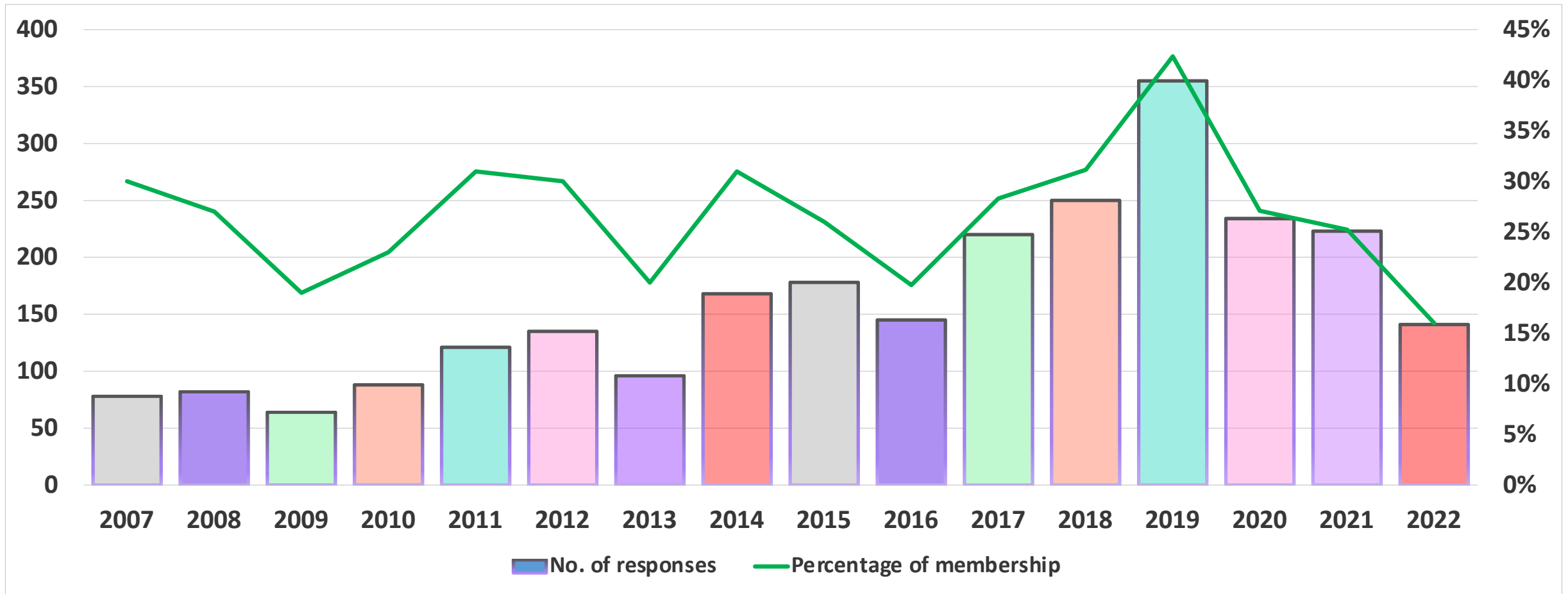


Membership Survey Results 2022



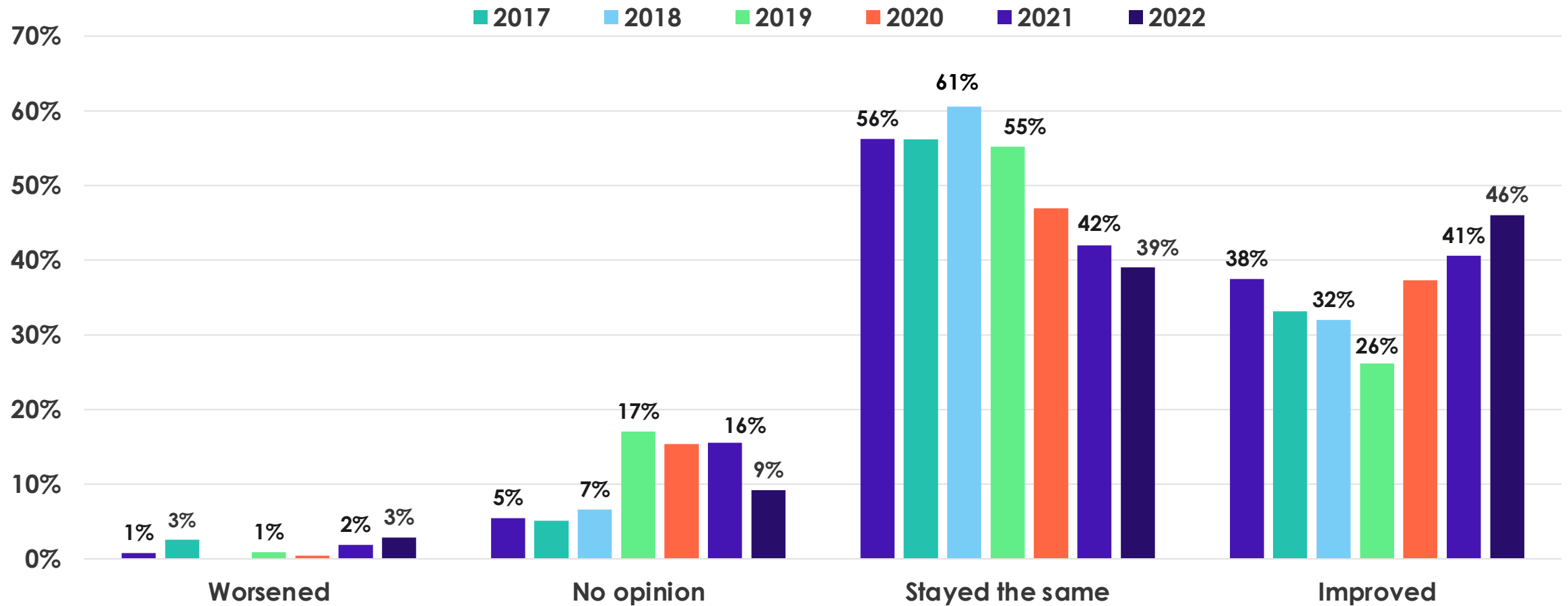
2022 Member Survey Reponses against percentage of the membership

