

15 JULY

20  
21

# PROXY STATEMENT

## & Notice of Annual Meeting of Members



CFA Institute



# MESSAGE FROM THE CHAIR

## Dear fellow members,

I want to thank you for your continued support of and confidence in CFA Institute. More than 13 months after COVID-19 became a global health crisis, we are still confronting its impacts daily. On behalf of CFA Institute and our Board of Governors, we hope that you and your loved ones are staying healthy and safe.

In this proxy statement, we present candidates for the Board of Governors of CFA Institute, as well as one procedural amendment to our bylaws. We would very much appreciate it if you would review these materials and vote your proxy.

The Board spent a significant amount of time in the past year-plus dealing with the pandemic's impact on the organization. The Board and Leadership Team focused on the resilience of CFA Institute, including the connectivity and culture of employees working from home; the move to computer-based testing to administer – for the first time – all three levels of the CFA® exam; and, the handling of candidate deferrals, client service, and operational risk management.

I am proud of the fact that our governance model and our conservative approach to our financial condition positioned CFA Institute to persevere in the face of such trying times.

Given the financial pressures brought on by the pandemic, the Board authorized a withdrawal from our reserves of about \$43 million due to the reduced number of candidates taking the exam in fiscal year 2020, which represented the first time in the history of CFA Institute that the Board took such action. We anticipate another withdrawal from our reserves may be necessary in fiscal year 2021, even as we have resumed testing; meanwhile, the organization continues to reduce its expenses significantly.



## Daniel Gamba, CFA

### Chair, CFA Institute Board of Governors

We have an all-volunteer Board of Governors who give their time graciously to lend their deep expertise for the betterment of our organization. Each Board member brings her or his own particular skill set, and we tapped into those skills in ways we never envisioned in the past year. I am most grateful to every member of the Board.

We continue to follow a thorough nominating process for governors and seek to ensure that our Board has the necessary experience and perspectives to lead CFA Institute. We need the right mix of governors with diverse viewpoints and experience. This year we had the additional challenge of nominating and selecting a Chair who has the flexibility to become a multi-year Chair.

The Board and Leadership Team continue to focus on the resilience of CFA Institute, including the delivery of the exams, as well as deferrals, client service, and risk and operational management.



**With regards to the organization's new strategy, we have fine-tuned the following as the priority areas over the next 12 months:**

- ➔ Modernize and grow the CFA® Program with an emphasis on the reinvigoration of Level I demand and acceleration of the future of exam delivery (i.e., computer-based testing, etc.).
- ➔ Increase our leadership in sustainability with an emphasis on the globalization of our ESG credential, ESG investment products and disclosure standards, and expansion of diversity, equity, and inclusion initiatives in the asset management industry broadly and internally within CFA Institute.
- ➔ Create a holistic content agenda, connecting the dots among the different CFA Institute "think tanks," such as the Future of Finance, CFA Institute Research Foundation, *CFA Institute Financial Analysts Journal*, and advocacy teams.
- ➔ Develop a vision of how CFA Institute and the local societies will leverage one another's strengths to deliver value to candidates, members, and society at large.

The Board of Governors will support the CEO and CFA Institute in delivering these goals.

Please help by reviewing the enclosed materials and voting on the proposals before you. Thank you in advance for your support.

I look forward to seeing many of you "virtually" at the online Annual Meeting of Members.

Best regards,



**Daniel Gamba, CFA**

Chair, CFA Institute Board of Governors

*“ We have an all-volunteer Board of Governors who give their time graciously to lend their deep expertise for the betterment of our organization. Each Board member brings her or his own particular skill set, and we tapped into those skills in ways we never envisioned in the past year. I am most grateful to every member of the Board.”*



# MESSAGE FROM THE PRESIDENT AND CEO



**Margaret Franklin, CFA**  
President and CEO, CFA Institute

## Dear colleagues,

Since my update to you in our fiscal year 2020 annual report, much has transpired.

Given that we could not administer the June 2020 exams due to the pandemic, we attempted to accommodate as many candidates as possible in December of 2020. Yet public health concerns prevented us from moving ahead with in-person exams in large gatherings in many markets. As such, testing proceeded for about 55,000 candidates — a long way from the close to 200,000 who would have been seated in June.

*“ I am incredibly proud of the agility and adaptability that our organization exhibited during this period. The pressures on the organization have been intense, to say the least, on top of what we all have been dealing with throughout the pandemic. ”*

The December exams also represented our last paper-based exams for all levels. In February of 2021, we began administering the exams via computer-based testing in testing centers. This approach preserves the rigor of the CFA® Program, while allowing more testing flexibility in terms of dates and times for our candidates. I am pleased to report that despite the ongoing pandemic, computer-based testing proceeded in February in the vast majority of our markets around the world. Candidates noted that they felt safe in these environments, and we are so very pleased that we were able to accommodate our candidates — many of whom had been preparing and waiting for some time to continue on their path to earning the charter.

I am incredibly proud of the agility and adaptability that our organization exhibited during this period. The pressures on the organization have been intense, to say the least, on top of what we all have been dealing with throughout the pandemic. And still we completed this transition to computer-based testing ahead of schedule. While it will take many more months to catch up with demand from candidates who have yet to be able to sit or who chose to defer from February — an option we offered them at no charge given the emergence of new variants — we are now on the path to meeting that demand effectively, even in the face of the ongoing pandemic.

This fiscal year, we enacted an organizational restructuring to align with our new strategy and to modernize CFA Institute, and we also continue to reduce our expenditures given the decline in candidate revenues. These decisions have been very difficult, though necessary. We did, however, commit to society funding levels through fiscal year 2022 in order to provide societies with budget certainty going forward.



We continue to evolve CFA Institute in other ways, too. We are partnering with CFA Society United Kingdom to offer its ESG Certificate in many countries around the world, and we are working hand-in-hand with local societies in order to do so. Demand for ESG expertise in our field continues to soar, and the ESG Certificate now represents the first global offering of its kind. This year, we will also continue with our endeavor to define an ESG Standard for investment products to help give investors a means by which to evaluate such offerings. With both of these initiatives, we continue to demonstrate that we remain at the vanguard of investment management trends.

Given all that has transpired in the last year, I am incredibly thankful for the advice and counsel of our Board of Governors and the input and support from so many of our members. We acknowledge that it has not been easy at times, and everything did not always go according to plan. I thank you for your patience and trust in these challenging times.

Lastly, I would ask that you please take the time to read through this proxy and to vote. Your involvement remains important; we need your voice to be heard.

Again, my thanks to our Board and to our members and charterholders all over the world.



**Margaret Franklin, CFA**  
President and CEO, CFA Institute



# NOTICE OF THE ANNUAL MEETING OF MEMBERS



## Purpose

- 1 To approve amendments to the CFA Institute Bylaws.
- 2 To elect a Chair and a Vice Chair of the CFA Institute Board of Governors for fiscal year 2022.
- 3 To elect six governors, each to serve a term beginning 1 September 2021 and ending 31 August 2024.
- 4 To ratify the selection of an independent registered public accounting firm for fiscal year 2021.
- 5 To transact any other business that properly comes before the meeting or any adjournment.

All Regular Members at the close of business on 11 May 2021 will be entitled to vote at the meeting and any adjournments.

This notice and the Proxy Statement will be mailed on or about 18 May 2021 to each Regular Member who has not elected to receive the materials electronically.

On behalf of the CFA Institute Board of Governors,

*Joseph P. Lange*

**Joseph P. Lange**  
Corporate Secretary, CFA Institute



## Date and Time

Thursday, 15 July 2021  
9:00 a.m. Eastern Time  
(New York, USA)

Regular Members are encouraged to participate in person or via live audio webcast.



## Place

CFA Institute  
915 East High Street  
Charlottesville, Virginia, USA



## Audio Webcast

Please use the following link to join the live audio webcast:  
<https://cfainst.is/3mpnz57>

You can also dial into the session, if preferred, by calling +1 (646) 876-9923 (US) or +1 (877) 853-5247 (US Toll Free) and entering the Meeting ID: 925 3589 5569.



## Your Vote Is Important:

The proxy is solicited on behalf of the CFA Institute Board of Governors. Whether or not you plan to attend the Annual Meeting of Members, please vote as soon as possible by following the instructions below. To be counted, your vote must be received by 11:59 a.m. Eastern Time (New York, USA) on Wednesday, 14 July 2021.



### By Internet

Visit <https://vote.escvote.com/cfainstitute> to vote online. Please reference your proxy card information when you access the website and follow the instructions to obtain your records and submit your electronic ballot.



### By Paper Ballot, Sent By Mail

Mark, sign, and date your proxy card and return it in the postage-paid envelope provided by Election Services Corporation. Your vote will be mailed to P.O. Box 9020, Ronkonkoma, NY 11779.

If you have any general questions about the proxy, please contact CFA Institute Customer Service by email at [info@cfainstitute.org](mailto:info@cfainstitute.org) or call toll free at +1 (800) 247-8132 / (434) 951-5499. Please check our [website](#) for a complete listing of country contact numbers.

If you require assistance with voting, please contact Election Services Corporation by email at [cfainstitutehelp@electionservicescorp.com](mailto:cfainstitutehelp@electionservicescorp.com) or call toll free at +1 (866) 720-4357 / (516) 688-7013.



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# CFA INSTITUTE RESPONSE TO THE GLOBAL PANDEMIC

CFA Institute continues to dedicate considerable time and attention in responding to the human and business impact of COVID-19 while working to maintain its core values, mission, strategy, business model, and financial operations. In fiscal year 2020 and beyond, the organization acted to support its employees, volunteers, local societies, candidates, and members during these challenging and unprecedented times.

## THESE ACTIONS HAVE INCLUDED THE FOLLOWING:

- Swift transition to working from home for our staff.
- Enhanced health and safety measures for our candidates and workforce.
- Enhanced health, wellness, and family resources for our staff.
- Managed our finances strategically and conservatively.
- Shifted to all virtual events, including our first-ever virtual CFA Institute Annual Conference.
- Deferred the June exams due to the public health crisis, which represented the first time in CFA Institute history that we could not administer exams since testing began in 1963.
- Announced the transition to computer-based testing for Levels I, II, and III of the CFA<sup>®</sup> Program in 2021.
- Administered our last paper-based exam in December 2020, though many locations had to defer due to COVID-19 and public health and safety concerns.
- Administered our first computer-based exam for the CFA<sup>®</sup> Program in February 2021.





# INCLUSION AND DIVERSITY, CORPORATE CITIZENSHIP, AND ENVIRONMENTAL SUSTAINABILITY

CFA Institute has been driving the integration of environmental, social, and governance (ESG) factors into global financial analysis. ESG analysis has become an increasingly important part of the investment process as investors seek to gain a fuller understanding of the companies in which they invest. Internally, CFA Institute continues to model and advance ESG practices through a commitment to inclusion and diversity, corporate citizenship, and environmental sustainability.

## Inclusion and Diversity

Inclusion, equity, and diversity issues were brought to the forefront of our collective consciousness again as the death of George Floyd ignited attention to and discussions of issues of power, racism, and oppression worldwide. CFA Institute employees have been introduced to a framework that encourages every individual to be Aware, Build skills, and make Changes. The “ABCs of Inclusion” anchor our educational offerings, drive our consideration of policy and practice changes, and guide internal advocacy. Self-managed and interactive learning experiences have been offered and received globally. Nearly 42% of all employees were educated about implicit bias, and 94% of employees are engaged with our new micro-education platform. Plans for 2021 include a focus on inclusive leadership through self-managed learning and interactive experiences that will challenge employee comfort levels and orient our efforts toward action and impact.

The Inclusion & Diversity Council has focused on amplifying a message globally that recognizes those who create a welcoming and safe environment that embraces difference, demonstrates respect, and instills trust. Business Resource Groups are engaging employees, offering professional development, and building awareness. Inclusion and diversity expertise have been called upon to shape messaging, inform policy, influence talent acquisition practice, advise employee relations,

and inform organizational decision making. Employee demographic data collection is now being leveraged to provide an understanding of the employee life cycle. This year, attention was given to strengthening the talent acquisition process by integrating inclusion and diversity best practices. Data that capture the success of evolved recruitment efforts will be monitored and reported in 2021.

## Corporate Citizenship

We continue the tradition of responsive citizenship that connects us to the communities in which we live and work. Despite the impact of COVID-19, our employees continued to serve as ambassadors for the mission and goals of CFA Institute. In 2020, employees used the Volunteer Time Off (VTO) benefit to spend 1,220 hours volunteering at schools, parks, and not-for-profits around the world. Community service through VTO allows employees to share their talents, build relationships, demonstrate leadership, and inspire organizational pride. Institutional community engagement was highlighted this year by donations that provided personal protective equipment to frontline workers battling COVID-19, compost to community gardens, technology to immigrants and refugees, furniture to individuals who had experienced homelessness, and additional supplies to other not-for-profits. Corporate sponsorships provided resources to support community events

that evidenced our internal focus on inclusion and diversity. In 2020, we continued strategic community partnerships that directly served community members with investor education and strengthened the financial literacy, management, and leadership of not-for-profit organizations.

## Environmental Sustainability

Regarding environmental sustainability, CFA Institute continues its annual commitment to third-party measurements of greenhouse gas (GHG) emissions for all major CFA Institute operations, including offices in Abu Dhabi, Beijing, Brussels, Charlottesville, Hong Kong, London, Mumbai, New York, Shanghai, and Washington. It also covers data across material components of the CFA Institute value chain. According to S&P Trucost, the total GHG emissions for fiscal year 2019 (1 September 2018 – 31 August 2019) were 42,171 metric tons CO<sub>2</sub>e (tCO<sub>2</sub>e), 51% higher overall than in fiscal year 2018 due primarily to an increase in business travel related to our global exam administration, advocacy, and programming. Scope 3 (indirect emissions via the value chain) was responsible for approximately 97% (40,966 tCO<sub>2</sub>e) of the total estimated GHG inventory, which includes indirect emissions from upstream and downstream transportation and distribution, employee commuting, and business travel. Scope 2 (location-based) accounts for 3% (1,131 tCO<sub>2</sub>e) of the total emissions, while Scope 1 (direct operations) accounts for >1% (74 tCO<sub>2</sub>e).

Total GHG emissions for fiscal year 2020 (1 September 2019 – 31 August 2020) were 15,697 tCO<sub>2</sub>e, 63% lower overall than fiscal year 2019, reflecting the substantial impact of the global pandemic. Scope 3 (14,638 tCO<sub>2</sub>e) was most significantly affected (–64%) due to reduced exam administration and business travel. There were also year-over-year decreases in Scope 1 (49 tCO<sub>2</sub>e) and Scope 2 (1,010 tCO<sub>2</sub>e) emissions related to limited global facility operations. These figures do not represent a new emissions baseline for CFA Institute; however, we are leveraging this disruption to evaluate opportunities to adapt our internal global operations to better support our long-term environmental sustainability goals.

At the intersection of social and environmental sustainability, in 2020 CFA Institute completed its carbon offset initiative with Habitat for Humanity of Greater Charlottesville. The first-of-its-kind program aimed to significantly improve energy efficiency by incorporating energy use-reduction technology into the construction of 10 affordable housing units. Our investment results in an average of 56% lower electric bills for the life of the home, further increasing its affordability and freeing income for investment that is in alignment with the education homeowners receive from Habitat for Humanity. The project has been a significant learning experience for both of our organizations. Habitat for Humanity is taking steps to integrate green practices into their building protocols permanently, and CFA Institute is evaluating the impact of similar programs and the role for carbon offsets in our efforts to reduce global GHG emissions.





## Inclusion and Diversity

**42%** of all employees were educated about implicit bias

**94%** of employees are engaged with our new micro-education platform



## Corporate Citizenship

**16%** of employees used the Volunteer Time Off (VTO) benefit

**1,220 HOURS** were spent volunteering at schools, parks, and not-for-profits around the world



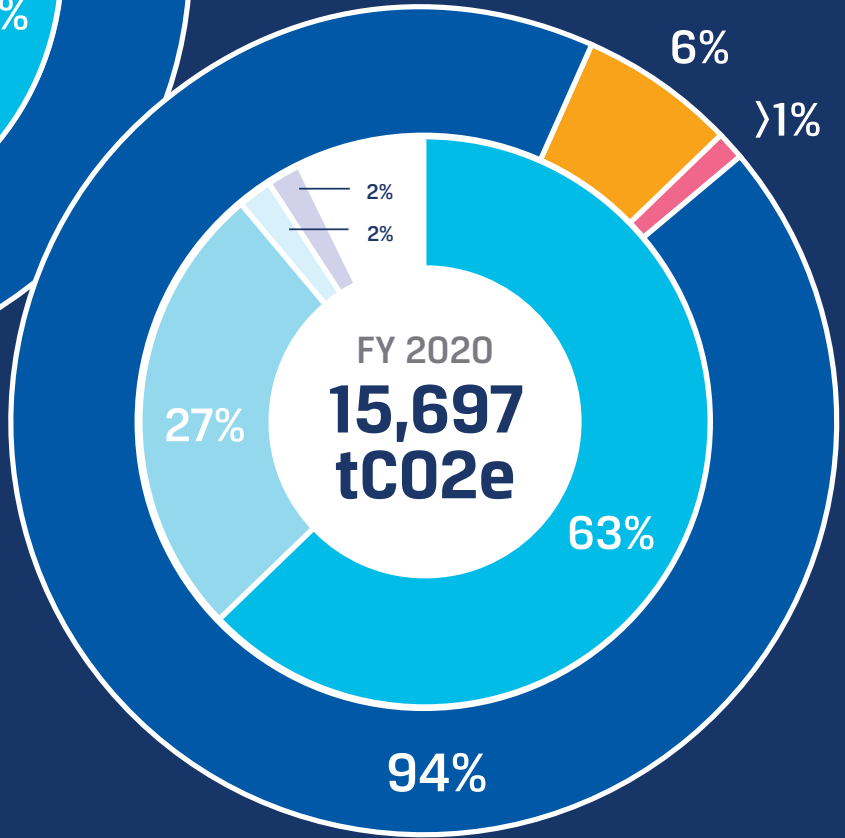
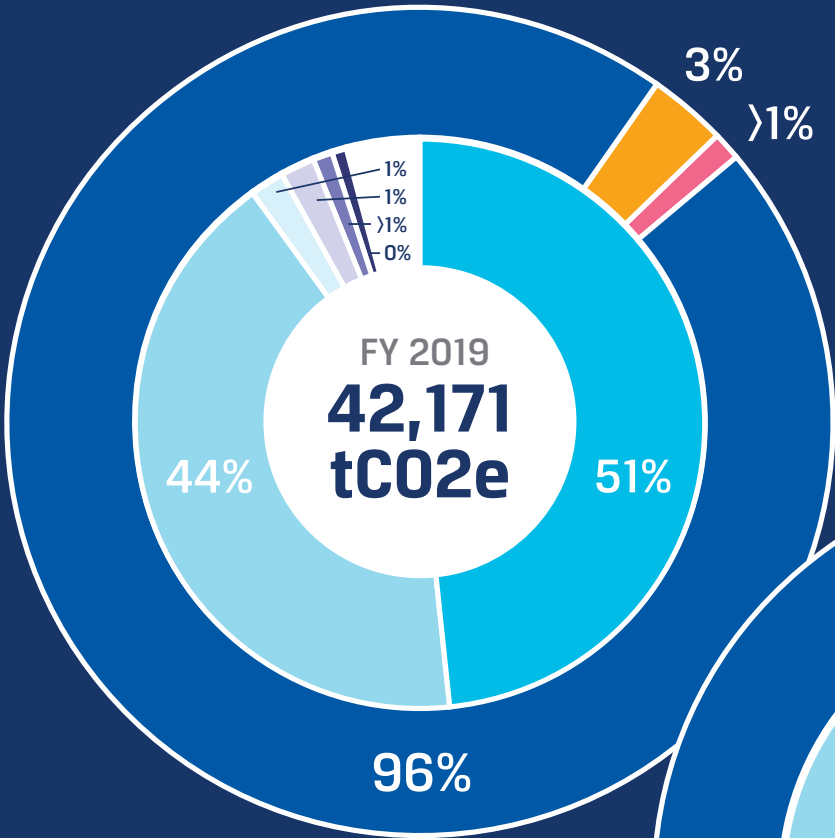
## Environmental Sustainability

**-64%** Indirect emissions were reduced by 64% in 2020 due to reduced exam administration and business travel

**-56%** CFA Institute completed its carbon offset initiative with Habitat for Humanity, which included an average of 56% lower electric bills in 10 affordable homes



# AN OVERVIEW OF THE OPERATIONAL FOOTPRINT AND VALUE CHAIN FOR FISCAL YEAR 2020



## CFA INSTITUTE OPERATIONAL GREENHOUSE GAS (GHG) EMISSIONS

**Scope 1: Direct Operations**  
Sources that are owned or controlled by the company, like emissions from combustion in owned or controlled boilers, furnaces, vehicles, etc.

**Scope 2: Purchased Electricity**  
Electricity that is purchased or otherwise brought into the organizational boundary of the company.

**Scope 3: Indirect Emissions**  
A consequence of the activities of the company, but from sources not owned or controlled by the company. This includes indirect activities within the organization's direct control ("upstream") and those occurring as a result of operational, sales, and procurement activities elsewhere in the value chain ("downstream").

**This scope has been broken into several parts:**

- Business travel
- Downstream transportation and distribution
- Employee commuting
- Upstream transportation and distribution
- Upstream leased assets
- Waste generated in operations

tCO2e = metric tons of carbon emissions

# PROXY SUMMARY

To assist you in casting your vote, below you will find a summary that highlights information contained in this Proxy Statement. To gain a full understanding of the voting matters, we encourage you to read the entire Proxy Statement before casting your vote.

## PROXY VOTING ROADMAP

ALL REGULAR MEMBERS ARE ASKED TO VOTE ON THE FOLLOWING MATTERS:

### PROPOSAL 1

#### Amendment to the CFA Institute Bylaws

##### Article 4 – Meetings of the Members

“Meetings of the Members” – Amend Article 4 of the Bylaws to permit the Board to hold a solely virtual meeting for the meeting of members in accordance with applicable law.

Approval requires a majority of the votes cast, in person or by proxy, at a meeting of the members at which a quorum is present.

[See page 44 for further information.](#)



The Board recommends a vote **FOR** the amendment to the CFA Institute Bylaws

### PROPOSAL 2

#### Election of the Chair and Vice Chair

The Board of Governors believes that the nominees have the abilities and commitment to lead the Board and to help the Board carry out its duties.

Election requires a plurality of the votes cast, in person or by proxy, at a meeting of the members at which a quorum is present.

[See page 46 for further information.](#)



The Board recommends a vote **FOR** the election of Mark Lazberger, CFA, as Chair and Tricia Rothschild, CFA, as Vice Chair of the CFA Institute Board of Governors for fiscal year 2022



## PROPOSAL 3

### Election of the Governors

The Board of Governors believes that the nominees bring the requisite skills and qualities to provide optimal levels of oversight and guidance to the management and operations of CFA Institute.

Election requires a plurality of the votes cast, in person or by proxy, at a meeting of the members at which a quorum is present.

[See page 52 for further information.](#)

3



The Board recommends a vote **FOR** the election of Alexander Birkin; Dan Fasciano, CFA; Joanne Hill, PhD; Heinz Hockmann, PhD; Punita Kumar-Sinha, PhD, CFA; and, Geoffrey Ng, CFA, as governors of the CFA Institute Board of Governors, each to serve a term beginning 1 September 2021 and ending 31 August 2024

## PROPOSAL 4

### Ratification of the Selection of the Independent Registered Public Accounting Firm

The Audit and Finance Committee of the Board of Governors believes that KPMG LLP should be designated to perform the fiscal year 2021 audit of the CFA Institute consolidated financial statements.

Approval requires a majority of the votes cast, in person or by proxy, at a meeting of the members at which a quorum is present.

[See page 74 for further information.](#)

4



The Board recommends a vote **FOR** the ratification of the selection of KPMG LLP as our independent registered public accounting firm for fiscal year 2021

# THE BOARD OF GOVERNORS

## Introduction

The Board of Governors is the highest governing authority of CFA Institute. It is responsible for overseeing the organization's vision, mission, and strategy and provides leadership through a policy-based approach. The Board is composed of 14 members, which includes the President and CEO and 13 other governors who serve in a volunteer capacity. They are from eight countries: Australia, Canada, China, India, Malaysia, the United Kingdom, the United Arab Emirates, and the United States.

### DIRECTOR GENDER

**7 MALES : 7 FEMALES**



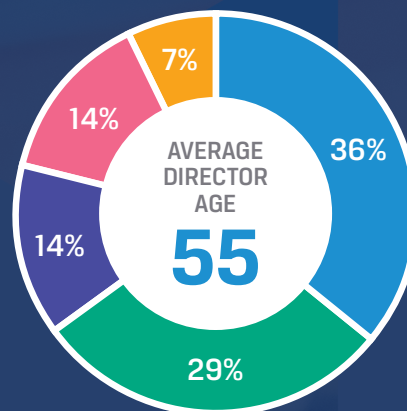
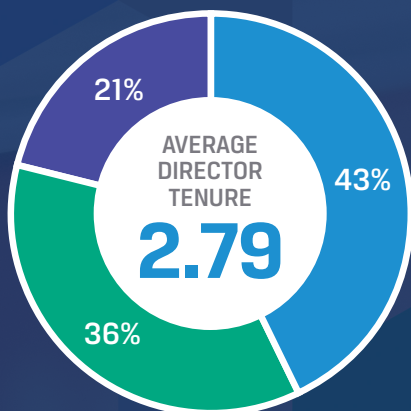
### GOVERNOR INDEPENDENCE

**12 OF 14**



### CHARTERHOLDER

**11 OF 14**





## Independence Determination

A governor shall be considered “independent” if the Board affirmatively determines that the governor has no material relationships with CFA Institute, either directly or as a partner, shareholder, or officer of an organization that has a relationship with CFA Institute. Material relationships can include commercial, industrial, banking, consulting, legal, accounting, charitable, and family relationships, among others. The Board shall determine whether a governor is independent each year after reviewing relevant facts and circumstances.

An individual’s social independence, or how closely associated an individual is with CFA Institute and CFA Institute staff, should also be considered, and this should be shared with the Board for their awareness and as part of the due diligence process.
























































# Meet Your Board of Governors for Fiscal Year 2021

Name	Age	Director Since	Region	Charterholder	Gender	Independent	Committee Memberships Fiscal Year 2021
 <b>Marshall Bailey, CFA</b>	54	2020	EMEA				<ul style="list-style-type: none"> <li>• Risk Committee</li> <li>• Society Partnership Advisory Council</li> </ul>
 <b>Alexander Birkin</b>	46	2018	EMEA				<ul style="list-style-type: none"> <li>• Audit &amp; Finance Committee</li> </ul>
 <b>Robert Bruner, DBA</b>	71	2018	AMER				<ul style="list-style-type: none"> <li>• Governance Committee *</li> </ul>
 <b>Dan Fasciano, CFA</b>	54	2018	AMER				<ul style="list-style-type: none"> <li>• Society Partnership Advisory Council **</li> </ul>
 <b>Margaret Franklin, CFA</b>	56	2019	AMER				<ul style="list-style-type: none"> <li>• Executive Committee</li> </ul>
 <b>Daniel Gamba, CFA</b>	53	2015	AMER				<ul style="list-style-type: none"> <li>• Executive Committee *</li> <li>• Nominating Committee</li> <li>• People &amp; Culture Committee</li> </ul>
 <b>Punita Kumar-Sinha, PhD, CFA</b>	58	2018	APAC				<ul style="list-style-type: none"> <li>• Audit &amp; Finance Committee</li> <li>• Investment Subcommittee *</li> </ul>
 <b>Yimei Li, CFA</b>	45	2020	APAC				<ul style="list-style-type: none"> <li>• Audit &amp; Finance Committee</li> </ul>
 <b>Karina Litvack</b>	58	2019	EMEA				<ul style="list-style-type: none"> <li>• Governance Committee</li> <li>• Investment Subcommittee</li> </ul>
 <b>Geoffrey Ng, CFA</b>	47	2018	APAC				<ul style="list-style-type: none"> <li>• Audit &amp; Finance Committee *</li> <li>• Society Partnership Advisory Council</li> </ul>
 <b>Diane Nordin, CFA</b>	62	2016	AMER				<ul style="list-style-type: none"> <li>• Executive Committee</li> <li>• Nominating Committee *</li> <li>• People &amp; Culture Committee</li> <li>• Risk Committee</li> </ul>
 <b>Tricia Rothschild, CFA</b>	54	2019	AMER				<ul style="list-style-type: none"> <li>• Governance Committee</li> <li>• Risk Committee *</li> </ul>
 <b>Zouheir Tamim El Jarkass, CFA</b>	59	2015	EMEA				<ul style="list-style-type: none"> <li>• Nominating Committee</li> <li>• People &amp; Culture Committee</li> </ul>
 <b>Maria Wilton, CFA</b>	56	2018	APAC				<ul style="list-style-type: none"> <li>• Executive Committee</li> <li>• People &amp; Culture Committee *</li> </ul>

\* Denotes the governor serves as Chair.

\*\* Denotes the governor serves as Co-Chair.

## How to Contact Your Board

Members and interested parties wishing to contact our Board may send a letter to our Corporate Secretary at CFA Institute, 915 East High Street, Charlottesville, Virginia 22902 or by email at [governance@cfainstitute.org](mailto:governance@cfainstitute.org).

## Diversity of Skills, Qualifications, and Experience

When considering individuals for nomination or re-nomination to the Board, the Nominating Committee (NC) reviews the guidance provided by the Board along with the skills and qualities outlined in the CFA Institute Bylaws. The NC evaluates the candidate pool and makes a recommendation to the Board to approve the slate for election by the membership. The NC believes that the current composition of our Board is appropriate to meet the challenges facing the organization. All nominees and continuing Board members are highly regarded leaders with a broad array of skills and qualifications.



### Audit Experience

A financial expert has an understanding of financial statements and generally accepted accounting principles (GAAP); experience in preparing, auditing, analyzing, or evaluating financial statements of companies comparable to the company or experience in actively supervising one or more persons engaged in such activities; experience in applying GAAP to accounting for estimates, accruals, and reserves; and an understanding of internal accounting controls, procedures for financial reporting, and audit committee functions, as a result of:

- education and experience as a public accountant, auditor, principal financial officer, controller, or principal accounting officer of a company or in a position involving similar functions;
- experience actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor, or person performing similar functions; or
- experience overseeing or assessing the performance of companies or public accountants with respect to the preparation, auditing, or evaluation of financial statements or other relevant experience — (Sarbanes—Oxley Act Section 407; SEC Regulation S-K Item 407[d][5]).



### CFA Institute Volunteer Experience

Experience serving as a CFA Institute volunteer (e.g., GIPS® Committees/ Subcommittees, Future of Finance Advisory Council, Education Advisory Committee, Council of Examiners, Standards of Practice Council).



### CFA Program Experience

Experience working directly on CFA Program curriculum development or exam development obtained, for example, through active membership on the Council of Examiners or the Education Advisory Committee.



### Charterholder

An individual who has satisfied the requirements to become a regular member and has met all the qualifications to be awarded the CFA charter.



### Corporate Governance Experience

Expert in board and public company policies and procedures as evidenced by extensive and significant public company board service (preferably on corporate governance and nominating committees) and/or recognized expert in the field.





### Education Experience

Extensive teaching or administrative experience gained at a significant university or post-graduate institution.



### Human Resources Experience

Experience in people management in an organization at least of comparable size and complexity to that of CFA Institute and/or board or human resources experience in planning CEO succession; experience in remuneration practices.



### Leadership Experience

Proven track record as a leader, preferably in a C-Suite role within a global organization of comparable size and complexity to CFA Institute; independent thinker with appropriate stature and style; experienced at dealing with internal and external stakeholders.



### Public Company Board Experience

Board service in a publicly listed company of significant size and complexity, at least comparable to the size and reach of CFA Institute.



### Regional Representation

Knowledge of the Americas (AMER); Asia Pacific (APAC); or Europe, Middle East, and Africa (EMEA) regions. Board representation should be diverse geographically, and the Board should be able to act effectively in the best interest of the global membership and local societies.



### Gender Representation

CFA Institute has made a public commitment that no less than 30% of the Board will be women.



### Informational Technology Experience

Outstanding technology expertise in a leadership role overseeing digital transformation and social media delivery capabilities and ideally, knowledge relevant to potential industry disruptors.



### Not-for-Profit Experience

Board service in a not-for-profit organization of significant size and complexity, at least comparable to the size and reach of CFA Institute.



### Regulatory Experience

Demonstrable first-hand knowledge of regulatory issues, regulators, and public policy making gained either from within the policy-making establishment itself or via participation on high-level and influential advisory panels that shape the rule making affecting the investment industry.



### Society Leadership Experience

Experience serving in a leadership role for a CFA Institute local society.

SKILL / QUALIFICATION	MARSHALL BAILEY, CFA	ALEXANDER BIRKIN	ROBERT BRUNER, DBA	DAN FASCIANO, CFA	MARGARET FRANKLIN, CFA	DANIEL GAMBA, CFA	PUNITA KUMAR-SINHA, PHD, CFA
Audit	✓	✓	✓		✓	✓	✓
CFA Institute Volunteer				✓	✓	✓	
CFA Program						✓	
Corporate Governance	✓						✓
Education			✓				
Human Resources					✓	✓	✓
Information Technology		✓					✓
Leadership	✓	✓	✓		✓	✓	✓
Not-for-Profit	✓		✓		✓		
Public Company Board	✓		✓				✓
Regulatory	✓	✓					✓
Society Leadership				✓	✓		

SKILL / QUALIFICATION	YIMEI LI, CFA	KARINA LITVACK	GEOFFREY NG, CFA	DIANE NORDIN, CFA	TRICIA ROTHSCHILD, CFA	ZOUHEIR TAMIM EL JARKASS, CFA	MARIA WILTON, CFA
Audit				✓			✓
CFA Institute Volunteer	✓		✓	✓		✓	
CFA Program			✓			✓	
Corporate Governance		✓		✓			✓
Education					✓	✓	
Human Resources	✓	✓	✓	✓	✓	✓	✓
Information Technology	✓		✓		✓		
Leadership	✓	✓	✓	✓	✓		✓
Not-for-Profit	✓	✓		✓		✓	✓
Public Company Board		✓	✓	✓			
Regulatory	✓				✓		✓
Society Leadership			✓			✓	





# REGIONAL REPRESENTATION

# MEET THE LEADERSHIP TEAM



**Margaret Franklin, CFA**  
President and CEO



**Allison Holmes, FCCA**  
Chief Financial and Risk Officer



**James (Chris) Ainsworth**  
Chief Operating Officer



**Peg Jobst**  
Managing Director, Credentialing



**Paul Andrews**  
Managing Director, Research,  
Advocacy, and Standards



**Sheri Littlefield, JD**  
General Counsel and Chief  
Legal Officer



**Marty Colburn**  
Managing Director,  
Information Technology  
and Chief Information Officer



**Barbara Petitt, PhD, CFA**  
Managing Director,  
Professional Learning



**Michael Collins**  
Managing Director and  
Chief Marketing Officer



**Lutfey Siddiqi, CFA**  
Managing Director,  
Regions and Society Relations

Please visit the CFA Institute [website](#) to read each Leadership Team member's biography.







# CORPORATE GOVERNANCE

## The Board's Roles and Responsibilities

### The Board is responsible for oversight of the following key areas of CFA Institute:

- ➔ Our business and operations, including ongoing assessment and management of risk;
- ➔ Performance of our strategic, financial, and operating goals and their implementation;
- ➔ Our compliance, including the integrity of our financial reporting and disclosures;
- ➔ Talent management, including evaluating, compensating, and succession planning; and
- ➔ Effective governance structures and processes, including Board composition and renewal.

### Risk Oversight

The Board, directly and through the Risk Committee (RC), has responsibility for overseeing risk management. This oversight includes assessing whether our risk governance framework and guidelines, and the policies and processes for monitoring and mitigating risk used by management, are adequate for their purpose.

The Board sets an appropriate “tone at the top” to establish a culture supportive of risk management within CFA Institute. The Board also carries out and oversees internal audit, risk management and internal controls, and legal and compliance responsibilities in compliance with the organization’s Bylaws. The Board and Leadership Team are responsible for understanding the nature and level of risks being taken by CFA Institute, ensuring that appropriate risk management processes are in place to mitigate those risks.

The RC is a Board committee governed by a charter that outlines its risk management activities and oversight protocols for CFA Institute. The RC shall meet as often as deemed necessary or appropriate, in its judgment, to discharge its duties and responsibilities. Where applicable, the RC also undertakes risk management responsibilities as delegated by the Board. The RC is required to approve the Risk Policy at least once annually and meet quarterly with the Head of Internal Audit, Chief Legal Officer, Global Head of Enterprise Risk Management, or any other member of management to enhance the opportunity for the identification and discussion of all issues warranting the RC's attention. The RC reviews and approves the target level and composition of the risk portfolio to ensure alignment with the organization’s strategic goals.



## Enterprise Risk Management

Risk is inherent in every business. CFA Institute supports a culture of informed risk awareness in pursuit of its strategic objectives and mission achievement. Ensuring effective risk management and embedding risk-aware behavior across the organization allow CFA Institute to live its values and are vital for the sustainability and success of the business and the continued support of the investment profession. Enterprise Risk Management (ERM) is a continuous process that helps develop the discipline, culture, and control structure an organization needs to proactively improve its risk management capabilities in a changing business environment.

With the Global Head of ERM reporting directly to the Risk Committee Chair, ERM is well-positioned to serve as the independent overarching second line of defense that promotes and fosters a culture of risk awareness across the organization and institutionalizes the three lines of defense model. ERM supports the CFA Institute Board of Governors and Leadership Team in their commitment to managing risks in alignment with the corporate strategy and risk policy. ERM enables CFA Institute to achieve its strategic goals and objectives in a risk-efficient manner and is most effective when applied in a strategy setting across the organization.

## Information Security and Data Privacy

Protecting our customers' privacy and confidentiality in their digital transactions with CFA Institute continues to be a priority. The Board, through the RC, has primary responsibility for overseeing the risk management program of CFA Institute relating to data privacy and information security, which includes cybersecurity. The RC monitors compliance with data security standards and privacy regulations by receiving regular updates from the Information Security Office on cybersecurity threats, protections, and risk as well as data privacy matters at CFA Institute.

The Information Security Office, headed by the Chief Information Security Officer, is responsible for the enforcement of data privacy controls and the information security program at CFA Institute

that includes a risk-based cybersecurity strategy, architecture, policies, standards, and processes. The Global Data Privacy Officer advises the business on data privacy regulations and assesses the effectiveness of data privacy controls within the enterprise.

## Strategic Oversight

In July 2020, the Board approved a new strategic plan, which was developed by management in consultation with the Board of Governors. A Strategy SWAT Team was established as a sounding board for staff on the strategy, operating model, and implementation roadmap. This afforded both the Board and management the opportunity to continuously review and refine the strategy to ensure its relevance to the organization's constituents. While several initiatives are underway, changes in senior leadership and the prolonged impact of COVID-19 have necessitated a focus on the efforts considered most critical. The Enterprise Project Management Office serves as a key enabler between executive leadership and the strategic initiatives that are intended to deliver the organization's most important outcomes. The Board receives reports on the plan's implementation progress at every Board meeting.

## Talent Management and Succession Planning

The Board is actively engaged in the company's human capital management efforts. Annually, the Board meets to review our succession strategy and talent pipeline for key roles to ensure the organization is focused on the development and retention of key talent necessary to support the corporate strategy. Governors have direct access to and frequently interact with senior leaders as part of the Board's succession oversight.

The Board's involvement in people development does not stop with senior management. To accomplish this, the Board is regularly updated on the topics of talent attraction and development, diversity and inclusion, and engagement. They are also updated on enhancements to the human capital strategy in response to changes in business strategy, external market conditions, and the future of work.

Finally, the Board believes that frequent visits to company facilities provide a first-hand view of the company culture and insights that are then shared with senior leadership in a collaborative effort to strengthen the culture. During the pandemic, this has been challenging, and virtual interactions have not been an equal substitute. The Board looks forward to returning to the various corporate locations in the near future to witness the company's culture come to life in each of our geographic locations.

## Compliance and Ethics

A commitment to ethical conduct is essential to our core philosophy and culture. The Board, directly and through the RC, oversees the operation of our compliance and ethics framework and the activities of our Chief Compliance Officer, who reports dually to the CEO and the Board. The General Counsel and Chief Legal Officer, who heads the Legal, Compliance, and Governance division, serves as the Chief Compliance Officer for the organization.

We have adopted a compliance and ethics framework to uphold the highest standards of business ethics; to foster compliance with applicable laws, regulations, and organizational policies; and to prevent, detect, report, and address any allegations of misconduct. Management is responsible for the day-to-day assessment and management of the organization's compliance risk, while the Board, directly and through the RC, has responsibility for the oversight of compliance and ethics. In this role, the RC, which consists of at least three independent governors and is required to meet at least four times a year, is responsible for determining that the compliance and ethics framework and guidelines as well as the policies and processes for monitoring and mitigating compliance risk used by management are adequate to their purpose. The compliance and ethics department also partners closely with the risk management, internal audit, legal, and governance teams to ensure an integrated compliance risk management approach for the organization.