Reponses 141, Percentage: 16%





Do you feel LINX has changed over the last couple of years?

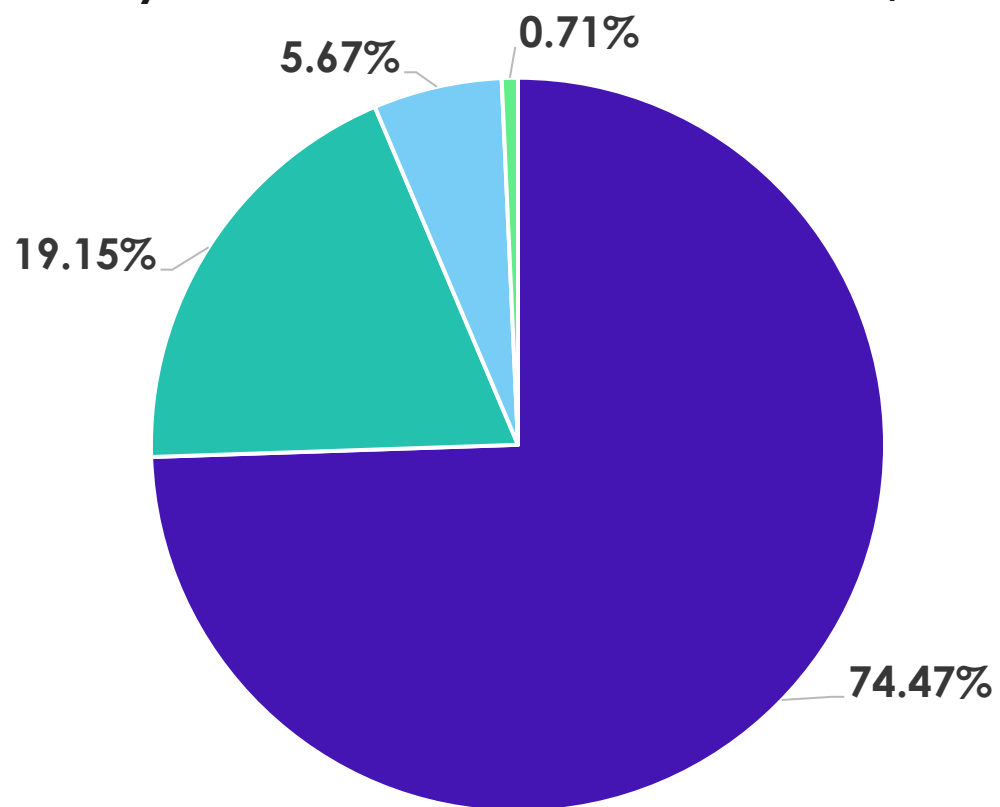




Net Promoter Score = 69%

Previous years NPS was: 2021 – 67%, 2020 - 67% 2019 - 50%

How would you recommend LINX to a friend/colleague?