The CFA Institute Code of Conduct applies to all our employees as well as to our contingent workers, volunteers, and other third parties. This code requires our stakeholders to engage in honest

and ethical conduct in performing their duties, disclose actual or potential conflicts of interest, and report suspected illegal or unethical conduct. We provide our employees with a comprehensive training program, including courses on our Code of Conduct, potential conflicts of interest, privacy and information security, expected conduct, and ethical decision making. In addition, we have a Code of Conduct for the Board of Governors that focuses on the role of the Board to establish a highly ethical "tone at the top" and addresses specific standards of conduct, such as conflicts of interest, confidentiality, corporate opportunities, and reporting obligations.

Our policies and organizational documents, including the codes of conduct referred to above, can be found [here](#) on our website.

## Governor Orientation

All new governors participate in our orientation program to ensure they are well-informed and have the resources they need to excel in their role of oversight and fulfill their duty of care. Online orientation modules are easily accessible and offer both new and more senior governors an in-depth overview of what it means to serve on the CFA Institute Board of Governors. The orientation familiarizes governors with the company's identity (i.e., mission, vision, and values) and history, business and strategic plans, financial performance, key staff members, corporate governance practices, and other pertinent policies and programs. While some introductory information is shared during the nominations process, a more thorough orientation begins after the Annual Meeting of Members. Newly elected governors are then invited to attend any remaining Board meetings for the fiscal year to introduce them to as many people and as much content as possible prior to the start of their terms.

Continuing education opportunities sponsored by governance organizations or other institutions are also offered to all governors to help them focus on improving skillsets and competencies associated with being a board member. In addition, governors are encouraged to serve as ambassadors in their respective locations, such as attending a regional society leadership conference or speaking at a charter award ceremony, to enhance their



connection to CFA Institute and its constituents, and to share these experiences and insights with the full Board as appropriate.

## Governance Self-Assessment

The Board is responsible for overseeing the governance structures and practices of CFA Institute, striving to operate with a high degree of effectiveness and to create a dynamic boardroom environment for sharing independent thought and engaging in intelligent conversation on matters critical to the organization's mission. As part of this oversight responsibility, the Board is dedicated to conducting an annual Board and committee self-evaluation process around our corporate governance practices as well as individual performance to identify areas of improvement. This comprehensive approach aims to adopt best practices that impact our leadership structure, Board composition, nominations process and recruitment, culture, governor engagement, and accountability to our constituents.

The Governance Committee (GC) oversees the process for evaluating the performance of the Board, committees, and individual governors and prepares a report to the Board summarizing the results of such annual evaluations. This report is then used to draw meaningful conclusions and to develop action plans for future enhancements. In addition, the GC assesses the performance of the Board Chair every year based on the requirements detailed in the Board Chair job description and provides feedback to the Board Chair regarding the results of his or her performance evaluation. Lastly, the GC determines how often it is appropriate for the evaluation to be conducted by an independent consultant.

Additional information on the Board's roles and responsibilities appears in the [Board Committees](#) section.

## Public Disclosure Philosophy

CFA Institute, a 501(c)6 organization incorporated in the state of Virginia, and its Board of Governors are committed to upholding a high standard of governance in the US not-for-profit sector and aspire to align the organization's public disclosure practices with US public company standards wherever practical and reasonable. We believe a philosophy of candor and transparency is the key to facilitating a relationship of trust with our constituents and the public at large.

The [Governance](#) and [Annual Reports and 990s](#) pages on our website will provide you with ease of access to our disclosure documents and insight into our corporate governance infrastructure. You will find information on our Annual Meeting of Members, including the 15 July 2021 recording soon after the session concludes, the Board of Governors, Board Committees, and the Leadership Team as well as a repository of our proxy statements, annual reports, Form 990s, and governing policies, practices, and codes of conduct.

If you have any questions or want more information, please email our Corporate Secretary at [governance@cfainstitute.org](mailto:governance@cfainstitute.org).



## Board Structure and Process

### Board Leadership Structure and Responsibilities

Our Chair and Vice Chair are independent governors elected by CFA Institute Regular Members and serve essential roles on the Board. The President and CEO and Alexander Birkin are the only governors on our Board who are not independent. The remaining 12 governors are independent governors elected by our members.

Board leadership currently consists of a Chair and Vice Chair. Each position has a one-year term that rotates annually. This structure is designed to accommodate the sharing and allocation of responsibilities while striving for continuity of Board leadership and engagement.



#### President & CEO

- ➔ Executive Committee Member



#### Chair

- ➔ Executive Committee Chair
- ➔ People and Culture Committee Member
- ➔ Nominating Committee Member



#### Vice Chair

- ➔ Executive Committee Member
- ➔ People and Culture Committee Member

### Chair Responsibilities

- ➔ Adhere to all duties of a governor as detailed in the Duties and Responsibilities of the Board of Governors;
- ➔ Preside at meetings of the members of CFA Institute, Board, and Executive Committee;
- ➔ Review and approve the Board and Executive Committee schedules;
- ➔ Set the agenda, with input from the Board and CEO, for all Board meetings;
- ➔ Review and provide input into information sent to the Board;
- ➔ Communicate with the Board to keep all governors up-to-date on material developments;
- ➔ Exhibit leadership capacities to maintain the composition, business, efficiency, and culture as the Board may determine;
- ➔ Liaise with CFA Institute staff on, and participate in, the orientation and training of new and incoming governors;
- ➔ Lead the process for developing recommendations for appointments of Board committee positions subject to Board approval;
- ➔ Develop an effective working relationship with the CEO and Leadership Team;
- ➔ Regularly meet with the CEO and serve as a liaison among the Board, the CEO, and other members of the Leadership Team of CFA Institute;
- ➔ Review the goals and development plan for the CEO, provide ongoing feedback to the CEO throughout the year, lead/complete the Board's year-end performance review process for the CEO, and assist with the Board's consideration of CEO compensation;
- ➔ Where appropriate, be available for external engagement, consultation, and communication to maintain positive relationships with major stakeholders at the direction of the Board and in agreement with the CEO;
- ➔ Delegate the Chair's authority, duties and responsibilities to the Vice Chair (or any other person) as the Chair deems appropriate; and
- ➔ Cooperate in the transition to the next Chair of the CFA Institute Board of Governors.



## Vice Chair Responsibilities

- ➔ Perform the duties of the Chair in his or her absence;
- ➔ Serve as the Chair of CFA Institute in the event of the Chair's incapacity, resignation, removal, or death;
- ➔ Serve as a member of the Executive and People and Culture Committees;
- ➔ Provide input on the evaluation of Board members for feedback to the nomination process;
- ➔ Operate closely with the Chair on the rolling three-year strategic plan goals to ensure continuity and follow through;
- ➔ Develop and strengthen working relationships with the President and CEO and with other members of the senior management team;
- ➔ Lead the process for developing recommendations for the Board committee appointments subject to Board approval;
- ➔ Oversee and participate in the orientation training program for new incoming governors;
- ➔ Serve in an ambassadorial role for the organization.

## Board Committees

The Board utilizes the following committees and council to assist with the fulfillment of its oversight functions: Audit and Finance Committee, Investment Subcommittee, Executive Committee, Governance Committee, People and Culture Committee, Nominating Committee, Risk Committee, and Society Partnership Advisory Council.

Commencing 1 September 2020, the Board approved the separation of the Audit and Risk Committee into the Audit and Finance Committee and Risk Committee to better reflect internal processes and structures and to improve the Board's oversight capabilities. The Board also approved the conversion of the Investment Committee to the Investment Subcommittee, which now falls under the purview of the Audit and Finance Committee, to create a more appropriate governance framework for managing and overseeing the reserves of CFA Institute.



# FISCAL YEAR 2021 COMMITTEES

The current composition and principal responsibilities of each committee are as follows:

## AUDIT AND FINANCE COMMITTEE

### PURPOSE

- Oversee the financial and audit systems of CFA Institute for financial adequacy and integrity.
- Oversee the process for monitoring compliance as it relates to financial integrity.
- Evaluate the independence and qualifications of the independent auditor.
- Oversee the Investment Subcommittee's duties and responsibilities with the financial reserves of CFA Institute.

The [Committee Charter](#) is posted to our website.

## INVESTMENT SUBCOMMITTEE

### PURPOSE

- Develop and maintain the Investment Policy Statement and all other documents governing the investment and overall management of the reserves.
- Review annually the Board-approved target for reserve levels for potential impact to the Investment Policy Statement or Asset Allocation Policy.
- Gather relevant input from the Board regarding risk tolerance and key reserves portfolio characteristics at least once every three years.
- Evaluate scenario analyses prepared by CFA Institute staff and any third-party consultant.
- Evaluate whether there are any necessary or desirable changes to be made to the Investment Policy Statement, Asset Allocation Policy, or other applicable governing documents.
- Report into the Audit and Finance Committee regarding the Subcommittee's duties and responsibilities with the financial reserves of CFA Institute.

The [Subcommittee Charter](#) is posted to our website.

### BOARD MEMBERS



- Geoffrey Ng, CFA (**Chair**)
- Alexander Birkin
- Punita Kumar-Sinha, PhD, CFA
- Yimei Li, CFA

### BOARD MEMBERS



- Punita Kumar-Sinha, PhD, CFA (**Chair**)
- Karina Litvack

### NON-BOARD MEMBERS

- Leilani Hall, CFA, CIPM
- Rhodri Preece, CFA
- Pieter van Putten, CFA
- Ming Shu, CFA



## EXECUTIVE COMMITTEE

### PURPOSE

- Act on behalf of the Board between meetings and to respond to urgent situations, pursuant to the CFA Institute Bylaws and subject to policies established by the Board.
- Have the General Counsel and Chief Legal Officer report directly to the Committee through the Committee Chair and to the President and CEO of CFA Institute.
- Meet prior to each Board meeting to discuss the agenda and any other related matters as deemed necessary or appropriate.
- Provide guidance to and oversight of the other committees of the Board.
- Provide oversight of and accountability to Board-related budget items and expenses.

The [Committee Charter](#) is posted to our website.

## GOVERNANCE COMMITTEE

### PURPOSE

- Oversee the Board, committee, and governor evaluation process.
- Develop, review, and recommend amendments to the organization's corporate governance practices, processes, and structures.
- Consult with the Board Chair as to Board committee leadership and composition.
- Evaluate the performance of the Board Chair and provide performance feedback.
- Provide oversight of the governance policies relating to its engagement with members.

The [Committee Charter](#) is posted to our website.

### BOARD MEMBERS



- Daniel Gamba, CFA (**Chair**)
- Margaret Franklin, CFA
- Diane Nordin, CFA
- Maria Wilton, CFA

### BOARD MEMBERS



- Robert Bruner, DBA (**Chair**)
- Karina Litvack
- Tricia Rothschild, CFA

## NOMINATING COMMITTEE

### PURPOSE

- Carry out the responsibilities delegated by the Board relating to processes and procedures for governor nominations in accordance with and subject to the Bylaws.
- Identify, vet, and nominate qualified candidates for governor and officer positions of CFA Institute, in accordance with and subject to the Bylaws.
- Strive to nominate the very best nominees with the appropriate skill sets and diversity of characteristics appropriate to generate a properly balanced Board.
- Support the leadership position of CFA Institute in the investment profession by recognizing individuals whose achievements, examples, or contributions have helped raise the standards of education, integrity, and professional excellence.

The [Committee Charter](#) is posted to our website.

## PEOPLE AND CULTURE COMMITTEE

### PURPOSE

- Review output of the annual talent review to ensure a robust succession plan and high potential slate.
- Provide oversight of compensation policies, programs, and related plans, with an emphasis on those pertaining to the executive officers.
- Review the annual CEO goals and performance against those goals, and recommend compensation of the President and CEO to the Board.
- Review compensation recommendations for all key executives named in the 990 filing.
- Review annual development plans of executive officers, and discuss retention issues for this group and other critical talent in the organization.
- Discuss key activities focused on evolving employee engagement and organizational culture.
- Discuss any people-related issues that may create risk for the organization, and escalate matters to the Risk Committee as needed.

The [Committee Charter](#) is posted to our website.

### BOARD MEMBERS



- Diane Nordin, CFA (**Chair**)
- Daniel Gamba, CFA
- Zouheir Tamim El Jarkass, CFA

### NON-BOARD MEMBERS

- Anubhuti Gupta, CFA, CIPM
- Pieter van Putten, CFA
- Susan Williams, CFA

### BOARD MEMBERS



- Maria Wilton, CFA (**Chair**)
- Daniel Gamba, CFA
- Diane Nordin, CFA
- Zouheir Tamim El Jarkass, CFA

## RISK COMMITTEE

### PURPOSE

- Evaluate, monitor, and escalate risk matters to the Board as needed.
- Oversee internal audit, including the review and approval of the internal auditor and accompanying work plan to address the priority concerns raised by the committee.
- Oversee risk management and internal controls, including the review of the risk governance framework, risk appetite statement, and the guidelines, policies, and processes for monitoring and mitigating risks.
- Oversee legal and compliance to ensure there are no unjustified restrictions or limitations on the compliance or legal functions and that they are sufficiently resourced.
- Oversee the work of the Disciplinary Review Committee.

The [Committee Charter](#) is posted to our website.

## SOCIETY PARTNERSHIP ADVISORY COUNCIL

### PURPOSE

- Facilitate the alignment between CFA Institute and local societies that is critical in advancing our mission globally and delivering value to our members.
- Establish a unified voice on local society related matters to represent local society interests to the Board.
- Ensure continued strength in the relationship between CFA Institute, the Presidents Council, and local societies.
- Provide feedback and guidance on local society business to the Board, Presidents Council, CFA Institute staff, and local societies.

The [Council Charter](#) is posted to our website.

### BOARD MEMBERS



- Tricia Rothschild, CFA (**Chair**)
- Marshall Bailey, CFA
- Diane Nordin, CFA

### BOARD MEMBERS



- Dan Fasciano, CFA (**Co-Chair**)
- Marshall Bailey, CFA
- Geoffrey Ng, CFA

### NON-BOARD MEMBERS

- Aaron Brown, CFA (**Co-Chair**)
- Ashraf Bava, CFA
- Joshua Howard, CFA
- Mauro Miranda, CFA
- Peter Varga, CFA
- Randi Tolber, CFA



# Fiscal Year 2020 Board and Committee Meetings Held and Member Attendance

In fiscal year 2020, the Board conducted nine required sessions, with an average aggregate attendance rate of 94%. The Board held three in-person meetings: a one-day retreat in Washington, DC, a three-day session for their Q1 Meeting in Charlottesville, Virginia, and a three-day session in Tokyo, Japan, for their Q2 Meeting. Given the rise of COVID-19 prior to our Q2 Meeting, the organization also offered an alternate location, its New York office, to several governors who were disinclined to travel internationally at the time.






The remaining six required Board sessions took place via video conference call due to the impact of the global pandemic. In total, there were four quarterly Board meetings in fiscal year 2020 that ran for approximately 10 hours each and five video conference calls that ran for approximately one hour each. In addition, governors attended their respective committee meetings, with each lasting for approximately one hour.

The graphic on this page shows the composition and the number of meetings held by the Board and each committee in fiscal year 2020. It's important to note that there were three additional Board sessions related to setting the minimum passing score (MPS) for the CFA® Program and CIPM® Program. Given that governors who are non-charterholders are ineligible to vote on MPS matters, they are not required to attend these discussions. To ensure an equitable measure of individual governor attendance, we have therefore omitted those three sessions from our assessment.

## Board ..... 12 mtgs.

 <b>100%</b> Leah Bennett, CFA	 <b>78%</b> Karina Litvack
 <b>100%</b> Alexander Birkin	 <b>100%</b> Geoffrey Ng, CFA
 <b>100%</b> Heather Brilliant, CFA	 <b>100%*</b> Diane Nordin, CFA
 <b>89%</b> Robert Bruner, DBA	 <b>100%</b> Tricia Rothschild, CFA
 <b>100%</b> Dan Fasciano, CFA	 <b>89%</b> Zouheir Tamim El Jarkass, CFA
 <b>100%</b> Margaret Franklin, CFA	 <b>67%</b> Maria Wilton, CFA
 <b>100%</b> Daniel Gamba, CFA	 <b>100%</b> Yu Hua, CFA
 <b>89%</b> Punita Kumar-Sinha, PhD, CFA	





## Audit & Risk Committee ..... 12 mtgs.

 <b>83%</b> Robert Bruner, DBA	 <b>83%*</b> Daniel Gamba, CFA	 <b>75%</b> Geoffrey Ng, CFA	 <b>67%</b> Tricia Rothschild, CFA	 <b>75%</b> Yu Hua, CFA
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## Executive Committee ..... 11 mtgs.

 <b>91%</b> Heather Brilliant, CFA	 <b>100%</b> Margaret Franklin, CFA	 <b>100%</b> Daniel Gamba, CFA	 <b>100%*</b> Diane Nordin, CFA
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## Governance Committee ..... 4 mtgs.

 <b>100%*</b> Heather Brilliant, CFA	 <b>100%</b> Dan Fasciano, CFA	 <b>100%</b> Punita Kumar-Sinha, PhD, CFA	 <b>100%</b> Karina Litvack
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## Investment Committee ..... 7 mtgs.

 <b>100%*</b> Dan Fasciano, CFA	 <b>100%</b> Punita Kumar-Sinha, PhD, CFA
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## Nominating Committee ..... 10 mtgs.

 <b>80%</b> Alexander Birkin	 <b>100%*</b> Heather Brilliant, CFA	 <b>80%</b> Diane Nordin, CFA	 <b>100%</b> Zouheir Tamim El Jarkass, CFA
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## People & Culture Committee ..... 7 mtgs.

 <b>100%</b> Heather Brilliant, CFA	 <b>100%</b> Daniel Gamba, CFA	 <b>100%</b> Diane Nordin, CFA	 <b>100%*</b> Maria Wilton, CFA
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## Society Partnership Advisory Committee ..... 8 mtgs.

 <b>88%**</b> Leah Bennett, CFA	 <b>100%</b> Karina Litvack
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\* Chair  
\*\* Co-Chair

## Board Expenses

CFA Institute governors volunteer their service to the Board and therefore do not receive compensation. We have an exceptionally engaged and dedicated Board. Not counting the time spent traveling on behalf of CFA Institute, the Board Chair commits approximately 300–400 hours per year and each governor commits approximately 40–60 hours per year to the organization. In addition to their role of oversight, which our governors consider paramount, they also engage in ambassadorial activities to cultivate valuable relationships with our members and other key constituents around the globe. These include charter award ceremonies, society leadership conferences, Women in Investment Management seminars, and Research Challenge events, among many others.

It's important to note that due to the global health crisis, the Board eventually halted all in-person meetings and ambassadorial activities in fiscal year 2020, which resulted in a considerable reduction in the expenses incurred as compared to previous years. The governors instead capitalized on opportunities to engage virtually and endeavored to stay connected to one another and to the organization's constituents as much as possible during the pandemic. The information in the table below reflects the amounts paid in USD by CFA Institute in fiscal year 2020 related to governors attending Board, committee, and council meetings and engaging in meaningful outreach efforts on behalf of the organization.

CATEGORY	BOARD MEETINGS	AMBASSADORIAL ACTIVITIES	TOTAL CATEGORY
Transportation	\$209,438	\$13,967	\$223,405
Lodging and Meals	\$94,505	\$14,981	\$109,486
<b>Total Expenses</b>	<b>\$303,943</b>	<b>\$28,948</b>	<b>\$332,891</b>

\* In fiscal year 2020, the Board and/or its committees held in-person meetings in Washington, DC, Charlottesville, and Tokyo/New York.



## Selection of Governors

The Nominating Committee (NC) strives to make impactful and thoughtful improvements to the nominations process at CFA Institute every year. During this past cycle, we elevated our online application platform by introducing a streamlined approach to the candidate recommendation process, which automatically notified potential candidates that they had been recommended for Governor. The NC will continue to look for opportunities to enhance our processes through the feedback received and by adopting industry best practices. We encourage you to contact us with questions or comments by emailing [governance@cfainstitute.org](mailto:governance@cfainstitute.org).

### GOVERNOR RECRUITMENT PROCESS

1

#### CFA Institute Stakeholders

- Solicited for recommendations

2

#### Nominating Committee

- Review recommendations from stakeholders
- Discuss candidates' qualifications, conduct candidate due diligence, and interview short list of candidates
- Recommend candidates to the Board

3

#### Board of Governors

- Review recommended nominees submitted by the Nominating Committee and approve the election slate

4

#### Regular Members

- Vote on the election slate at the Annual Meeting of Members



## RESULTS

Members can recommend candidates for governor to the NC by following the procedures posted [here](#) on our website. Nominations are solicited from the membership to identify individuals to serve on the Board based on the governor selection criteria established by the Board. In fiscal year 2021, the priority skills and qualifications identified by the Board for the upcoming cycle were technology expertise emphasizing online delivery of credentialing and educational content, a commitment to demographic diversity (gender, race, ethnicity, and geography), and strong leadership among our societies. Each governor is elected by the membership of CFA Institute for a three-year term that runs from 1 September to 31 August.