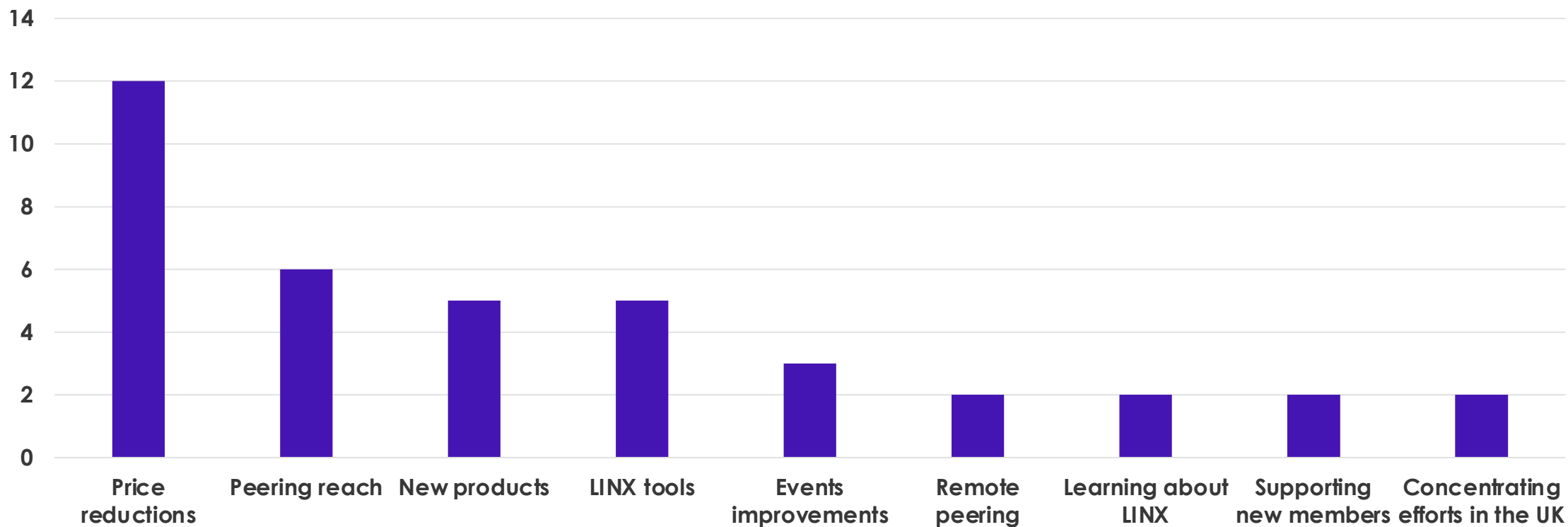
■ Promoters ■ Passive ■ Detractors ■ No opinion





How can LINX help provide more value to your organisation?

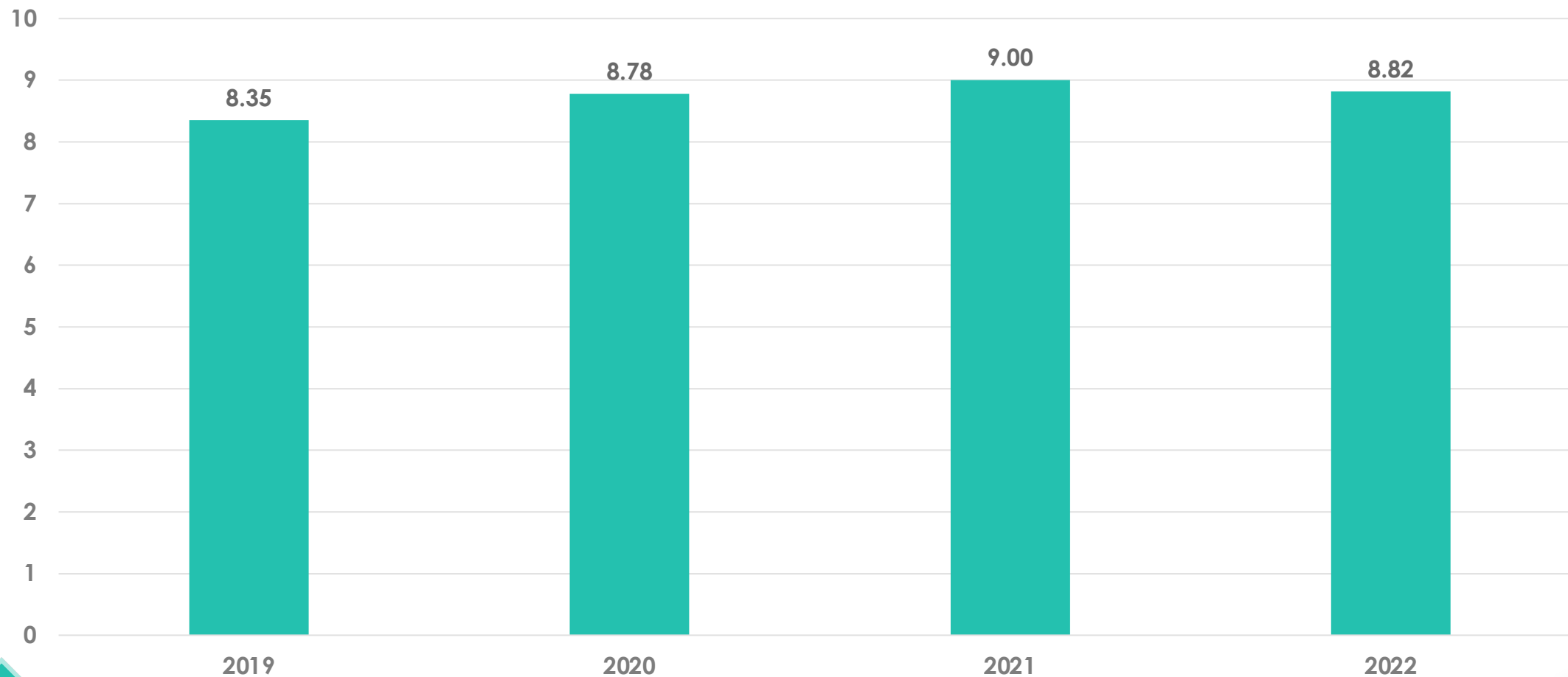
Your feedback in categories with more than 1 response on the same subject





How well does LINX's overall offering meet your interconnect needs?

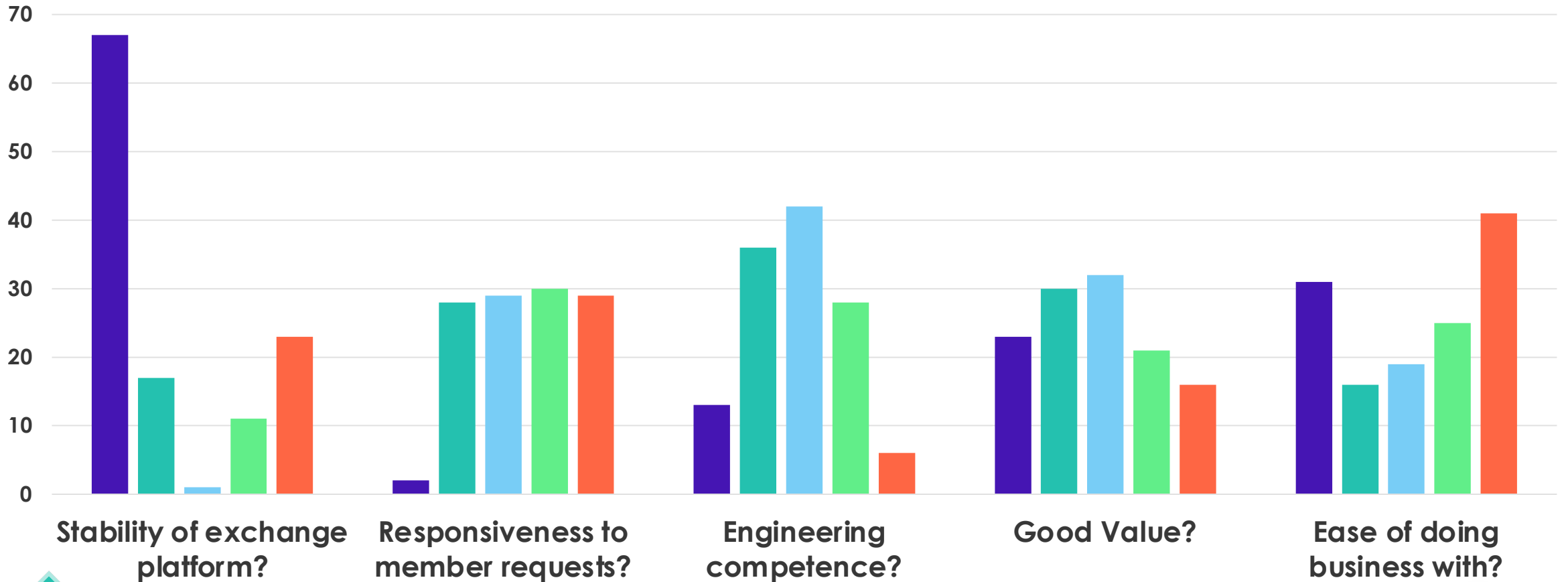