## Selection of governor candidates is based on meaningful and comprehensive criteria:



**Governor selection criteria established by the Board**



**Priority skill sets identified by the Board for the upcoming cycle**



**Commitment to CFA Institute and participation in its activities**



**The degree to which a nominee can represent the diversity of our profession**



The Board of Governors believes that the composition of the Board—striving to ensure that the Board has the right mix of skills, experience, and attributes—is critical to Board effectiveness. Each governor is expected to exhibit the qualities below at the highest level.



### Business Judgment

- focuses the Board on the organization’s top priorities and use of resources
- handles complexity and ambiguity and simplifies issues to their essence to make sound business decisions
- strategic foresight
- communicates strategic insight to different environments



### Interpersonal Communication

- builds relationships with all kinds of people
- gains trust and support from others
- possesses diplomacy and tact
- listens and adjusts to others’ input
- effectively balances speaking and listening



### Champion of CFA Institute

- invests time and effort into learning about the organization’s needs and commits to staying current on these matters
- follows through with governor obligations



### Tone at the Top

- adheres to and lives by an appropriate and effective set of core values
- honest and truthful
- authentic, self-aware, and confident enough to “be oneself” and set the right “tone at the top” for the organization



### Cultural Sensitivity

- culturally aware and savvy
- sensitive to regional differences
- adapts well to change, new experiences, and people

In addition to the above competencies required of all governors, the diversity and qualifications listed in the [Diversity of Skills, Qualifications, and Experience](#) section display the holistic view of the important qualities that all governors bring to the Board in fiscal year 2021. It is with the understanding that no one individual has all—or even most—of these qualifications, and the objective is to find a group of individuals who collectively have the right combination to lead the organization.







# PROPOSAL 1

## BYLAWS / AMEND ARTICLE 4 – MEETINGS OF THE MEMBERS

### Rationale

This amendment removes the requirement for the Board to hold the meeting of members in a physical location or place.

Currently, the Bylaws mandate that the Board must offer a physical location, even when hosting the meeting of members in a virtual format. However, applicable law (i.e., the Code of Virginia) allows organizations incorporated in the state of Virginia to hold their meeting of members solely by means of remote communication. We are therefore amending the Bylaws to reflect existing policies and practices.

### Recommendation

The Board of Governors recommends that each Regular Member vote **FOR** the amendment to the CFA Institute Bylaws.

# Amendment

## ARTICLE 4 – MEETINGS OF THE MEMBERS

### 4.1 Meetings.

- a All meetings of the members shall be held at suitable times and, if the meeting is to be held at a place, places within or without the Commonwealth of Virginia, as determined by the Board. The Board may determine that any meeting of members shall not be held at any place and shall instead be held solely by means of remote communication in accordance with applicable law.
- b There shall be an annual meeting of the members.
- c Special meetings of the members shall be called:
  - i by the Board or the Chair; or
  - ii by the Secretary, upon receipt of a written petition signed by at least two percent (2%) of the Regular Members.
- d Only business within the purpose or purposes described in the meeting notice shall be conducted at a special meeting.

### 4.2 Notice.

- e Written notice of meetings shall:
  - i state the date, time, and place (if any) of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called; and
  - ii be delivered, mailed, expressed, or sent by facsimile, electronic mail, or other reliable printed or printable communication to each Regular Member to the address, as it appears on the CFA Institute membership records, not less than ten (10) nor more than sixty (60) days before the meeting date unless a different notice period is required by law.
- f Notice of any meeting may be waived in writing signed by the member entitled to notice before or after the date of the meeting. A Regular Member who attends a meeting in person or by proxy:
  - i waives objection to lack of notice or defective notice of the meeting unless the Regular Member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; and
  - ii waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice unless that Regular Member objects to considering the matter when it is presented.

- 4.3 **Quorum.** At any meeting of the members, ten percent (10%) of all Regular Members represented in person or by proxy at such meeting shall constitute a quorum for the transaction of business. If less than a quorum is present in person or by proxy, the Chair may adjourn the meeting to a fixed time and place (if any) determined by the Chair or Secretary.



# PROPOSAL 2

## ELECTION OF THE CHAIR AND VICE CHAIR

### Election

At the Annual Meeting of Members, members will be asked to vote on the election of Mark Lazberger, CFA, as Chair and Tricia Rothschild, CFA, as Vice Chair of CFA Institute for a term beginning on 1 September 2021 and ending on 31 August 2022, and until their respective successors are elected and qualified. The Board, on the recommendation of the Nominating Committee, has nominated them based on its belief that these individuals have the abilities and commitment to lead the Board and to help the Board carry out its duties to the organization. The following profiles and personal statements demonstrate the basis for this belief.

### Recommendation

The Board of Governors recommends that each Regular Member vote **FOR** the election of the nominees for Chair and Vice Chair.







# CHAIR NOMINEE:



## Mark Lazberger, CFA

 **Charterholder**

 **Independent**



Governor Since: **2021**

Term Expires: **2022**

Age: **59**

Country: **Australia**

Region: **APAC**

Society Membership: **Sydney**

### Skills



**AUDIT EXPERIENCE**



**CFA INSTITUTE  
VOLUNTEER EXPERIENCE**



**HUMAN RESOURCES  
EXPERIENCE**



**LEADERSHIP  
EXPERIENCE**



**NOT-FOR-PROFIT  
EXPERIENCE**



**SOCIETY LEADERSHIP  
EXPERIENCE**

### Current Position

- Chairman, Omnia Capital Partners, Sydney, Australia
- Non-Executive Director, Yarra Capital Management, Melbourne, Australia
- Non-Executive Director, Fisher Funds Management, Auckland, New Zealand

### Prior Positions

- CEO, Colonial First State Global Asset Management and First State Investments (now First Sentier Investors), Sydney, Australia
- President, International State Street Global Advisors, London, United Kingdom
- President and CEO, State Street Japan, and Head, International Businesses, State Street Global Advisors, Tokyo, Japan
- Regional Managing Director, Asia Pacific, State Street Global Advisors, Tokyo, Japan
- Managing Director and Senior Vice President, State Street Global Advisors, Sydney, Australia

### Board Committee Service

- Audit and Risk Committee (FY2013, FY2014)
- Board Effectiveness Working Group (FY2013)
- Compensation Committee (FY2017)
- Compensation and Governance Committee (FY2016)
- External Relationship and Volunteer Involvement Committee (FY2015)
- Governance Working Group (FY2016)
- Planning Committee (FY2016)

### Current Positions on Other Boards

- Director, Children's Cancer Institute, Sydney, Australia

### Additional Volunteer Experience

#### CFA Institute

- Member, CFA Institute Board of Governors (FY2012-FY2018)
- Member, Future of Finance Advisory Council
- Recipient, CFA Institute Distinguished Service Award, in honor of Alfred C. "Pete" Morley

#### Society

- Founding President and Member, CFA Society Sydney
- Past Board Member, CFA Society Japan
- Past Member, Strategic Advisory Council, CFA Society Sydney

### Education

- Bachelor of Commerce, University of Western Australia
- Chartered Financial Analyst, CFA Institute

# A NOTE FROM MARK LAZBERGER, CFA

I am greatly honored to be nominated as the Chair of the CFA Institute Board of Governors. It is a genuine privilege for me to have the opportunity to work with the governors on the Board, with Margaret Franklin and her Leadership Team, and with the global membership to continue the work of carrying out the global mission to maintain the professional standards of our industry.

We all know that change is a given. This requires an organization to have strategic goals and an operating model capable of handling new challenges – both expected and unexpected. This last year has posed many unexpected challenges for CFA Institute, particularly in the delivery of its services to members and candidates around the world. The quality of leadership and dedication shown during this period has been impressive as the organization adapted to the fast-changing requirements placed by governments on their own communities. I feel confident that the experience gained during this period will be remembered and used to good effect in the future to further improve the organization's overall global service offering.

My association with CFA Institute goes back to the mid-1990s when I and a small number of other newly minted charterholders took steps to establish the Sydney chapter. Nearly twenty years ago when I moved to Tokyo, I was delighted to have the chance to continue my involvement with CFA Institute by becoming a board member of the Japan Society of Investment Professionals (JSIP), now known as CFA Society Japan. My later service as a member of the Board of Governors for two terms from 2012 to 2018 was another way for me play a part in supporting CFA Institute to maintain its position as the global standard for investment professionals.

The organization's emphasis on the highest standards of technical competency, always resting on a profound commitment to act ethically and in the best interests of one's clients, sets it apart from other professional and educational institutions. The achievements and progress made over the years by CFA Institute have established an outstanding foundation for supporting our profession globally as we all wrestle with a future that holds heightened levels of uncertainty, complexity, and, at times, questions about the value that we deliver to our clients.

I am committed to furthering the vision and standards of the CFA designation globally and look forward to the prospect of continuing my contribution to CFA Institute in the capacity of Chair of the Board of Governors.



# VICE CHAIR NOMINEE:



## Tricia Rothschild, CFA

 **Charterholder**

 **Independent**



Governor Since: **2019**

Term Expires: **2022**

Age: **54**

Country: **United States**

Region: **AMER**

Society Membership: **Chicago**

### Skills



**EDUCATION  
EXPERIENCE**



**HUMAN RESOURCES  
EXPERIENCE**



**INFORMATION  
TECHNOLOGY EXPERIENCE**



**LEADERSHIP  
EXPERIENCE**



**REGULATORY  
EXPERIENCE**

### Current Position

- President, Apex Fintech Solutions, Dallas, Texas, United States

### Prior Positions

- Chief Product Officer and Co-Head of Global Markets, Morningstar, Inc., Chicago, Illinois, United States
- Member, Executive Team/Executive Officer, Morningstar, Inc., Chicago, Illinois, United States
- Head, Global Advisor Solutions and Advisor Software, Morningstar, Inc., Chicago, Illinois, United States
- Senior Vice President, Equity Research Business, Morningstar, Inc., Chicago, Illinois, United States
- Senior Product Manager for Morningstar.com, Morningstar, Inc., Chicago, Illinois, United States
- International Mutual Fund Editor and Analyst, Morningstar, Inc., Chicago, Illinois, United States

### Board Committee Service

- Audit and Risk Committee (FY2020)
- Governance Committee (FY2021)
- Risk Committee (FY2021\*)

### Current Positions on Other Boards

- Advisory Board Member, The TIFIN Group, Boulder, Colorado, United States
- Board Member, Financial Fitness Group, San Diego, California, United States

### Education

- Bachelor of Science, Northwestern University
- Master of Arts, Indiana University
- Chartered Financial Analyst, CFA Institute

\* Denotes the governor served as Chair.

# A NOTE FROM TRICIA ROTHSCHILD, CFA

**W**ith nearly three decades of experience as a business leader in investment research, data, and financial services, I'm honored to be nominated to serve as the Vice Chair of the CFA Institute Board of Governors.

My interest in representing my fellow CFA® charterholders in this capacity stems from my belief in the need for integrity, transparency, and change, so that we can continue to uphold our obligation to fully and fairly represent the interests of individuals who place their trust in us as professionals in this field.

The key question, of course, is how the concepts of integrity, transparency, and change truly come to life for both CFA Institute and our core stakeholders—societies, employers, regulators, and CFA® candidates and charterholders. The pace of change itself — driven by environmental, social, economic, and political factors — gives rise to a seemingly ever greater need for guidance and high-quality investment management standards.

My experience as an analyst and executive leader in a mission-oriented, global investment research firm provides valuable context in thinking through the many opportunities ahead of us. My service on start-up FinTech boards, as well as organizations in the midst of significant growth and transformation, also provides valuable perspective when I reflect on the choices facing CFA Institute.

Importantly, while change is a meaningful part of the equation, our commitment to rigorous and thought-provoking research — and the promotion of the highest standards of ethics, education, and professional excellence— needs to be unwavering.

Along with my fellow governors, I am excited to do my part in charting a course for CFA Institute that maintains our relevance and increases the value that we deliver to our stakeholders and to society more broadly.



# PROPOSAL 3

## ELECTION OF THE GOVERNORS

### Election

At the Annual Meeting of Members, members will be asked to vote on the election of Alexander Birkin; Dan Fasciano, CFA; Joanne Hill, PhD; Heinz Hockmann, PhD; Punita Kumar-Sinha, PhD, CFA; and, Geoffrey Ng, CFA, as governors, each to serve a three-year term beginning 1 September 2021 and ending 31 August 2024. The Board, on the recommendation of the Nominating Committee, has recruited and nominated them based on its belief that the nominees, together with the other current members of the Board of Governors who are continuing in office, complement the requisite skills, qualities, and experiences to provide optimal levels of oversight and guidance to the management and operations of CFA Institute. The following profiles and personal statements demonstrate the basis for the Board's belief.

### Recommendation

The Board of Governors recommends that each Regular Member vote **FOR** the election of the six nominees for governor.



# First-Term Governor Nominees

## Meet the First-Term Governor Nominees

SKILL / QUALIFICATION	JOANNE HILL, PHD	HEINZ HOCKMANN, PHD
Audit		✓
CFA Institute Volunteer	✓	
CFA Program		
Corporate Governance		✓
Education	✓	✓
Human Resources		✓
Information Technology		
Leadership	✓	✓
Not-for-Profit	✓	
Public Company Board		✓
Regulatory		✓
Society Leadership		





## Joanne Hill, PhD



Governor Since: **2021**

Term Expires: **2024**

Age: **71**

Country: **United States**

Region: **AMER**

### Skills



**CFA INSTITUTE  
VOLUNTEER EXPERIENCE**



**EDUCATION  
EXPERIENCE**



**LEADERSHIP  
EXPERIENCE**



**NOT-FOR-PROFIT  
EXPERIENCE**

### Current Position

- Chief Advisor, Research and Strategy, Cboe Vest, McLean, Virginia, United States
- Adjunct Professor of Finance, College of Charleston, Charleston, South Carolina, United States

### Prior Positions

- Head, Institutional Investment Strategy, ProShares, Bethesda, Maryland, United States
- Managing Director, Goldman Sachs, New York, New York, United States
- Managing Director, PaineWebber, New York, New York, United States
- Vice President, Kidder Peabody, New York, New York, United States
- Manager, Brown Brothers Harriman, New York, New York, United States
- Associate Professor of Finance, University of Massachusetts, Amherst, United States

### Current Positions on Other Boards

- Board Member, The "Q" Group, New York, New York, United States
- US Board Member, Women in ETFs (Founding Member and Former Co-President), New York, New York, United States
- Board Member and Chair, Investment Committee, Bishop Gadsden Episcopal Retirement Community, Charleston, South Carolina, United States
- Chair and Head of Research Committee, CFA Institute Research Foundation Board of Trustees

### Additional Volunteer Experience

#### Society

- Member, *Financial Analysts Journal* Advisory Council
- Former Member, *Financial Analysts Journal* Editorial Board
- Speaker, CFA Society Events and Financial Analysts Seminars

### Education

- Syracuse University, PhD, Finance and Master of Business Administration
- George Washington University, Master of Arts, International Affairs
- American University, School of International Service

# A NOTE FROM JOANNE HILL, PHD

I am extremely honored and grateful to be nominated as a member of the CFA Institute Board of Governors.

After decades of experience in both investment banking and asset management and my contributions to research in index products, derivatives, and risk management, I have focused my time on nonprofit organizations like the Q Group (Institute for Quantitative Finance) and the CFA Institute Research Foundation to promote independent, high-quality research to help investment professionals. CFA Institute is a unique institution with its global membership and ability to bring education on best practices and innovative investment techniques. I have always had an interest in furthering education and keeping my knowledge and skills current. I am eager to help advance the leadership role of the CFA Institute in setting standards for our profession in relevant and objective educational content, professional ethics, and advocacy in areas of diversity and sustainability as criteria for robust organizations.

Since I started my career in finance some three decades ago, I have been involved with CFA Institute as a speaker and author, as a member of the *Financial Analysts Journal* Editorial Board and *Financial Analysts Journal* Advisory Council, and as a member and the current Chair of the CFA Research Foundation Board of Trustees. I encouraged and have seen first-hand the enthusiasm of CFA® Program candidates on my teams in organizations across major global financial centers as they worked hard to master the material and earned their credentials. CFA Institute plays a unique role in investments and financial markets, assembling, supporting, and delivering a common body of knowledge with the sole purpose of educating those in our profession to be more effective in their roles in the finance industry. I believe we can and should expand on this through the CFA Institute professional development program and, as a board member, would be excited to help shape and advise on the implementation of that strategy.

There is much work to do and the opportunity to engage on current topics in markets and investments with both current members and those involved in key areas adjacent to finance, such as regulators, technology experts, government policymakers, and others. Our programs can also attract a diverse group of talented new entrants to finance as we help promote ethical standards and educational tools to be effective and responsible investment professionals.

I very much appreciate the opportunity to contribute to the strategic goals of CFA Institute as a member of the Board of Governors.





## Heinz Hockmann, PhD

 **Independent**



Governor Since: **2021**

Term Expires: **2024**

Age: **68**

Country: **Germany**

Region: **EMEA**

### Skills



**AUDIT EXPERIENCE**



**CORPORATE GOVERNANCE EXPERIENCE**



**EDUCATION EXPERIENCE**



**HUMAN RESOURCES EXPERIENCE**



**LEADERSHIP EXPERIENCE**



**PUBLIC COMPANY BOARD EXPERIENCE**



**REGULATORY EXPERIENCE**

### Current Position

- Regular Lecturer on Banking and Finance:
  - Justus-Liebig-University Giessen, Giessen, Hesse, Germany
  - Technical University Chemnitz, Chemnitz, Germany
  - Goethe Business School, Frankfurt, Germany
  - Smith College, Northampton, Massachusetts, United States
- Senior Advisor and Member, Advisory Council, Lovell Minnick Partners LLC, Radnor, Pennsylvania, Manhattan Beach, California and New York, New York, United States
- Non-Executive Chairman, Silk Invest Limited, London, United Kingdom

### Prior Positions

- CEO, Fortis Investment Management S.A., Germany
- Chief Executive, Westfalenbank AG, Bochum and Düsseldorf, Germany
- Member, Board of Managing Directors, Commerzbank AG, Frankfurt, Germany
- Executive Vice President, Senior Vice President, and Head, Commerzbank Asset Management, Germany
- Managing Director, Commerz International Capital Management GmbH, Germany

### Current Positions on Other Boards

- Chairman, Supervisory Board, Ökoworld AG, Hilden, Germany
- Deputy Chairman, Supervisory Board, WWK Lebensversicherung VVaG, Munich, Germany
- Member, Board of Directors, WWK Allgemeine Versicherung AG, Munich, Germany
- Chairman, Supervisory Board, GET Capital AG, Moenchengladbach, Germany
- Chairman, Investment Committee, SANAD Fund for MSME, Luxembourg

### Education

- University of Bochum, PhD in Business Finance, Master of Economics and Business Administration, and Undergraduate and Graduate Studies in Economics and Business Administration, Bochum, Germany

# A NOTE FROM HEINZ HOCKMANN, PHD

I am honored to be nominated to the CFA Institute Board of Governors.

Throughout my professional life, I have had contact with CFA Institute and its predecessor organization, the Association for Investment Management and Research. I have great admiration for CFA Institute and its groundbreaking work in standard setting and emphasis on governance and ethics for the asset management profession.

I bring a combination of experience from both my academic and professional careers. Indeed, the link between these two disciplines is visible over the course of my life. Early on, for example, I introduced structured and disciplined investment approaches in asset management based on the latest academic research at that time, and I have continued combining these two disciplines, which I believe leads to innovation in asset management. Learning and innovation are reinforced through cooperating with professional organizations, such as CFA Institute. Of course, asset management is a truly global activity. Analytical tools, portfolio construction, and implementation, as well as distribution and performance measurement do not stop at borders.

At further stages of my professional development, I took on executive responsibilities in both banking and insurance. In every position I held, good corporate governance and ethics in business were my lodestars.

I have been a member of boards for private and public companies of varying sizes and on all major continents. Understanding different cultures, mentalities, and ways of decision-making are all within my experience. I believe this wide and diverse international background can greatly benefit the CFA Institute Board of Governors.

In later years, I returned to the academic world. I created and taught courses on various aspects of the financial services industry, including asset management. I truly enjoyed my many years of engaging with, learning from, and inspiring my students to pursue careers in financial services. I also know that the ability to teach and work online with broad access to all kinds of information, along with the application of modern tools in research and teaching, have dramatically changed the field of education, including that of professional qualifications.

I am very much looking forward to working with this truly global and diverse Board of Governors and contributing to the further development and execution of the strategic plan for CFA Institute.