Rating out of 10





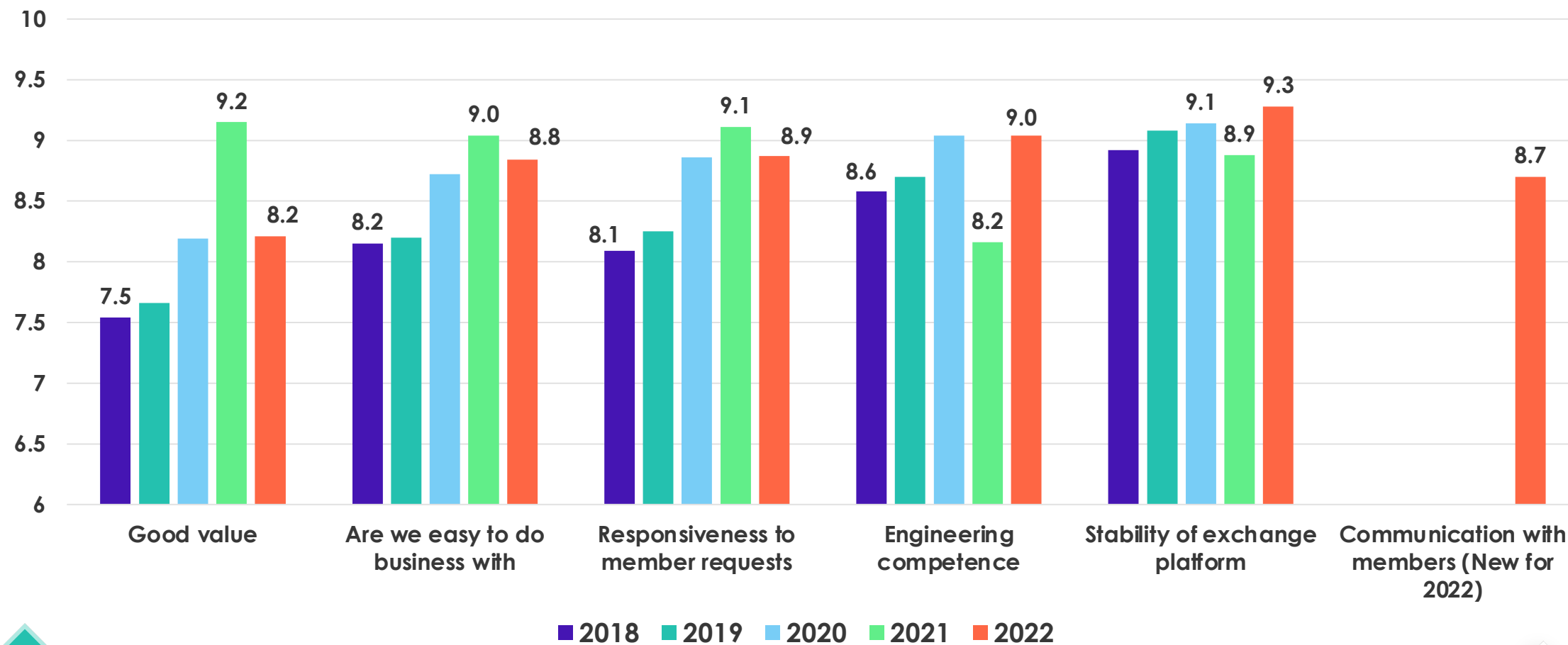
Ranking LINX competencies in order of importance

■ Highest ■ Important ■ Fairly ■ Low ■ Lowest





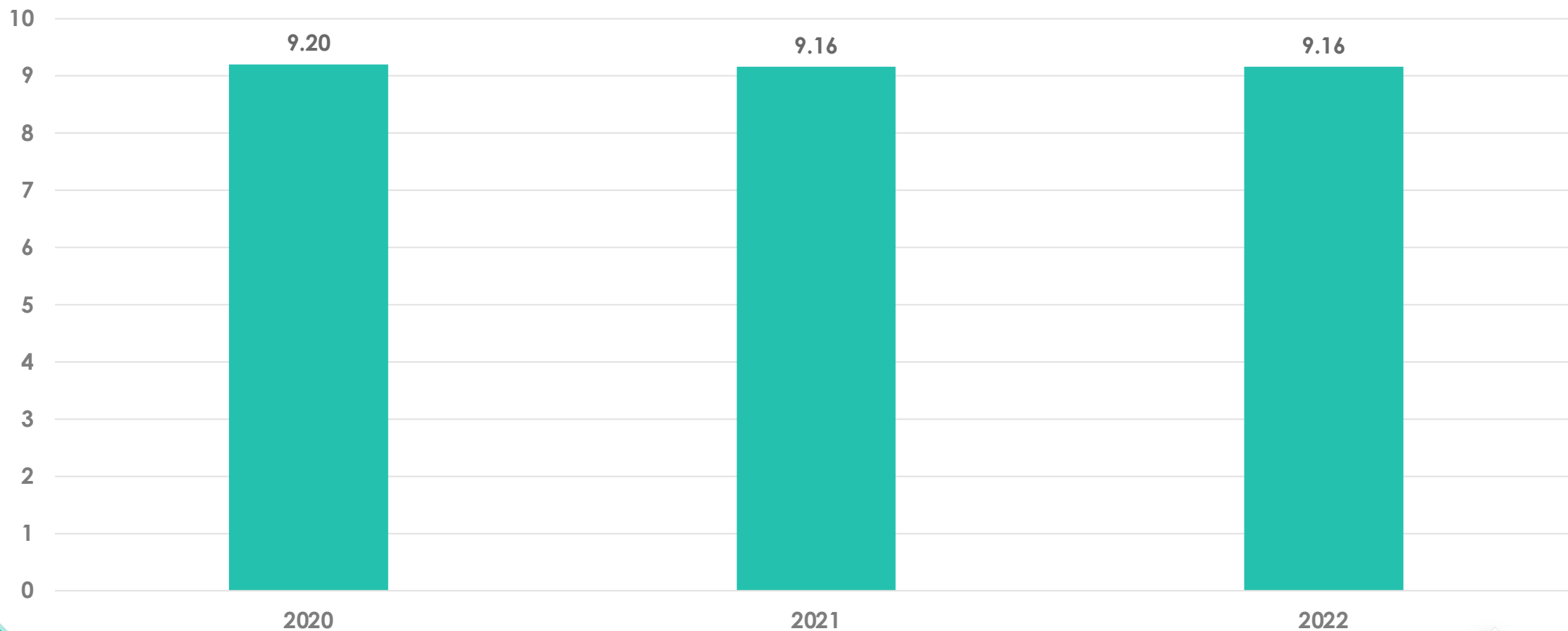
Rating LINX competencies





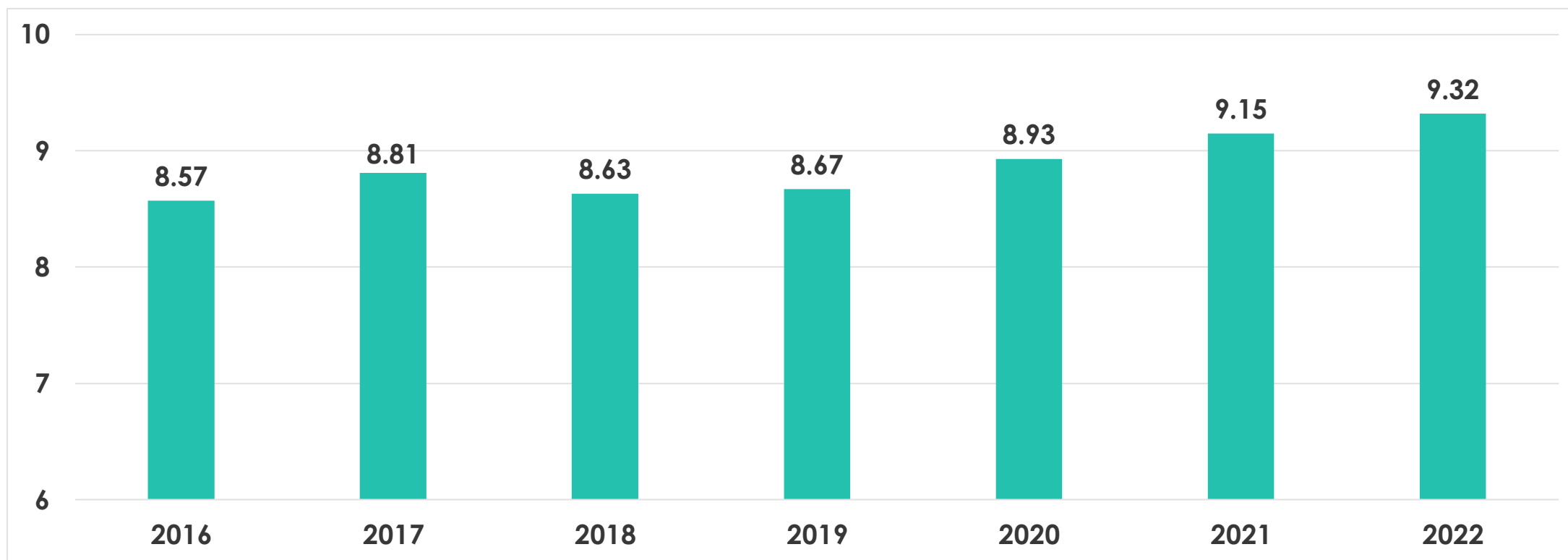
Rate your contact with our Business Development/ Sales/Member Relations