# SECOND-TERM GOVERNOR NOMINEES



**Alexander Birkin<sup>†</sup>**



Governor Since: **2018**

Term Expires: **2021**

Age: **45**

Country: **United Kingdom**

Region: **EMEA**

## Skills



**AUDIT EXPERIENCE**



**INFORMATION  
TECHNOLOGY EXPERIENCE**



**LEADERSHIP  
EXPERIENCE**



**REGULATORY  
EXPERIENCE**

## Current Position

- Partner, EMEIA Industry Leader and Global Consulting Leader for Wealth and Asset Management, Ernst & Young, London, United Kingdom

## Prior Positions

- Partner, EMEIA FSO Wealth and Asset Management Consulting Leader, Ernst & Young, London, United Kingdom
- Partner, UK Asset Management Leader, Financial Services Office, Ernst & Young, London, United Kingdom
- Senior Manager, UK Asset Management Business Development, Ernst & Young, London, United Kingdom

## Board Committee Service

- Audit and Finance Committee (FY2021)
- Nominating Committee (FY2019, FY2020)
- Strategy SWAT Working Group (FY2021\*)

## Current Positions on Other Boards

- Board Member, Ernst & Young Global Wealth and Asset Management, London, United Kingdom
- Regional Board Member, Ernst & Young EMEIA Financial Services Office, London, United Kingdom

## Education

- The Chartered Institute of Management Accountants, Passed Finalist
- Bachelor of Science, Management Sciences, University of Manchester Institute for Science and Technology

\* Denotes the governor served as Chair.

‡ Alexander Birkin is not considered an independent governor per the CFA Institute Standards of Independence for the Board of Governors Policy. Ernst & Young provides internal audit services to CFA Institute, and even though Mr. Birkin is not involved in the delivery or oversight of these services, he is precluded from serving on the Risk Committee and required to recuse himself from voting on all matters involving services provided by Ernst & Young to the organization. Board policy requires all governors to disclose potential and actual conflicts of interest as operational best practice.

# A NOTE FROM ALEXANDER BIRKIN

I am honoured to have served as a member of the CFA Institute Board of Governors over the last three years, and I am pleased to be nominated for another three-year term.

Over the last few years, I have had the opportunity to contribute to the Board as the organization has transitioned to a new CEO, developed a new strategy, and continued to manage the impacts of the COVID-19 health crisis. My 23 years' experience with Ernst & Young and my current role as the Global Consulting Leader of Wealth and Asset Management, have enabled me to support the leadership of CFA Institute in the development of our new strategy, to further refine our operating model, and to develop our implementation roadmap. In addition, as a member of the Nominating Committee, I contributed to the recruitment of new governors; and, as a member of the Audit and Finance Committee, I contributed to the oversight of our financial management and strategic investments.

I believe the next three years will be important for CFA Institute as we accelerate the implementation of our new strategy and help the investment industry embrace the post COVID-19 environment. I would welcome the opportunity to continue to serve CFA Institute and its members for another three years.





## Dan Fasciano, CFA

 Charterholder

 Independent



Governor Since: **2018**

Term Expires: **2021**

Age: **54**

Country: **United States**

Region: **AMER**

Society Membership: **Boston**

### Skills



**CFA INSTITUTE  
VOLUNTEER EXPERIENCE**



**SOCIETY LEADERSHIP  
EXPERIENCE**

### Current Position

- National Director of Portfolio Management, Wealth Management, Bank of New York Mellon, Boston, Massachusetts, United States

### Prior Positions

- Director of the State of Florida Treasury, Tallahassee, Florida, United States
- Head of US Investment Office / Director of Fixed Income, Aviva Investors, Boston, Massachusetts, United States
- Director of Fixed Income, Mellon Financial Corporation / The Boston Company, Boston, Massachusetts, United States

### Board Committee Service

- Governance Working Group (FY2020)
- Investment Committee (FY2019, FY2020\*)
- Society Partnership Advisory Council (FY2018\*\*, FY2021\*\*)

### Additional Volunteer Experience

#### CFA Institute

- Member, Annual Conference Advisory Group

#### Society

- Past Chair, Presidents Council
- Past Presidents Council Representative
- Past Chair and Board Member, CFA Society Boston

### Education

- Master of Business Administration, Boston University
- Bachelor of Arts, University of New Hampshire
- Chartered Financial Analyst, CFA Institute
- Chartered Alternative Investment Analyst, Chartered Alternative Investment Association
- Chartered Market Technician, Chartered Market Technicians Association

\* Denotes the governor served as Chair.

\*\* Denotes the governor served as Co-Chair.



# A NOTE FROM DAN FASCIANO, CFA

**H**aving served on the Board of Governors for one term, I remain honored and motivated to contribute to the success of the CFA Institute strategy and mission.

The last 18 months have presented major global and industry challenges that were unprecedented. It has been rewarding to witness CFA Institute management and our members pragmatically and skillfully navigate through the myriad of tests during this period. As a leader, I draw inspiration from these experiences.

Members should continue to hold me accountable as I draw upon my more than fifteen years of society and Presidents Council volunteer service. I will also draw upon my 30 years of industry experience at both wealth management and institutional investment firms.

With a clear and forward-looking strategic plan in the process of being implemented, the next several years will be one of continued partnership among CFA Institute, societies, and Board members as we lead the investment management profession.





## Punita Kumar-Sinha, PhD, CFA

 **Charterholder**

 **Independent**



Governor Since: **2018**

Term Expires: **2021**

Age: **58**

Country: **India/United States**

Region: **APAC**

Society Membership:  
**India/Boston**

### Skills



**AUDIT EXPERIENCE**



**CORPORATE GOVERNANCE  
EXPERIENCE**



**HUMAN RESOURCES  
EXPERIENCE**



**INFORMATION  
TECHNOLOGY EXPERIENCE**



**LEADERSHIP  
EXPERIENCE**



**PUBLIC COMPANY  
BOARD EXPERIENCE**



**REGULATORY  
EXPERIENCE**

### Current Position

- Founder and Managing Partner, Pacific Paradigm Advisors LLC, Boston, Massachusetts, United States
- Chairperson, InCred AMC, India

### Prior Positions

- Senior Managing Director and CIO & Head of Blackstone Asia Advisors, The Blackstone Group, Boston, Massachusetts, United States
- CIO and Senior PM of New York Stock Exchange Listed India Fund and Asia Tigers Fund, India
- Managing Director, Oppenheimer & Company / CIBC Oppenheimer, Boston, Massachusetts, United States
- Portfolio Manager, Batterymarch Financial Management, Boston, Massachusetts, United States
- Equity Analyst and Member of the International Equity team, Standish, Ayer & Wood, Boston, Massachusetts, United States
- Board Member, Fairfax India Holdings (Toronto Listed), TiE Boston, and Hexaware, Boston, Massachusetts, United States
- Independent Director, Infosys (Chair, Finance and Investment Committee till March 31, 2018, and Chair, Stakeholders Relationship Committee, Audit Committee member), India

### Board Committee Service

- Audit and Finance Committee (FY2021)
- Audit and Risk Committee (FY2019)
- Governance Committee (FY2020)
- Investment Committee (FY2020)
- Investment Subcommittee (FY2021\*)

### Current Positions on Other Boards

- Board Trustee, CFA Institute Research Foundation
- Independent Director, Lupin (Chair, Audit Committee, and member of the Nomination and Remuneration Committee), India; Board member, Lupin, United States
- Independent Director, JSW Steel (Chair, Hedging Policy Review Committee, and member of Risk Management and Business Responsibility Committees), India
- Independent Director, Rallis India (Chair, Stakeholders Relationship Committee, and member of the Audit, Risk, and CSR Committees), India
- Independent Director, Embassy Office Parks Management Services Private Limited, India, (Chair, Stakeholders Relationship Committee, and member of the Audit Committee)
- Independent Director, SREI Infrastructure Finance, India

### Additional Volunteer Experience

#### CFA Institute

- Conference Speaker

#### Society

- Event Speaker and Moderator
- Charter Awards Ceremony

### Education

- PhD and Masters in Finance, The Wharton School, University of Pennsylvania
- Master of Business Administration, Drexel University
- Bachelor of Technology, Indian Institute of Technology
- Chartered Financial Analyst, CFA Institute

# A NOTE FROM PUNITA KUMAR-SINHA, PHD, CFA

I am honored to be nominated to serve on the CFA Institute Board of Governors for a second term. During my first term, I saw how CFA Institute played a vital role in the global financial system by building trust among various stakeholders, such as investors, regulators, employers, and the public. I have sought to contribute my experiences as an investor and public company board member to help CFA Institute in fulfilling its mission.

The investment management industry is changing rapidly with a proliferation of products, asset classes, and new approaches, such as artificial intelligence. Importantly, due to the global pandemic, significant aspects of the learning process and exam delivery have migrated online. These trends have resulted in an entirely new strategy for CFA Institute. In my second term, I hope to provide continuity to CFA Institute in pursuing this transformational strategy and in the development of different types of micro-credentials.

CFA Institute will continue to play a key role in the development of the asset management industry in emerging markets. My goal is to assist in these efforts, particularly in working with employers and candidates to enhance the value of the CFA® charter, and with regulators on reporting standards. As one of the first few Indian women to qualify as a CFA® charterholder, I have found membership to be vital to my career growth. I will strive to include more CFA® Program training into career development programs for women and encourage more women to join the profession, particularly in India where gender diversity in the profession is lacking.

I have chaired several public company board committees, including an Audit Committee, and I hope to apply these experiences to further strengthen our governance processes and financial discipline.

I am fully committed to the noble mission and goals of CFA Institute and will do my best to serve the organization and its members.





## Geoffrey Ng, CFA

 **Charterholder**

 **Independent**



Governor Since: **2018**

Term Expires: **2021**

Age: **47**

Country: **Malaysia**

Region: **APAC**

Society Membership: **Malaysia**

### Skills



**CFA INSTITUTE  
VOLUNTEER EXPERIENCE**



**CFA PROGRAM  
EXPERIENCE**



**HUMAN RESOURCES  
EXPERIENCE**



**INFORMATION  
TECHNOLOGY EXPERIENCE**



**LEADERSHIP  
EXPERIENCE**



**PUBLIC COMPANY  
BOARD EXPERIENCE**



**SOCIETY LEADERSHIP  
EXPERIENCE**

### Current Position

- Director, Strategic Investments, Fortress Capital Asset Management, Kuala Lumpur, Malaysia

### Prior Positions

- Executive Director/CEO, Hong Leong Asset Management Group, Kuala Lumpur, Malaysia
- Managing Director, Alioth Capital, Dubai, United Arab Emirates
- Senior Vice President, Dubai Investment Group, Dubai, United Arab Emirates
- Chief Investment Officer, Pacific Mutual Fund, Petaling Jaya, Malaysia

### Board Committee Service

- Audit and Finance Committee (FY2021\*)
- Audit and Risk Committee (FY2019, FY2020)
- Board Liaison to the Disciplinary Review Committee (FY2020)
- Society Partnership Advisory Council (FY2021)

### Current Positions on Other Boards

- Chairman, Kronologi Asia Berhad, Kuala Lumpur, Malaysia
- Executive Director, Fortress Capital Asset Management Sdn Bhd, Kuala Lumpur, Malaysia
- Non-Executive Director, MiyaHealth Pte. Ltd., Singapore
- Director, Eureeca SEA Sdn Bhd, Kuala Lumpur, Malaysia

### Additional Volunteer Experience

#### CFA Institute

- Past Grader, CFA® Exam
- Past Member, Council of Examiners
- Past Vice Chair, Education Advisory Committee
- Past Participant, Test Specifications Task Force

#### Society

- Past Vice President, CFA Society Malaysia
- Past Treasurer, CFA Society Malaysia
- Past Membership Chair, CFA Society Malaysia

### Education

- Certificate, Fintech: Future Commerce, Massachusetts Institute of Technology
- Certificate, CFA Institute Investment Foundations Program
- Certified Financial Planner, Financial Planning Association Malaysia
- Chartered Financial Analyst, CFA Institute
- Bachelor of Commerce, Finance and Accounting, Carleton University



# A NOTE FROM GEOFFREY NG, CFA

**T**he past three years serving on the Board of Governors of CFA Institute has been a truly enriching experience. My time spent on the Board, Audit and Risk Committee, Audit and Finance Committee, and Society Partnership Advisory Council has increased my appreciation of the entire organization's sense of dedication to the mission, and hopefully moved our employees and volunteers to further align with CFA Institute.

I am indeed honored for the nomination to serve another term on the Board of Governors. My efforts going into the new term will be dedicated to ensuring continuity towards delivery of the strategic pillars identified by CFA Institute as well as supporting the ongoing initiatives to navigate the operational challenges arising from the global health pandemic.

Besides profound respect and gratitude for my fellow governors, management, and employees of CFA Institute, the values and aspirations that I bring into this new term remain steadfast – strength in the CFA® Program and related programs as well as in professional development, and increased communication channels between members to support collaborative opportunities, foster friendships, and promote the common values of CFA Institute together as one voice.

I look forward to continuing in serving you as a governor.



# CONTINUING GOVERNORS

We are also providing profile information for governors who are continuing in office and who have terms expiring at the end of fiscal years 2022 and 2023. Please visit the CFA Institute [website](#) to read each governor's biography.



## Marshall Bailey, CFA

 **Charterholder**

 **Independent**



Governor Since: **2020**

Term Expires: **2023**

Age: **54**

Country: **United Kingdom**

Region: **EMEA**

Society Membership:

**CFA Society United Kingdom**

### Skills



**AUDIT EXPERIENCE**



**CORPORATE GOVERNANCE EXPERIENCE**



**LEADERSHIP EXPERIENCE**



**NOT-FOR-PROFIT EXPERIENCE**



**PUBLIC COMPANY BOARD EXPERIENCE**



**REGULATORY EXPERIENCE**

### Current Position

- Non-executive Chairman, MUFG Securities EMEA plc
- Non-executive Chair, Financial Services Compensation Scheme (FSCS)
- Member of the Board of Governors, CFA Institute
- Representative & Non-Executive Board Director National Commercial Bank – Jeddah Public Investment Fund – Kingdom of Saudi Arabia

### Prior Positions

- Non-executive Chairman, CIBC World Markets plc – London
- Non-Executive Director London Stock Exchange Group
- Group Chairman, LCH Holdings
- Board Member, Chubb European Group
- Non-Executive Director, UK Financial Investments Ltd – (UKFI) HM Treasury

### Board Committee Service

- Risk Committee (FY2021)
- Society Partnership Advisory Council (FY2021)

### Additional Volunteer Experience

#### Society

- Board Member, CFA Society United Kingdom

#### Education

- Bachelor of Arts, University of Winnipeg, Canada
- Master of Arts, Graduate Institute of International Affairs, Geneva
- Chartered Financial Analyst
- Diploma, Non-Executive Directors' Course, FT/Pearson



## Yimei Li, CFA

 **Charterholder**

 **Independent**



Governor Since: **2020**

Term Expires: **2023**

Age: **44**

Country: **China**

Region: **APAC**

Society Membership: **Beijing**

### Skills



**CFA INSTITUTE  
VOLUNTEER EXPERIENCE**



**HUMAN RESOURCES  
EXPERIENCE**



**INFORMATION  
TECHNOLOGY EXPERIENCE**



**LEADERSHIP  
EXPERIENCE**



**NOT-FOR-PROFIT  
EXPERIENCE**



**REGULATORY  
EXPERIENCE**

### Current Position

- CEO, China Asset Management Co. Ltd., Beijing, China

### Prior Positions

- Executive Vice President, China Asset Management Co. Ltd., Beijing, China
- Head of Marketing and Sales, China Asset Management Co. Ltd., Beijing, China
- International Business Department, China Asset Management Co. Ltd., Beijing, China

### Board Committee Service

- Audit and Finance Committee (FY2021)
- Strategy SWAT Working Group (FY2021)

### Current Positions on Other Boards

- Vice Chair, Asset Management Association of China, Beijing, China
- Board Member, Pension Business Committee, Asset Management Association of China, Beijing, China
- Vice Director, Risk Management Committee, Shenzhen Stock Exchange, Shenzhen, China
- Deputy Supervisor, Securities Association of Beijing, Beijing, China
- Member, International Investment Fund Association Pension Committee
- Board Member, E-Capital Transfer, Shanghai, China
- Founding Member, SDG 30 League, Beijing, China

### Education

- Master in Public Policy, International Finance, Harvard Kennedy School
- Bachelor of Economics, Marketing, Renmin University of China





## Karina Litvack

 **Independent**



Governor Since: **2019**

Term Expires: **2022**

Age: **58**

Country: **United Kingdom**

Region: **EMEA**

### Skills



**CORPORATE GOVERNANCE  
EXPERIENCE**



**HUMAN RESOURCES  
EXPERIENCE**



**LEADERSHIP  
EXPERIENCE**



**NOT-FOR-PROFIT  
EXPERIENCE**



**PUBLIC COMPANY  
BOARD EXPERIENCE**

### Current Position

- Non-Executive Director, Eni S.p.A., Rome, Italy
- Chairman of Board Sustainability Committee, Viridor Waste Management Ltd., Taunton, United Kingdom
- Non-Executive Director, Business for Social Responsibility, San Francisco, California, United States
- Co-Founder, Climate Governance Initiative, Geneva, Switzerland

### Prior Positions

- Director, Head of Governance & Sustainable Investment, F&C Management (now BMO Global Asset Management), London, United Kingdom
- Founding Member, Board of Directors, Extractive Industries Transparency Initiative (EITI), Oslo, Norway
- Member, Primary Markets Group, London Stock Exchange, London, United Kingdom
- Member, Board of Directors, Natural Resource Governance Institute, New York, New York, United States
- Member, Stakeholder Advisory Panel, Lafarge, Paris, France
- Project Manager, New York City Economic Development Corporation, New York, New York, United States
- Capital Markets Associate, PaineWebber Incorporated, New York, New York, United States
- New York City Economic Development Corporation, Project Manager, New York, United States
- PaineWebber Incorporated, Capital Markets Associate, New York, United States

### Board Committee Service

- Governance Committee (FY2020, FY2021)
- Investment Subcommittee (FY2021)
- Society Partnership Advisory Council (FY2020)

### Current Positions on Other Boards

- Senior Advisory Panel Member, Critical Resource Strategy & Analysis Ltd., London, United Kingdom
- Advisory Council Member, Transparency International UK, London, United Kingdom

### Education

- Master of Business Administration, Finance and International Business, Columbia Business School
- Bachelor of Arts, Political Economy, University of Toronto
- Diploma in Italian Translation and Interpretation, Royal Society of Linguists



## Diane Nordin, CFA

 **Charterholder**

 **Independent**



Governor Since: **2016**

Term Expires: **2022**

Age: **61**

Country: **United States**

Region: **AMER**

Society Membership: **Boston**

### Skills



**AUDIT EXPERIENCE**



**CFA INSTITUTE  
VOLUNTEER EXPERIENCE**



**CORPORATE GOVERNANCE  
EXPERIENCE**



**HUMAN RESOURCES  
EXPERIENCE**



**LEADERSHIP  
EXPERIENCE**



**NOT-FOR-PROFIT  
EXPERIENCE**



**PUBLIC COMPANY  
BOARD EXPERIENCE**

### Current Position

- Director, Principal Financial Group, Des Moines, Iowa, United States
- Board Member, Fannie Mae, Washington, DC, United States
- Board Member, Antares Capital, Chicago, Illinois, United States

### Prior Positions

- Fellow, Advanced Leadership Initiative, Harvard University, Cambridge, Massachusetts, United States
- Partner, Wellington Management, Boston, Massachusetts, United States
- Director, Fixed Income, Wellington Management, Boston, Massachusetts, United States
- Board Member, Chair of Investment Committee, and Member of Audit Committee, Appalachian Mountain Club, Boston, Massachusetts
- Trustee and Chair of Investment Committee, Wheaton College, Norton, Massachusetts

### Board Committee Service

- Audit and Risk Committee (FY2017, FY2018\*)
- CEO Search Committee (FY2018\*, FY2019\*)
- Chair, CFA Institute Board of Governors (FY2020\*)
- Vice Chair, CFA Institute Board of Governors (FY2019)
- Compensation Committee (FY2019)
- Executive Committee (FY2018, FY2019, FY2020\*, FY2021)
- Nominating Committee (FY2020, FY2021\*)
- People and Culture Committee (FY2020, FY2021)
- Risk Committee (FY2021)

### Current Positions on Other Boards

- Vice Chair of Board, Chair of Compensation Committee, and Member of Risk Policy, Audit, and Executive Committees, Fannie Mae, Washington, DC, United States
- Chair, Compensation Committee, Antares Capital, Chicago, Illinois, United States
- Member, Audit and Human Resources Committees, Principal Financial Group, Des Moines, Iowa, United States
- Member, CFA Society Boston, Boston, Massachusetts, United States
- Member, Martha's Vineyard Community Services Board, Martha's Vineyard, Massachusetts, United States

### Additional Volunteer Experience

#### CFA Institute

- Industry Appeal Panelist, Disciplinary Review Committee
- Panelist and Speaker, CFA Institute Events

### Education

- Bachelor of Arts, Wheaton College
- Chartered Financial Analyst, CFA Institute

\* Denotes the governor served as Chair.