Weighted average score out of 10





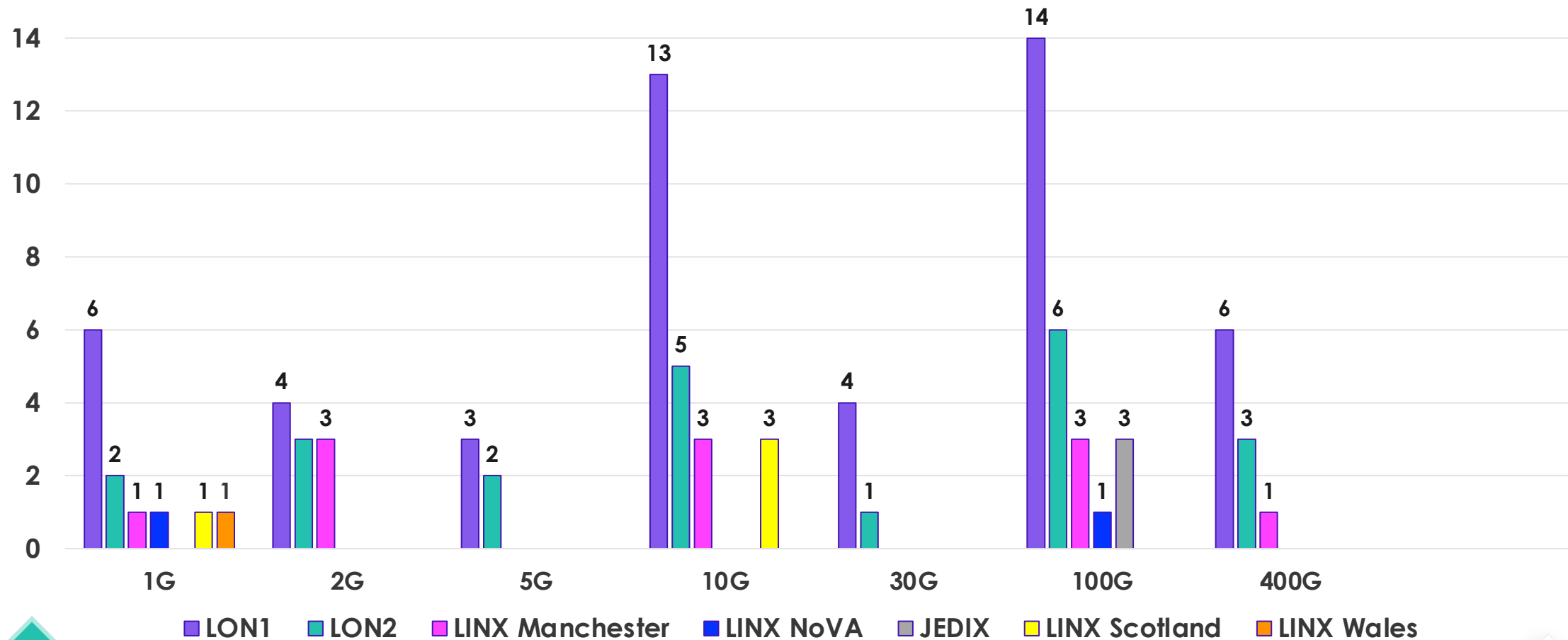
Have you been in contact with LINX's NOC - Technical Support team? Do you think they are doing a good job?





Peering services coming within the next 12 months

12 x 1G, 10 x 2G, 5 x 5G, 24 x 10G, 27 x 100G, 10 x 400G





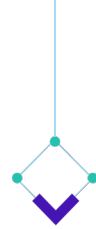
Some Governance changes



Governance updates

- Laws, regulations and LINX own articles and MoU have evolved over time
- In trying to secure a robust governance of LINX we should aim to remove ambiguity and provide clear adherence to the laws, regulations and articles and MoU
- This presentation sets out two changes to our practices to achieve this





Governance Update

1. Following changes to the Companies House Accounts Guidance in March 2022, companies no longer need to submit their audited accounts to members or owners for approval
 - Voting on this doesn't really make sense: accounts are a historical record of what has actually happened
 - We believe the accounts should be presented for information, not voted on.

2. 14.4 of the MoU states that changes to the Service Descriptions and Fees document do not need to be approved at a General Meeting
 - The Service Descriptions and Fees document has been updated several times outside GMs in the past
 - We will not be putting this to a vote going forward
 - The board and LINX management will still take feedback from the members onboard with the presentation of the accounts and the budget
 - Members can hold the board accountable through elections and bring motions to a GM



**The following slides were
presented to the board as
background material**

Approval of financial accounts



Changes to Companies House Accounts Guidance

In March 2022 the guidance was updated

3.2 Sending accounts to your company's members

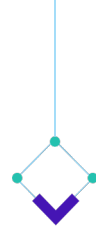
Every company must send a copy of its annual accounts for each financial year to:

- every member of the company
- every holder of the company's debentures
- every person who is entitled to receive notice of general meetings

(This does not apply to certain dormant subsidiary companies that are exempt from preparing accounts).