## Tricia Rothschild, CFA

 **Charterholder**

 **Independent**



Governor Since: **2019**

Term Expires: **2022**

Age: **54**

Country: **United States**

Region: **AMER**

Society Membership: **Chicago**

### Skills



**EDUCATION  
EXPERIENCE**



**HUMAN RESOURCES  
EXPERIENCE**



**INFORMATION  
TECHNOLOGY EXPERIENCE**



**LEADERSHIP  
EXPERIENCE**



**REGULATORY  
EXPERIENCE**

### Current Position

- President, Apex Fintech Solutions, Dallas, Texas, United States

### Prior Positions

- Chief Product Officer and Co-Head of Global Markets, Morningstar, Inc., Chicago, Illinois, United States
- Member, Executive Team/Executive Officer, Morningstar, Inc., Chicago, Illinois, United States
- Head, Global Advisor Solutions and Advisor Software, Morningstar, Inc., Chicago, Illinois, United States
- Senior Vice President, Equity Research Business, Morningstar, Inc., Chicago, Illinois, United States
- Senior Product Manager for Morningstar.com, Morningstar, Inc., Chicago, Illinois, United States
- International Mutual Fund Editor and Analyst, Morningstar, Inc., Chicago, Illinois, United States

### Board Committee Service

- Audit and Risk Committee (FY2020)
- Governance Committee (FY2021)
- Risk Committee (FY2021\*)

### Current Positions on Other Boards

- Advisory Board Member, The TIFIN Group, Boulder, Colorado, United States
- Board Member, Financial Fitness Group, San Diego, California, United States

### Education

- Bachelor of Science, Northwestern University
- Master of Arts, Indiana University
- Chartered Financial Analyst, CFA Institute

\* Denotes the governor served as Chair.



## Maria Wilton, CFA

 **Charterholder**

 **Independent**



Governor Since: **2018**

Term Expires: **2022**

Age: **56**

Country: **Australia**

Region: **APAC**

Society Membership: **Melbourne**

### Skills



**AUDIT EXPERIENCE**



**CORPORATE GOVERNANCE EXPERIENCE**



**HUMAN RESOURCES EXPERIENCE**



**LEADERSHIP EXPERIENCE**



**NOT-FOR-PROFIT EXPERIENCE**



**REGULATORY EXPERIENCE**

### Current Positions

- Director, Victorian Funds Management Corporation, Melbourne, Australia
- Director, WorkSafe Victoria, Geelong, Australia
- Director, Australia Post Superannuation Scheme, Melbourne, Australia
- Director, Dexus Wholesale Property Fund, Sydney, Australia
- Member, State Investment Advisory Board (Queensland), Brisbane, Australia

### Prior Positions

- Managing Director and Chairman, Franklin Templeton Investments Australia Limited, Melbourne, Australia
- Associate Director and Portfolio Manager, BT Financial Group (formerly Rothschild/Sagitta), Melbourne, Australia
- Associate Director and Portfolio Manager, County Investment Management, Melbourne, Australia
- Economist and Portfolio Manager, J.P. Morgan Investment Management, Melbourne, Australia

### Board Committee Service

- Executive Committee (FY2021)
- Governance Working Group (FY2019, FY2020)
- People and Culture Committee (FY2020\*, FY2021\*)
- Society Partnership Advisory Council (FY2019)

### Current Positions on Other Boards

- Deputy Chair, Infrastructure Victoria, Melbourne, Australia
- Director, Confident Girls Foundation, Fitzroy, Australia

### Additional Volunteer Experience

#### CFA Institute

- Former Chair, Diversity Council, CFA Society Australia
- Former Member, Advocacy Council, CFA Society Australia

### Education

- Bachelor of Economics, University of Tasmania
- Associate, Securities Institute of Australia
- Chartered Financial Analyst, CFA Institute
- Fellow, Australian Institute of Company Directors
- Fellow, Australian Institute of Superannuation Trustees

\* Denotes the governor served as Chair.



# PRESIDENT AND CEO



**Margaret Franklin, CFA**

 **Charterholder**  


Governor Since: **2019**

Age: **55**

Country: **United States**

Region: **AMER**

Society Membership: **Toronto**

## Skills



**AUDIT EXPERIENCE**



**CFA INSTITUTE  
VOLUNTEER EXPERIENCE**



**HUMAN RESOURCES  
EXPERIENCE**



**LEADERSHIP  
EXPERIENCE**



**NOT-FOR-PROFIT  
EXPERIENCE**



**SOCIETY LEADERSHIP  
EXPERIENCE**

## Current Positions

- President and Chief Executive Officer, CFA Institute, Charlottesville, Virginia, United States

## Prior Positions

- President, BNY Mellon Wealth Management, Advisory Services, Toronto, Canada
- Board Member, BNY Mellon Trust Company, George Town, Cayman Islands
- President, Marret Private Wealth, and COO of Marret Asset Management, Toronto, Canada
- Partner, KJ Harrison & Partners, Toronto, Canada

## Board Committee Service

- Past Chair, CFA Institute Board of Governors (FY2012)
- Chair, CFA Institute Board of Governors (FY2011)
- Vice Chair, CFA Institute Board of Governors (FY2010)
- Executive Committee (FY2020, FY2021)

## Current Positions on Other Boards

- Board Trustee, CFA Institute Research Foundation, Charlottesville, Virginia, United States
- Board Member, Michael Garron Hospital Foundation, Toronto, Canada
- Director, Wellmond Board, Rockville, Maryland, United States

## Additional Volunteer Experience

### CFA Institute

- Past President and Board Member, CFA Society Toronto
- Past Chair, Board of Governors

## Education

- Bachelor of Arts in Economics, McMaster University
- Chartered Financial Analyst, CFA Institute

# OUTGOING GOVERNORS

The following governors have terms that expire at the end of the fiscal year. These governors have served with distinction and made significant contributions to the Board and CFA Institute in general. We sincerely thank them for their valuable service.



**Robert Bruner,  
DBA**

 Independent  


## Skills

-  AUDIT EXPERIENCE
-  EDUCATION EXPERIENCE
-  LEADERSHIP EXPERIENCE
-  NOT-FOR-PROFIT EXPERIENCE
-  PUBLIC COMPANY BOARD EXPERIENCE



**Daniel Gamba,  
CFA**

 Charterholder  
 Independent  


## Skills

-  AUDIT EXPERIENCE
-  CFA INSTITUTE VOLUNTEER EXPERIENCE
-  CFA PROGRAM EXPERIENCE
-  HUMAN RESOURCES EXPERIENCE
-  LEADERSHIP EXPERIENCE



**Zouheir Tamim El  
Jarkass, CFA**

 Charterholder  
 Independent  


## Skills

-  CFA INSTITUTE VOLUNTEER EXPERIENCE
-  CFA PROGRAM EXPERIENCE
-  EDUCATION EXPERIENCE
-  HUMAN RESOURCES EXPERIENCE
-  NOT-FOR-PROFIT EXPERIENCE
-  SOCIETY LEADERSHIP EXPERIENCE



# PROPOSAL 4

## **RATIFICATION OF THE SELECTION OF THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

### **Ratification**

The Audit and Finance Committee (AFC) has appointed KPMG LLP as the organization's independent registered public accounting firm to perform the fiscal year 2021 audit of the consolidated financial statements of CFA Institute. We are not required to submit this appointment to ratification by the members. However, if the members do not ratify this appointment, it may be reconsidered by the AFC. Moreover, the AFC, in its discretion, may change the appointment at any time during the year if it determines that such a change would be in the best interest of CFA Institute and its members.

### **Recommendation**

The Board of Governors recommends that each Regular Member vote **FOR** the ratification of the selection of KPMG LLP as the independent registered public accounting firm for CFA Institute for fiscal year 2021.









# AUDIT MATTERS

## Audit and Finance Committee Report

The Audit and Finance Committee (AFC) is composed of four active governors, three of whom are considered independent per the CFA Institute Standards of Independence for the Board of Governors Policy. Based on this policy, the Board determined that Mr. Birkin would not be conflicted from serving on the AFC. If a potential conflict did arise on committee matters, he would be obligated to recuse himself and/or abstain from the discussion and/or voting. The AFC members' professional biographies, along with the Committee Charter, adopted by the Board of Governors for the AFC, are available [here](#) on our website.

### Audit and Finance Committee Fiscal Year 2021

- ➔ Geoffrey Ng, CFA (Chair)
- ➔ Punita Kumar-Sinha, PhD, CFA
- ➔ Alexander Birkin
- ➔ Yimei Li, CFA

The AFC has reviewed the Audit Matters section and approved it for inclusion in the 2021 Proxy Statement.

The Board has determined that the following two Audit and Finance Committee members satisfy the financial literacy requirements of the NYSE and have the requisite experience to be designated an "audit committee financial expert," as that term is defined by the rules of the SEC: Geoffrey Ng, CFA, and Punita Kumar-Sinha, PhD, CFA.

Management is responsible for the preparation, presentation, and integrity of the financial statements of CFA Institute and for maintaining appropriate accounting and financial reporting policies and practices, as well as internal controls and procedures designed to assure compliance with accounting standards and applicable laws and regulations. The independent public accounting firm (independent auditor) chosen by CFA Institute is responsible for auditing the consolidated financial statements of CFA Institute and expressing an opinion as to their conformity with generally accepted accounting principles (GAAP).

In performing its oversight function, the Audit and Risk Committee — which was restructured into two separate committees, the Audit and Finance Committee (AFC) and Risk Committee commencing 1 September 2020 — held 12 meetings (two in-person and 10 video conference calls) in fiscal year 2020. During fiscal year 2021, the AFC met with management and KPMG LLP to discuss the audit of the consolidated financial statements as of and for the period ended 31 August 2020. The AFC subsequently met in executive session with KPMG LLP to discuss matters required under auditing standards generally accepted in the United States, including those matters set forth in AICPA AU-C Section 260, "The Auditor's Communication with Those Charged with Governance." KPMG LLP made all required auditor communications as well as provided all required disclosures regarding its independence from CFA Institute to the AFC.

The audit was completed in a timely manner with no disagreements with management. KPMG LLP provided an unmodified opinion on the consolidated financial statements of CFA Institute.

Based on the review and discussions noted above, the AFC recommended to the Board that the audited CFA Institute Consolidated Financial

Statements as of 31 August 2020 be included in the Annual Report.

## Appointment of the Independent Registered Public Accounting Firm

The AFC (which was structured as the Audit and Risk Committee at the time) appointed KPMG LLP as the organization's independent registered public accounting firm for fiscal year 2020. The AFC, in its discretion, may change the appointment at any time during the year if it determines that such a change would be in the best interest of CFA Institute and its members.

In determining whether to reappoint the independent auditor, the AFC annually considers several factors, including the following:

- The length of time that the firm has been engaged;
- The firm's independence and objectivity;
- The firm's global capacity, expertise, and reputation as required for CFA Institute global operations;
- Historical and recent performance and the organization's satisfaction thereof;
- Data related to audit quality and performance, including recent Public Company Accounting Oversight Board (PCAOB) inspection reports on the firm; and
- Competitiveness and delivered value of quoted fees.

The AFC has advised the Board that, in its opinion, the non-audit services rendered by KPMG LLP during the most recent fiscal year are compatible with maintaining its independence.

## Fees Incurred with Independent Auditors

The following is a summary and description of fees in USD for services provided by KPMG LLP for fiscal years ended 31 August 2020 and 2019 (in thousands):

	2020	2019
Audit <sup>(a)</sup>	\$322	\$387
Audit related <sup>(b)</sup>	43	42
Tax <sup>(c)</sup>	36	200
<b>Total</b>	<b>\$411</b>	<b>\$629</b>

a) Aggregate fees incurred for professional services rendered for the audit of the consolidated financial statements of CFA Institute, the standalone financial statements of CFA Institute Research Foundation, and, as required, statutory audits of various international subsidiaries.

b) Fees incurred for professional services rendered for the 401(k) audit for CFA Institute standalone.

c) Aggregate fees incurred for professional services rendered for informational and tax return preparation and filing and tax advice relating to domestic and international issues.

## Audit and Finance Committee Pre-Approval Policies and Procedures

The AFC has established a policy requiring its pre-approval of audit and non-audit services provided by the independent auditor. The policy describes the audit, audit-related, tax, and other services that may be provided and sets forth the pre-approval requirements for all permitted services. The policy provides for the general pre-approval of specific types of audit, audit-related, and tax services and a limited aggregate threshold for such services on an annual basis. The policy requires specific pre-approval of all other permitted services. The independent auditor is required to report periodically to the AFC regarding the extent of services provided in accordance with its pre-approval and the fees for the services performed.





# COMPENSATION DISCUSSION AND ANALYSIS

## Philosophy and Objectives of Our Executive Compensation Program

The compensation philosophy of CFA Institute is designed to attract, reward, and retain top-level executive talent. The compensation philosophy aligns with our mission and cultural values and further reinforces our results-driven focus through differentiated performance awards that are necessary to deliver sustained high performance.

**We apply the same compensation principles for our executives as we do for the rest of our employees. These principles are:**

- ➔ Competitive and equitable programs that support the strategic goals of our organization;
- ➔ Global consistency in the design of our compensation programs while recognizing the need to reflect local practices where necessary;
- ➔ Balancing the need to attract talent from the industry, while simultaneously recognizing the non-profit structure of our business when designing pay practices; and
- ➔ Programs that are consistent, fair, equitable and free from discrimination.

## How We Make Executive Compensation Decisions

### People and Culture Committee Fiscal Year 2021

- ➔ Maria Wilton, CFA (Chair)
- ➔ Daniel Gamba, CFA
- ➔ Zouheir Tamim El Jarkass, CFA
- ➔ Diane Nordin, CFA

The People and Culture Committee (PAC) has reviewed the Compensation Discussion and Analysis section and approved it for inclusion in the 2021 Proxy Statement.

We are committed to having a strong and effective corporate governance framework. The PAC of the Board of Governors provides oversight on executive pay. There are four independent governors on this committee who are free of any relationship that would interfere with their exercise of independent judgment. The PAC meets frequently throughout

the year to discuss matters related to executive attraction, development, retention, and pay and to provide insight and direction.

We refer to our president and CEO and to our managing directors as “executives.” The PAC determines the compensation of our CEO, including any incentive, and the group may engage independent consultants to provide necessary compensation recommendations. The PAC also approves the compensation plan for the organization for implementation by the CEO, which includes how much we spend in aggregate on salary increases and incentives for our employees. In addition to the CEO, the General Counsel and Chief Legal Officer (CLO) has a dual reporting relationship to the CEO and the Board Chair. The compensation for the CLO is determined by the CEO and reviewed by the PAC along with the compensation recommendations of all key executives named in the 990 filing.

Successful and sustainable delivery against the mission is at the forefront of our executive compensation program. As an organization, we value the development of Objective and Key Results (OKRs) and meaningful Key Performance Indicators (KPIs) for our executives. We focus on selecting the right metrics to measure not only progress toward these goals but also the degree to which our executives exhibit critical leadership capabilities in how they progress towards these goals. This better enables us to assess and calibrate performance in a meaningful way. Our objective is to recognize the needs of the organization while keeping in mind both financial and strategic priorities that create value for our members. At the end of the year, the PAC considers other factors as well, such as the organization’s overall performance and how much progress was made towards our strategic objectives to determine the CEO’s compensation.

We review and discuss any disclosures regarding our compensation plans, policies, programs, and practices with the PAC and obtain guidance on executive employment agreements and severance arrangements.

We believe it is essential to have the right people, in the right place, at the right time. We review succession plans for our CEO and other executives with the PAC, and periodically with the whole Board, to ensure we are prepared for the future and have leadership continuity within our organization by recruiting and/or encouraging individual employee growth and development.

## Governance Measures

- ✓ Appointment of a People and Culture Committee (PAC) comprised solely of independent directors
- ✓ The PAC meets periodically in executive sessions (that is, outside the presence of any senior executive)
- ✓ The PAC recommends CEO compensation for Board approval
- ✓ Adherence to a compensation philosophy
- ✓ The PAC is authorized to engage outside consultants and legal advisors when deemed necessary
- ✓ The CEO does not participate in the PAC's deliberations concerning CEO compensation



## Role of the CEO

The CEO makes performance and compensation recommendations for all executives. He or she looks at each executive's contribution, individually and collectively as an executive team, and takes into consideration the successful execution of the organization's annual strategic goals and progress towards our long-term strategy. He or she also considers individual experience, individual performance, internal and external pay equity, development and succession status, time in the position, and other individual or organizational circumstances.

At the end of the performance cycle, the CEO reviews his or her assessment of each executive's individual performance and his or her compensation recommendations with the PAC before implementing his or her recommendations.

Our CEO does not play any role with respect to any matter affecting his or her own compensation.

## Role of the COO

The Chief Operating Officer (COO) regularly attends and participates in the facilitation of the meetings of the committee. He or she provides reporting and guidance on people and culture topics and supports the PAC in reviewing and setting the CEO's compensation, which is then submitted to the full Board for approval.

The COO does not play any role with respect to any matter affecting his or her own compensation.

## Benchmarking

We retain Korn Ferry, a global management consulting firm, as the organization's independent executive compensation consultant. Korn Ferry conducts competitive benchmarking analyses for our executive positions, reviewing all elements of total cash compensation. The purpose of this review is to test the competitiveness of our executive compensation program and ensure it supports our ability to attract and retain top-level executive talent. The study is conducted on an independent fee basis, and our PAC provides oversight of this study.

There are a limited number of companies that closely resemble us in size, scope, and nature of business operations. The objective is to acquire a fair and relevant view of pay practices in markets where we are most likely to recruit our executive talent. As a result, for each executive position the peer group selection differs and could span different industry sectors, including not-for-profit firms, investment firms, academia and higher education, and general industry.

### **We evaluate the relevancy of benchmarks based on similar:**

- ➔ size and complexity;
- ➔ global scale and scope;
- ➔ talent profile; and
- ➔ mission-driven membership/education focus.

NOT-FOR-PROFIT	INVESTMENT MANAGEMENT	GENERAL INDUSTRY
<ul style="list-style-type: none"> <li>• Peer companies based on mission, revenue, headcount, and global presence</li> <li>• Pay data is collected from publicly disclosed IRS form 990s</li> </ul>	<ul style="list-style-type: none"> <li>• Focusing on investment management firms, competitive market data is provided for the chief executive and other select executive positions</li> <li>• Data is summarized by location and size of organization</li> </ul>	<ul style="list-style-type: none"> <li>• Pay data includes pay levels from the global markets in which our offices are located</li> <li>• Data is sourced from third-party general industry survey providers</li> <li>• This data is a mix of for-profit and not-for-profit firms</li> <li>• Analysis is focused on similarly sized organizations</li> </ul>

## Risk Provisions for Incentive Compensation for Executives

Under the guidance of the PAC, we have adopted two policies to address areas of risk with regard to our executive pay and align CFA Institute with industry best practice. These policies address executive incentive compensation issuance and recoupment.

### **The Executive Officer Incentive Compensation Issuance Policy prevents the issuance of incentive compensation to executives until the following criteria are met:**

- ➔ A final, completed audit of the finances of CFA Institute has been conducted;
- ➔ No material issues pertaining to that executive officer's area of responsibility have been discovered through the audit process; and
- ➔ The executive officer has not engaged in significant misconduct.

### **The Executive Officer Incentive Compensation Recoupment Policy provides for CFA Institute to take action to recoup incentive compensation from an executive who has engaged in significant misconduct in the event that:**

- ➔ CFA Institute is required to restate a portion of its financial statements due to material non-compliance with any financial reporting policies or practices;
- ➔ Any performance metric for which incentive compensation has been awarded is later discovered to be materially inaccurate; or
- ➔ The executive exercised imprudent judgment that caused material reputational harm to CFA Institute.

The policy affects incentive compensation granted or paid during the last year prior to the measurement date but following the effective date of the policy.



### For the purposes of both policies, significant misconduct is defined as:

- ➔ Willful commission of an act of fraud or dishonesty or recklessness in the performance of a person's duties; or
- ➔ Exercising materially imprudent judgment that causes material financial or reputational harm to CFA Institute, including where the executive officer failed to supervise other employees under his or her direct control who engaged in such behavior. The incentive compensation of any executive will not be impacted if such employee was not involved in the misconduct at issue or was not responsible for the supervision of an employee involved in the misconduct at issue.

## Compensation Pay Elements

The principal elements of an executive's compensation consist of:

### ANNUAL BASE SALARY

- Regular annual salary of the executive

#### Purpose

- Provides fixed level of competitive compensation to attract, motivate, and retain executive talent
- Compensates executives for their level of responsibility, relative expertise, and experience

#### Fiscal Year 2020 Compensation Actions

- Due to the financial impact of the COVID-19 pandemic in fiscal year 2020, CFA Institute eliminated base salary increases for all employees, including executives. Therefore, salaries of all executives stayed the same.