There is no longer a statutory requirement for private companies to lay their accounts before members at a general meeting. If a private company's articles currently specify that the company must lay accounts before members at a general meeting, they can pass a special resolution to remove that provision





Changes to Companies House Accounts Guidance

3.3 Approving and signing accounts

The company's board of directors must approve the accounts before they send them to the company's members:

- a director must sign the balance sheet on behalf of the board and print their name - any exemption statements must appear above the director's signature
- a director or the company secretary must sign the directors' report on behalf of the board and print their name - any statement about "being prepared under the small companies' regime" must appear above the signature
- if the company has to attach an auditor's report to the accounts, the report must include the auditor's signature and their name must be printed
- where the auditor is a firm, the auditor's report must state the name of the auditor and the name of the person who signed it as senior statutory auditor on behalf of the firm





Approving of the accounts

- LINX's articles or MoU does not stipulate that members have to approve the accounts
- This was an effect of previous Companies House guidance which has now been removed





Filing of LINX accounts

- LINX Accounts are audited, approved by the auditors and the board
- At this stage, we have an obligation to file the accounts
- A member vote does not change this obligation
- A member vote against the accounts would be contradicting the auditors



Service Fees and voting



LINX MoU states that

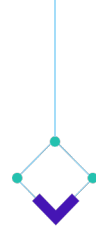
3.1 LINX provides its members with services for which fees are payable.

3.1.1 The services LINX provides are described in the LINX Services Definition and the LINX Public Affairs Services Definition, which can be found at the links referred to in clause 15.

3.1.2 LINX undertakes to use reasonable efforts to provide its services.

7.1 You agree to pay the Fees in accordance with the Fees Schedule, or if an Associate member to pay any Fees agreed in writing. Subject to clause 7.4, you can choose to pay Fees in advance (in accordance with sub-clause 7.2) or in arrears (in accordance with sub-clause 7.3). This clause is not applicable to members connected through the Channel Programme as all fees are paid to, and payment terms agreed with, their Channel Partner





LINX MoU states that

14.4 For the avoidance of doubt, **governance documents referenced in 15.2.2 are changeable by LINX staff and do not require a vote at a General Meeting.** Documents referenced in 15.2.3 are external documents and are not under the control of LINX.

15.2.2 Part of the Agreement and changeable by LINX staff

Application Form at <https://www.linx.net/join/application.html> Connection Form at <https://www.linx.net/join/connection.html>

Corporate Identity Guidelines document which is documented at <https://www.linx.net/publicity/corporate-id.html>

Corporate Representation Form at <https://www.linx.net/files/meetings/corprep.pdf>

Route Aggregation Best Current Practice document which is documented at <https://www.linx.net/good/bcp/rabcp.html>

Joining Procedure document which is documented at <https://www.linx.net/join/procedure.html>

LAN announcements reference document which is documented at https://www.linx.net/lan_announcements

LINX Accounting Policy document which is documented at https://www.linx.net/govern/LINX_Accounting_Policy.html

Services Definition and Fees Schedule document which is documented at <https://www.linx.net/govern/servicesfees.html>

From time to time the Services Definition and Fees Schedule may be separate documents or a single document, and references to them shall be construed accordingly.

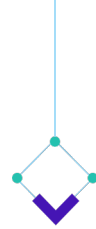




Service Fees and voting

- Historically we have voted to approve the "Service Fee" document at the EGM in November
- Despite this the MoU gives staff the right to update the Service Fee document at any time
- Service Fees have been changed outside the November EGM several times in the past
- Several new products have been introduced during the years with a price that was not part of the previous year's service fee document



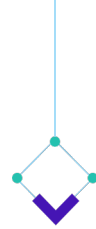


Issues with the voting on Service Fees

The board has identified a number of issues with holding a vote on the Service Fee document

1. Fundamentally this is not how the MoU sets out the Service Fees, and they can be changed at any time as circumstances change
2. The membership has delegated the running of the company to the board, as per the Articles of Association
3. As volatility in the economy and market changes, the board and staff might have to react quickly to circumstances
4. New product introductions should not be held up until a vote can be held – and we do not want to have frequent EGMs
5. Many of LINX products are resold, the prices are set by the supplier and LINX pricing is completely dependent on this – in a worst case scenario we could end up making a loss on each sale of such a product





Service Fees going forward

- It is the intention of the board that we in the future will not hold a vote on the Service Fee document at the November EGM
- The Service Fee document may need to be updated as underlying costs from suppliers change – these updates will be announced in accordance with the MoU
- We expect to continue to do any major price changes in line with the budget cycle – and announced at the same time as the budget is presented in November
- We still want to have member feedback from the presentation of the budget and the announced Service Fees





Next steps

- Presentation to the membership at LINX117
- Sharing with the membership mailinglist after LINX 117





Thank you!



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