### ANNUAL INCENTIVE PLAN

- Offers opportunities that are set as a percentage of base salary
- President and CEO may earn up to 100% of base salary
- Managing directors may earn up to 75% of base salary

#### Purpose

- Motivates and rewards executives for achieving annual organizational objectives aligned with value creation
- Recognizes individual contributions to organizational performance

#### Fiscal Year 2020 Compensation Actions

- Due to the financial impact of the COVID-19 pandemic in fiscal year 2020, CFA Institute eliminated annual incentives for all employees, including executives.
- Due to contractual guarantees at time of hire, the Chief Financial Officer and Chief Information Officer were guaranteed a fiscal year 2020 incentive payment and received the minimum award per their contracts.

## Retirement Program

CFA Institute provides a US 401(k) retirement plan for all employees paid through US payroll. In 2020, the 401(k) employer contributions of CFA Institute included a fixed 12% safe harbor contribution. These contributions were made to all US employees on the same basis.

Compensation used for calculating 401(k) contributions is restricted by the annual US Internal Revenue Service (IRS) limit on compensation. A restoration benefit provides for an additional cash payment, equal to the 401(k) contributions for which employees qualify but cannot receive because of the US IRS limit on eligible annual compensation. All US employees are eligible for a restoration payment, if applicable.

A US deferred compensation plan is also offered. Participation is voluntary and restricted to the President and CEO and managing directors domiciled in the US. Contributions are limited to those made by the executive; CFA Institute neither contributes to this plan nor guarantees investment returns or protection of principal.

For Hong Kong employees, profit-sharing contributions made by CFA Institute to a mandatory provident fund (MPF) plan include a supplementary fixed 10% contribution. These contributions are made to all Hong Kong employees on the same basis, and none are inclusive of statutory MPF contributions. Hong Kong executives may, upon request, have their voluntary pension contributions contributed to a qualified personal pension account. There are no Hong Kong government limits on compensation or contributions associated with these supplementary pension contributions. Therefore, Hong Kong employees are not eligible for a restoration payment.

For UK employees, fixed contributions made by CFA Institute to a pension scheme are 12%, made following a waiting period of three months after hire. These contributions are made to all UK employees on the same basis. UK pension contributions are subject to an annual contribution cap dependent on the individual employee's income.

## Other Benefits / Allowances

As a global organization, CFA Institute invests in global talent development through leadership development programs, international rotations, and the assignment of global strategic projects to ensure a strong and capable next generation of leaders and a consistent level of member service globally.

CFA Institute also offers benefit plans, including health insurance, life insurance, short- and long-term disability insurance, and wellness benefits. Senior executives participate in these plans on the same terms as other employees, except for being eligible for a higher level of life insurance than other employees (only applicable to executives in the US and Hong Kong).

## Post-Employment Payments

Pursuant to the terms of the CFA Institute Executive Severance Plan, CFA Institute offers fair transition packages to eligible departing executives. In the event of an involuntary termination due to staff reduction, position elimination, closure of a business unit or restructuring, or such other circumstances that are deemed appropriate, the organization's policy for executives would include a benefit equal to four weeks' salary per year of service up to a maximum benefit of 52 weeks' salary and a minimum of 26 weeks' salary. The transition package would also include extension of health care benefits for the duration of the severance pay period, a bonus, and outplacement services.

## CEO Pay Ratio

Section 953(b) of the Dodd–Frank Wall Street Reform and Consumer Protection Act and Item 402(u) of Regulation S-K promulgated by the SEC require public companies to report the CEO pay ratio. Although we are not required to do so, we are providing the pay ratio of the annual total compensation of our CEO compared to the annual total compensation of our median employee (the "CEO Pay Ratio") for fiscal year 2020.



In order to identify our median employee, we (i) analyzed annual base salary, bonus, and overtime compensation information, (ii) annualized the compensation of employees hired during 2020, (iii) utilized the exemption permitted under Item 402(u) of Regulation S-K to exclude 25 employees from three countries – the United Arab Emirates, India, and China (which, in the aggregate, represented less than 5% of our total employee population as of 31 August 2020) – resulting in a net employee population of 648 employees, and (iv) adjusted non-US employee pay applying foreign currency translation rates.

For 2020, the company's last completed fiscal year:

- the annual total compensation of our median employee, a US-based manager-level employee, for purposes of determining the CEO Pay Ratio, was \$108,321; and
- the annual total compensation of our CEO for the purposes of determining the CEO Pay Ratio was \$845,200.

Based on this information, for 2020, the ratio of the annual total compensation of our CEO to the median of the annual total compensation of all employees was estimated to be 8 to 1.

It's important to note that SEC rules for identifying the median employee and calculating the pay ratio based on that employee's annual total compensation allow companies to adopt a variety of methodologies to do so. Given the different methodologies, exclusions, estimates, and assumptions other companies may utilize to calculate their respective CEO pay ratios, as well as the differences in employee populations and compensation practices between companies, the pay ratio reported by other companies may not be comparable to the estimated ratio reported above.

## Compensation Summary Table for the Top Five Named Executive Officers

The following table provides compensation information for fiscal year 2020 for the top five named executive officers who currently serve on the CFA Institute Leadership Team (sorted by 2020 earnings). The amounts are shown in USD.

- Compensation includes base salaries, incentives, and employer retirement plan contributions.
- Compensation shown also reflects partial year earnings in the case of officers who joined after the fiscal year began.
- CFA Institute executives may also receive relocation, restoration, and tax gross-ups related to business travel and tax return preparation services depending on individual circumstances.

You can visit our Annual Reports and 990s page [here](#) on our website to view our Form 990s for the past three years.

NAMED EXECUTIVE OFFICER	TOTAL
<b>Margaret Franklin, CFA</b> , President and Chief Executive Officer	<b>\$845,200</b>
<b>Allison Holmes, FCCA</b> , Chief Financial and Risk Officer	<b>\$504,708</b>
<b>Marty Colburn</b> , Information Technology and Chief Information Officer	<b>\$389,490</b>
<b>Sheri Littlefield, JD</b> , General Counsel and Chief Legal Officer	<b>\$361,036</b>
<b>Chris Ainsworth</b> , Chief Operating Officer	<b>\$355,833</b>







# INFORMATION ABOUT THE MEETING AND VOTING



## Recommendations

The CFA Institute Board of Governors recommends that each Regular Member vote FOR (i) the approval of the amendments to the CFA Institute Bylaws, (ii) the election of the nominees for Chair and Vice Chair, (iii) the election of the six nominees to serve as members of the Board of Governors, and (iv) the ratification of an independent registered public accounting firm.

## Quorum

For business to be transacted at the Annual Meeting of Members, 10% of CFA Institute Regular Members must be represented in person or by proxy.

## Voting

Each Regular Member will be entitled to one vote with respect to each matter considered at the meeting. The amendments to the Bylaws require a majority of the votes cast, in person or by proxy, at a meeting of the members at which a quorum is present. The election of the Chair, the Vice Chair, and six governors requires a plurality of the votes cast, in person or by proxy, at a meeting of the members at which a quorum is present.

## Annual Reports and 990s

The [Annual Report](#) of CFA Institute for the fiscal year ended 31 August 2020, including consolidated financial statements, is available on the Annual Reports and 990s page of our website.

## Governance

The [Governance](#) and [Annual Reports and 990s](#) pages on our website will provide you with ease of access to our disclosure documents and insight into our corporate governance infrastructure. You will find information on our Annual Meeting of Members, Board of Governors, Board Committees, and Leadership Team as well as a repository of our proxy statements, annual reports, Form 990s, and governing policies, practices, and codes of conduct.

## Accessing the Annual Meeting of Members Remotely

The Annual Meeting of Members will be held at CFA Institute, 915 East High Street, Charlottesville, Virginia, USA on Thursday, 15 July 2021 at 9:00 a.m. Eastern Time.

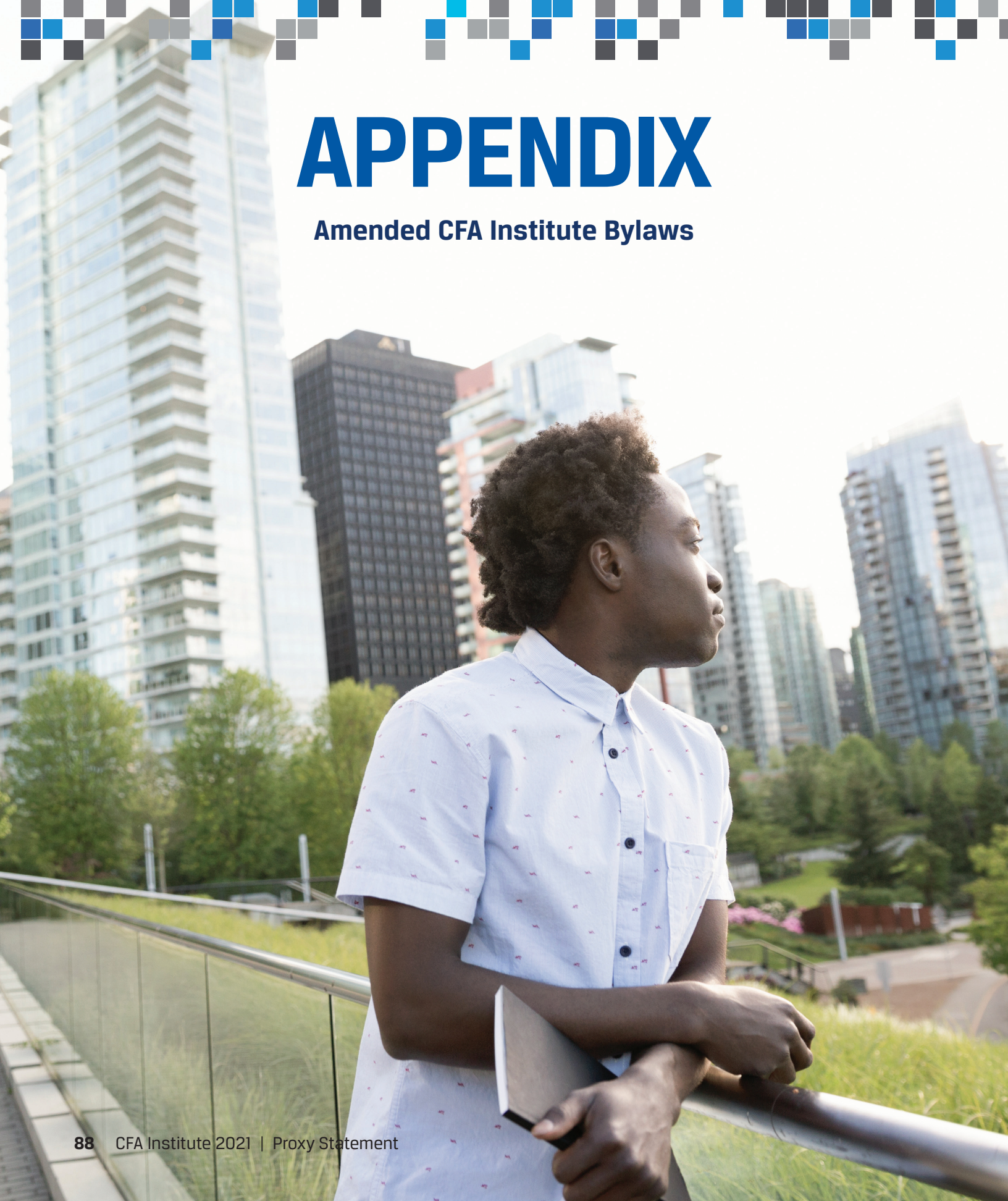
During the meeting, please visit <https://cfainst.is/3mpnz57>. You may attend the live audio webcast using your computer, smart phone, or tablet. You can also dial into the session, if preferred, by calling +1 (646) 876-9923 (US) or +1 (877) 853-5247 (US Toll Free) and entering the Meeting ID: 925 3589 5569. To listen to the meeting recording after the session has concluded, please visit our [Governance](#) page on our website.





# APPENDIX

## Amended CFA Institute Bylaws



# CFA INSTITUTE BYLAWS

(A Virginia Nonstock Corporation)

AMENDED  
6 FEBRUARY 2021

APPENDIX

## ARTICLE 1 – NAME, LOCATION, AND CORPORATE SEAL

- 1.1 **Name.** The name of the corporation is “CFA Institute.”
- 1.2 **Location.** The principal office of CFA Institute shall be located at such place as the Board of Governors (the “Board”) may determine.
- 1.3 **Corporate Seal.** The corporate seal shall consist of a circular die bearing the CFA Institute name and year of incorporation. The form of the seal may be changed by the Board.

## ARTICLE 2 – DEFINITIONS

For purposes of the Articles of Incorporation and Bylaws, the following are defined terms which may be used, as appropriate, in singular or plural form:

- 2.1 **“Acceptable Professional Work Experience”** shall be defined by the Board and shall include those activities related to the professional practices of financial analysis, investment management, securities analysis or other similar activities.
- 2.2 **“Articles”** refers to the Articles of Incorporation of CFA Institute as they may be amended.
- 2.3 **“Board”** is the Board of Governors of CFA Institute.
- 2.4 **“Bylaws”** refers to these Bylaws of CFA Institute as they may be amended.
- 2.5 **“Candidate”** is an individual:
  - a whose application for registration in the CFA® Program has been accepted by CFA Institute, as evidenced by the issuance of a notice of acceptance, and who is enrolled to sit for a specified examination level (“Exam”) in the CFA Program; and
  - b who has not:
    - i received Exam results;
    - ii voluntarily removed himself or herself from the CFA Program;
    - iii failed to sit for an Exam; or
    - iv otherwise been removed from the CFA Program.
- 2.6 **“CFA Program”** is the Chartered Financial Analyst® (CFA®) study and examination program developed and administered by CFA Institute.
- 2.7 **“Chair”** is the presiding officer of the Board as more particularly described in Section 6.2 of the Bylaws.
- 2.8 **“Code and Standards”** is the CFA Institute Code of Ethics and Standards of Professional Conduct, as they may be amended.
- 2.9 **“Covered Person”** is any individual who is: a CFA Institute Charterholder, a Regular or Affiliate Member, a Candidate, a Postponed Candidate, an individual that has passed the Level III CFA® Exam but not been awarded the CFA charter (and who appears to be misusing the CFA designation), an individual that has allowed membership to lapse or has had membership suspended through the disciplinary process (and who appears to be misusing the CFA designation), or an individual that seeks to reactivate a membership that has been lapsed.
- 2.10 **“Governor”** is an individual serving on the Board in accordance with the Articles and Article 5 of the Bylaws.
- 2.11 **“Individual Member”** refers to Regular Members, Affiliate Members, and Charterholder Members.
- 2.12 **“Investment Decision-Making Process”** is the professional practice of financial analysis, investment management, securities analysis, or other similar professions.
- 2.13 **“Member’s Agreement”** is a document prepared by CFA Institute setting forth member obligations and responsibilities that must be signed by every Individual Member.
- 2.14 **“Past Chair”** is the Regular Member who previously served as the Chair immediately prior to the currently serving Chair.



- 2.15 “Postponed Candidate”** is an individual who has registered for the CFA Program, but is not a Candidate as defined in the Bylaws.
- 2.16 “Professional Conduct Statement”** is a form prepared by CFA Institute that must be signed annually and submitted by all Individual Members and Candidates.
- 2.17 “Rules of Procedure”** are the Rules of Procedure as amended, which govern the procedures to which both CFA Institute and Covered Persons must adhere.

### ARTICLE 3 – MEMBERS AND CANDIDATES

- 3.1 Classes of Members.** The classes of membership in CFA Institute are Regular Members, Affiliate Members, Charterholder Members, and Member Societies.
- 3.2 Regular Members.** Each applicant seeking to become a Regular Member of CFA Institute or of any Member Society shall:
- a hold a bachelor’s degree from an accredited academic institution or have equivalent education or work experience as determined by CFA Institute;
  - b have attained one (1) or more of the following:
    - i 4,000 hours of Acceptable Professional Work Experience completed during a period of not less than 36 months and passage of Level I of the CFA Program, or such other appropriate examination approved by the Board;
    - ii 4,000 hours of Acceptable Professional Work Experience completed during a period of not less than 36 months and passage of a standards of professional conduct examination approved by the Board;
    - iii be a Charterholder Member; or
    - iv 4,000 hours of Acceptable Professional Work Experience completed during a period of not less than 36 months and be a voting member in good standing of an organization with which CFA Institute or its Member Societies have combined through merger, acquisition or otherwise, provided that the Board of Governors has approved Regular Membership by a 2/3 affirmative vote;
  - c sign and submit to CFA Institute a Member’s Agreement and a Professional Conduct Statement; and
  - d complete any additional application procedures or requirements established by CFA Institute.
- 3.3 Affiliate Members.**
- a Each applicant seeking to become an Affiliate Member of CFA Institute shall:
    - i be an affiliate member of at least one (1) Member Society;
    - ii sign and submit to CFA Institute a Member’s Agreement and a Professional Conduct Statement; and
    - iii complete any additional application procedures or requirements established by CFA Institute and, when applicable, the appropriate Member Society.
  - b For purposes of Section 3.3(a)(i), in the event that a Member Society ceases to exist by reason of dissolution or otherwise, such Member Society may designate CFA Institute to serve in the capacity of a Member Society in order that the affiliate members of such Member Society can maintain their status as Affiliate Members.
- 3.4 Charterholder Members.**
- a Each applicant seeking to become a Charterholder Member of CFA Institute shall:
    - i be an individual who has satisfied (1) the requirements to become a Regular Member and (2) the requirements of the CFA Program as established by CFA Institute and achieved the minimum passing score; and
    - ii complete and submit any additional application procedures or requirements established by CFA Institute.
  - b Upon satisfaction of the requirements in Section 3.4(a) and acceptance by CFA Institute, an applicant shall become a Charterholder Member and be granted the right to use the Chartered Financial Analyst® (CFA®) designation.
- 3.5 Responsibilities of Covered Persons.**
- a Each Covered Person shall:
    - i adhere to all applicable rules and regulations, including the Articles and Bylaws, the Code and Standards, and other rules relating to professional conduct and membership, all of which may be amended;

- ii be subject to the disciplinary jurisdiction and sanctions of CFA Institute;
- iii submit information requested relating to professional conduct and activities;
- iv produce documents, testify, and otherwise cooperate in disciplinary proceedings of CFA Institute including adhering to the Rules of Procedure; and
- v adhere to such other requirements as set forth by CFA Institute.

**b** In addition to the responsibilities set forth above, Individual Members must also:

- i annually file a Professional Conduct Statement; and
- ii annually pay membership dues.

**3.6 Voting Rights.** Regular Members have voting rights in CFA Institute and each shall be entitled to one (1) vote on each matter submitted to the Regular Members. Affiliate Members, Charterholder Members, and Member Societies do not have voting rights in CFA Institute. Candidates and Postponed Candidates are not members of CFA Institute unless otherwise associated with CFA Institute as Regular Members or Affiliate Members.

**3.7 Resignation.** Any Individual Member may resign from CFA Institute or a Member Society by submitting notice to CFA Institute. CFA Institute shall notify each applicable Member Society of the resignation.

**3.8 Suspension or Revocation of Membership.**

**a** Individual Members.

- i An Individual Member's membership in CFA Institute and in any Member Society may be suspended or revoked at any time by CFA Institute for any violation of Section 3.5.
- ii An Individual Member whose membership is revoked or suspended shall not be entitled to any rights or privileges of membership, including, when applicable, the right to use the Chartered Financial Analyst® (CFA®) designation and the right to vote.

**b** Candidates and Postponed Candidates. Any Candidate or Postponed Candidate may be suspended or removed from the CFA Program for any violation of Section 3.5(a).

**3.9 Membership List and Member Records.** CFA Institute shall keep a list of the names, business addresses, business affiliations, membership classifications, and other information relating to all CFA Institute members.

**3.10 Member Societies.**

**a** Requirements for Membership. To organize or admit a Member Society of CFA Institute an application and other requested information must be submitted to CFA Institute and approved by the Board.

**b** Adoption of the Code and Standards.

- i Each Member Society shall adopt the Code and Standards and shall provide in its bylaws that its regular members and affiliate members shall be subject to and comply with the Code and Standards.
- ii The bylaws of each Member Society shall provide that all authority and responsibility for enforcement of the Code and Standards with respect to regular members and affiliate members of the Member Society are delegated to CFA Institute.

**c** Membership in a Member Society.

- i The bylaws of each Member Society shall provide that it may not admit or retain an individual as a regular member who is not a Regular Member of CFA Institute.
- ii The bylaws of each Member Society shall provide that all affiliate members of a Member Society shall become Affiliate Members of CFA Institute.
- iii Any individual whose membership as a Regular Member or Affiliate Member has been revoked or suspended by CFA Institute may not retain membership in a Member Society while such revocation or suspension is in effect.
- iv Except for a uniform sponsorship requirement set forth by CFA Institute, a Member Society shall not impose any requirements on its regular members other than those listed in Section 3.2 of these Bylaws or as required by the Member Society's local laws.
- v Each Member Society shall have the right to review all applications for regular membership in the society, as applicable.



- vi The Board, or a committee designated by the Board, shall have the authority to make final determinations on the application of membership provisions listed in Section 3.2 of the Bylaws.
- d Member Society Local Law Exception. If a Member Society's local laws prohibit its bylaws from complying with the requirements of Section 3.10(b) and (c) of these Bylaws, the Member Society shall enter into a legally binding agreement with CFA Institute to satisfy the requirements of this Section.

**3.11 Termination of Membership.** The membership of any Member Society in CFA Institute may be terminated or suspended by a vote of two-thirds (2/3) of the Governors then serving.

## ARTICLE 4 – MEETINGS OF THE MEMBERS

### 4.1 Meetings.

- a All meetings of the members shall be held at suitable times and, if the meeting is to be held at a place, places within or without the Commonwealth of Virginia, as determined by the Board. The Board may determine that any meeting of members shall not be held at any place and shall instead be held solely by means of remote communication in accordance with applicable law.
- b There shall be an annual meeting of the members.
- c Special meetings of the members shall be called:
  - i by the Board or the Chair; or
  - ii by the Secretary, upon receipt of a written petition signed by at least two percent (2%) of the Regular Members.
- d Only business within the purpose or purposes described in the meeting notice shall be conducted at a special meeting.

### 4.2 Notice.

- a Written notice of meetings shall:
  - i state the date, time, and place (if any) of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called; and
  - ii be delivered, mailed, expressed, or sent by facsimile, electronic mail, or other reliable printed or printable communication to each Regular Member to the address, as it appears on the CFA Institute membership records, not less than ten (10) nor more than sixty (60) days before the meeting date unless a different notice period is required by law.
- b Notice of any meeting may be waived in writing signed by the member entitled to notice before or after the date of the meeting. A Regular Member who attends a meeting in person or by proxy:
  - i waives objection to lack of notice or defective notice of the meeting unless the Regular Member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; and
  - ii waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice unless that Regular Member objects to considering the matter when it is presented.

**4.3 Quorum.** At any meeting of the members, ten percent (10%) of all Regular Members represented in person or by proxy at such meeting shall constitute a quorum for the transaction of business. If less than a quorum is present in person or by proxy, the Chair may adjourn the meeting to a fixed time and place (if any) determined by the Chair or Secretary.

### 4.4 Voting.

- a Each Regular Member shall be entitled to one (1) vote.
- b A majority of the votes cast in person or by proxy, in hard or, when permitted by law, electronic form, at a meeting at which a quorum is present shall be required for adoption of any matter voted upon, except as otherwise required by the Bylaws, the Articles, or applicable law.

## ARTICLE 5 – BOARD OF GOVERNORS

**5.1 Authority and Responsibility.** All corporate powers shall be exercised by or under the authority of, and the business of CFA Institute managed under the direction of, the Board subject to the Bylaws, the Articles, and applicable law.

## 5.2 Composition and Qualification.

- a The number of Governors (including ex officio Governors as defined in the Articles) shall be not less than ten (10) nor more than fifteen (15) and shall be determined by the Board. The President, Chair, and Vice Chair shall serve as ex officio Governors in accordance with the Articles.
- b The Board may have up to two (2) Governors who are not Regular Members. All other Governors shall be Regular Members.

## 5.3 Terms and Elections.

- a Governors, excluding those serving in an ex officio capacity, shall be elected by the Regular Members at the annual meeting of members for a term of three (3) years, staggered so that, as nearly as possible, the terms of one-third (1/3) of such Governors shall expire at the end of CFA Institute fiscal year end and until the election and qualification of their successors.
- b When the number of nominees for Governor exceeds the number of individuals to be elected, the nominees receiving the highest number of votes shall be elected.

**5.4 Vacancies.** A Governor's vacancy for any reason may be filled by the Board by the appointment of a successor for the unexpired term of the Governor whose place is vacant.

## 5.5 Meetings.

- a Meetings of the Board shall be called by:
  - i the Board;
  - ii the Chair; or
  - iii the Secretary, upon the written request of a majority of the Governors.
- b The date, time, and place (if any) of the Board meetings shall be designated by the Board, Chair or Secretary. The Board, Chair or Secretary may determine that any Board meeting shall not be held at any place and shall instead be held solely by means of remote communication in accordance with applicable law.
- c The Chair of the Presidents Council and the Presidents Council Representatives shall be invited to attend non-executive sessions of Board meetings.

## 5.6 Notice.

- a Regular meetings of the Board shall be held with notice at such dates, times, and places (if any) as the Board may determine by vote.
- b Written notice shall be sent by the Secretary and shall:
  - i state the date, time, and place (if any) of the meeting; and
  - ii be delivered, mailed, or expressed to each Governor at least fifteen (15) days before the meeting date or be given by telephone, electronic transmission, or other reliable means at least twenty-four (24) hours before the meeting date.
- c The business to be transacted or the purpose of any Board meeting is not required to be specified in the notice or a waiver of notice of any Board meeting.
- d Notice of any meeting may be waived in writing signed by the individual entitled to notice before or after the date of the meeting.
- e A Governor who attends a meeting in person or through the use of any means of communication by which all Governors may simultaneously hear each other during the meeting shall be deemed to have had timely and proper notice of the meeting.

**5.7 Quorum.** Except as otherwise provided in the Bylaws or by law, at any meeting of the Board, a majority of the Governors then serving who are present in person or through the use of any means of communication by which all Governors may simultaneously hear each other during the meeting shall constitute a quorum.

## 5.8 Voting.

- a Each Governor, including ex officio Governors, shall be entitled to one (1) vote, which shall not be voted by proxy.
- b The act of a majority of the Governors voting at a meeting at which a quorum is present shall be the act of the Board, except as otherwise provided in the Bylaws, the Articles or by law.



## ARTICLE 6 – OFFICERS

### 6.1 Number, Designation, and Qualifications.

- a The officers of CFA Institute shall be a Chair, a Vice Chair, a President, a Chief Financial Officer, a Secretary, and such other officers as the Board, Executive Committee, or President may determine.
- b Only Regular Members may serve as the Chair, Vice Chair, or President of CFA Institute.
- c Any Chair elected to serve a term commencing on or after 1 September 2021 shall not have served as a Governor during the CFA Institute fiscal year beginning 1 September 2020.

### 6.2 Chair.

- a The Chair shall:
  - i preside at all Board and member meetings;
  - ii be the representative of the Board and the Executive Committee; and
  - iii have such other duties and powers as prescribed in the Bylaws, the Articles, by the Board, and by law.

### 6.3 Vice Chair.

- a The Vice Chair shall:
  - i perform the duties of the Chair in his or her absence;
  - ii automatically become the Chair of CFA Institute in the event of the Chair's incapacity, resignation, removal or death; and
  - iii have such other duties and powers as prescribed in the Bylaws, the Articles, by the Board, and by law.

### 6.4 President.

- a The President shall:
  - i be a Charterholder Member;
  - ii be appointed by the Board to serve at its pleasure;
  - iii be entitled to compensation as approved by the Compensation Committee;
  - iv be the chief executive officer of CFA Institute;
  - v have the power and authority to appoint and remove officers other than the Chair, Vice Chair, Secretary, and Chief Financial Officer;
  - vi have management, supervision and control of, and responsibility for the business of CFA Institute, subject to the direction of the Board; and
  - vii have such other duties and powers as prescribed in the Bylaws, the Articles, by the Board, and by law.
- b It shall be the President's duty, and the President and CFA Institute officers shall have the power, to effectuate all orders and resolutions of the Board.

### 6.5 Secretary and Chief Financial Officer.

- a The Secretary shall:
  - i act as secretary at all Board and member meetings, including maintaining minutes of such meetings;
  - ii maintain the corporate seal and certify the authenticity of Board actions and officer signatures; and
  - iii have such other duties and powers as prescribed in the Bylaws, the Articles, by the Board, and by law.
- b The Chief Financial Officer shall:
  - i oversee the receipt and disbursement of all funds;
  - ii maintain CFA Institute financial records and statements;
  - iii submit an annual financial statement and budget to the Board and such other statements as the Chair may require; and
  - iv have such other duties and powers as prescribed in the Bylaws, the Articles, by the Board, and by law.

## 6.6 Election and Term.

- a Elected Officers.
  - i The Chair and Vice Chair shall be elected by the Regular Members at each annual meeting of members.
  - ii The Secretary and Chief Financial Officer and such other officers as the Board may determine shall be elected by the Board annually.
  - iii Each elected officer shall serve for a term of one (1) year, commencing on the first day of CFA Institute fiscal year following his or her election and continuing until the election and qualification of his or her successor. Effective 1 September 2021, the Chair and the Vice Chair may serve consecutive terms, up to a maximum of six (6) terms as Chair and two (2) terms as Vice Chair, in each case subject to the election and qualification of his or her successor.
- b Appointed Officers.
  - i Except for the President who shall be appointed by the Board, all other officers shall be appointed by the Executive Committee or the President.
  - ii Each appointed officer shall serve at the pleasure of the person or group that appointed him or her.

**6.7 Vacancies.** A vacancy in any office, except as otherwise provided in the Bylaws, may be filled by the Board for all elected officers and the President and by the Executive Committee or President for appointed officers (other than the President) by the appointment of a successor for the unexpired term of the officer whose place is vacant.

## ARTICLE 7 – COMMITTEES

### 7.1 Creation and Requirements.

- a The Board may establish one (1) or more committees to perform such duties as prescribed by the Board, the Articles or the Bylaws, provided that such duties are not prohibited by applicable law.
- b Except as otherwise provided in the Bylaws or required by applicable law, each committee shall act under the supervision and control of the Board or as designated by the Board, to (i) an Oversight Committee or (ii) member(s) of Management for a committee that does not (A) have specific responsibilities pursuant to the Bylaws and/or (B) exercise the authority of the Board.
- c Except as permitted by law and specified in the Bylaws or a resolution of the Board, no committee shall perform any function of corporate power, policy-making, or management.
- d Each committee and subcommittee shall adhere to the same procedural requirements as applicable to the Board for notice of meeting, quorum and voting.

### 7.2 Executive Committee.

- a Authority and Responsibility. CFA Institute shall have an Executive Committee that shall:
  - i act for the Board between Board meetings on all matters to the extent permitted by law and in accordance with the authority delegated to the Executive Committee by the Board; and
  - ii monitor and assess the activities of any Oversight Committee established by the Board to ensure that their objectives and milestones are appropriate.
- b Composition.
  - i The Executive Committee shall consist of the CFA Institute Chair, Vice Chair, and such other members as specified by the Board.
  - ii The CFA Institute Chair shall be the chair of the Executive Committee.

### 7.3 Oversight Committees.

- a Authority and Responsibility. The Board may establish one (1) or more Oversight Committees that, to the extent specified by the Board and as permitted by law, may exercise the authority of the Board, including the exercise of corporate powers, policy-making, and management.
- b Composition. Each Oversight Committee shall consist of two (2) or more Governors.
- c Purpose. Any Oversight Committee established by the Board shall have the duties and responsibilities as assigned by the



Board or the Executive Committee.

**7.4 Committee Chair and Members.** Except as otherwise provided in the Bylaws:

- a the chair of each committee shall be a Regular Member;
- b the chair of each committee shall be appointed and approved by the Board, Oversight Committee or member(s) of Management having responsibility for such committee, to serve for a term of one (1) year or such longer period as the Board, Oversight Committee or member(s) of Management may determine and shall serve until his or her successor is selected and qualified, provided, however, that no individual shall serve as a committee chair for more than three (3) consecutive years except to the extent his or her successor has not been selected and qualified;
- c each member of a committee shall be a Regular Member except to the extent that the Board, Oversight Committee or member(s) of Management having responsibility for such committee shall determine otherwise;
- d the Board, Oversight Committee or member(s) of Management having responsibility for such committee, shall appoint and approve the members of the committee to serve for a term of one (1) year or such longer period as the Board, Oversight Committee or member(s) of Management may determine and shall serve until his or her successor is selected and qualified, provided, however, that no individual shall serve as a member of a committee (including anytime as committee chair) for more than six (6) consecutive years except to the extent his or her successor has not been selected or qualified. For the avoidance of doubt, each member of (i) a committee of the Board shall be a Governor, and (ii) any other committee shall be comprised of such members as provided in the Bylaws or by resolution of the Board; and
- e the Board, Oversight Committee or member(s) of Management having responsibility for a committee shall have the authority to remove any chair or member of such committee.

**7.5 Subcommittees.** Except as otherwise set forth in the Bylaws, a committee may create one (1) or more subcommittees and shall determine the subcommittee chairs, members, and terms of members. All actions taken by subcommittees shall be subject to review and approval by the appointing committee, or as otherwise set forth in the Bylaws.

**7.6 Reports of Committees.** Each of the committees shall submit a written report to the Board, Oversight Committee or member(s) of Management having responsibility for such committee to assist in providing oversight of such committee at least once each fiscal year covering the committee activities since the previous report. Each committee shall report to the Board, Oversight Committee or member(s) of Management having responsibility for such committee at any time upon request.

## ARTICLE 8 – PRESIDENTS COUNCIL

**8.1 Authority and Responsibilities.** A volunteer committee of CFA Institute known as the “Presidents Council” shall be established that:

- a provides a forum for discussion among the presidents of the Member Societies;
- b facilitates communication of information among Member Societies;
- c makes recommendations regarding Member Society activities;
- d provides advice and consultation to Presidents Council Representatives, CFA Institute officers, and the Board;
- e elects Presidents Council Representatives.

**8.2 Composition and Chair.** The Presidents Council shall be composed of the president of each Member Society, the Presidents Council Representatives, and the Presidents Council chair. The chair of the Presidents Council shall be elected by a majority of the members of the Presidents Council, and the chair is authorized to attend non-executive sessions of Board meetings.

**8.3 Meetings.** The Presidents Council shall meet at least once per year.

**8.4 Votes.** Each member of the Presidents Council shall have one (1) vote. Each Member Society president may designate an alternate representative, if such president is unable to attend any meeting.

**8.5 Presidents Council Representatives.**

- a Authority and Responsibilities. The Presidents Council shall select Presidents Council Representatives that shall facilitate communication of information between the Board and the members of the Presidents Council, and the Presidents Council Representatives are authorized to attend non-executive sessions of Board meetings.
- b Composition. Presidents Council Representatives shall be Regular Members selected by the Presidents Council pursuant

to procedures established by the Presidents Council. The number of Presidents Council Representatives shall be set by the Board and not be less than eight (8) nor more than thirteen (13) and, in the absence of Board action, shall be eight (8).

## ARTICLE 9 – NOMINATING PROCESS AND ELECTION

### 9.1 Nominating Committee.

- a Authority and Responsibility. Nominations for Governor and for the offices of Chair, Vice Chair, and, in the absence of action by the Executive Committee, Chief Financial Officer, and Secretary, shall be made by the Nominating Committee, subject to approval of the Board.
- b Composition. The Nominating Committee shall be composed of:
  - i one (1) Regular Member who is the Past Chair or other Regular Member serving as a Governor elected by the Board;
  - ii two (2) Regular Members elected by the Board who are serving as a Governor or are in their first year after serving as a Governor;
  - iii one (1) Regular Member that is a Charterholder Member elected by the members of the Education Advisory Committee or elected by the members of the Council of Examiners, each in alternate terms; and
  - iv two (2) Regular Members elected by the Presidents Council Representatives.
- c On an annual basis and commencing no later than 1 September 2020, the Board shall select one of the two (2) members serving on the Nominating Committee pursuant to Article 9.1(b)(ii) to serve as chair of the committee. Until such time as the Board has selected a member serving on the Nominating Committee pursuant to Article 9.1(b)(ii) as chair, the Past Chair shall serve as chair of the committee.
- d Each member of the Nominating Committee other than the Past Chair shall serve a two (2) year term. The terms of the representatives from each constituency in Article 9.1(b)(ii) and (iv) will be staggered as determined by the Board so that (A) the terms of one representative referred to in Article 9.1(b)(ii) and one representative referred to in Article 9.1(b)(iv) shall expire at the end of the CFA Institute fiscal year beginning 1 September 2020 and at the end of every second CFA Institute fiscal year thereafter, and
- e the terms of the remaining representatives referred to in Article 9.1(b)(ii) and 9.1(b)(iv) shall expire at the end of the CFA Institute fiscal year beginning 1 September 2021 and at the end of every second CFA Institute fiscal year thereafter. No person shall serve two consecutive terms on the Nominating Committee.

### 9.2 Nominations. Nominees shall be selected by the Nominating Committee and approved by the Board. In carrying out its duties, the Nominating Committee shall seek to:

- a nominate individuals to the Board who, in the committee's judgment, will cause the Board to be composed of a wide and balanced range of individuals professionally engaged in the Investment Decision-Making Process;
- b select the very best candidates in terms of leadership qualities and skill sets while striving to ensure that the diversity of characteristics of the CFA Institute membership is adequately represented on the Board;
- c consider nominees that have shown strong and active commitment and participation to CFA Institute and Member Society activities;
- d be mindful of the diversity of job functions, industry sectors, and geographical locations and the many other differences in member perspectives that the Nominating Committee judges to be significant in seeking to achieve a Board that can act effectively in the best interest of all Regular Members, Affiliate Members, Charterholder Members, and Member Societies; and
- e at the Executive Committee's direction, nominate an individual(s) that is not a Regular Member, who in the Nominating Committee's judgment, will cause the Board to have the very best candidates(s) to assist CFA Institute in meeting the purposes set forth in Article (2)(h) and (i) of the CFA Institute Articles.

### 9.3 Solicitations of Nominations. The Nominating Committee shall solicit candidates for each position that the committee is seeking to fill. Solicitation of candidates shall commence promptly after the Nominating Committee has been duly appointed. The names of nominees will be published no later than seventy (70) days prior to the annual meeting of members.

### 9.4 Nominations of Nominating Committee Members. No member of the Nominating Committee, while serving on the committee, may be nominated for a Board or officer position.



**9.5 Nominations by Members.** Any Regular Member may submit additional written nominations for Governors and for the offices of Chair and Vice Chair if:

- a sponsored in writing by at least two percent (2%) of the Regular Members;
- b written consent from the nominee has been obtained; and
- c documents supporting both (a) and (b) are submitted to the Secretary no later than sixty (60) days before the annual meeting.

## ARTICLE 10 – FINANCES

**10.1 Fiscal Year.** The fiscal year of CFA Institute shall begin on 1 September of each year unless otherwise determined by the Board.

**10.2 Dues.** CFA Institute shall have the right to establish and collect dues for Members of CFA Institute.

**10.3 Audit Review.** Financial statements of CFA Institute shall be audited not less than once per year by an independent certified public accountant approved by the Board.

## ARTICLE 11 – STANDARDS AND DISCIPLINARY PROCESS

**11.1 Standards and Disciplinary Process.** The Standards and Disciplinary Process shall consist of the Professional Conduct Program, the Disciplinary Review Committee, the Standards of Practice Council, and such other programs and committees as established by CFA Institute or the Board.

**11.2 Professional Conduct Program.** CFA Institute shall have a Professional Conduct Program that may investigate and conduct disciplinary proceedings in connection with the professional conduct of Covered Persons as set forth in the Rules of Procedure.

**11.3 Disciplinary Sanctions and Grounds for Discipline.** The Professional Conduct Program and the Disciplinary Review Committee shall have the authority to impose disciplinary sanctions upon Covered Persons as set forth in the Rules of Procedure. The disciplinary sanctions that may be imposed upon Covered Persons, up to and including revocation of membership, revocation of the right to use the CFA designation and prohibition from participation in the CFA Program, and the grounds for imposing disciplinary sanctions upon Covered Persons shall be set forth in the Rules of Procedure.

**11.4 Standards and Disciplinary Process Committees.**

- a The Board shall establish such committees, including a Disciplinary Review Committee and a Standards of Practice Council, as it deems reasonably necessary.
- b Except as otherwise specified, each committee created under this section shall function in accordance with Article 7 of the Bylaws.
- c The chair and members of each committee shall be selected in accordance with Section 7.4 of the Bylaws.

## ARTICLE 12 – AMENDMENT OF THE BYLAWS

**12.1 Amendments by the Board.** The following articles and sections of the Bylaws may be amended by the Board upon two-thirds (2/3) affirmative vote of the Governors then serving: Sections 2.8, 2.9, 2.16, 2.17 and Articles 5, 6, 7, 10 and 11.

**12.2 Amendments by the Members.** In addition to amendments by the Board under Section 12.1:

- a any amendment of any article or section of the Bylaws may be approved by the Board for submission to the Regular Members at any meeting of the members or a proposed amendment of any article or section of the Bylaws sponsored by at least two percent (2%) of the Regular Members shall be submitted to the Regular Members at the next duly called meeting of members if such amendment is submitted in writing by the sponsors to the Secretary at least forty-five (45) days prior to such meeting; and
- b an amendment to the Bylaws shall be adopted when approved by the affirmative vote of a majority of the votes entitled to be cast by the Regular Members present or represented by proxy at a duly held meeting at which a quorum is present, unless a greater majority is required in the Articles.







**CFA Institute**