

# 2022

Proxy Statement & Notice of  
Annual Meeting of Members



CFA Institute







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# MESSAGE FROM THE CHAIR

## Dear colleagues,

Thank you in advance for taking the time to read this proxy statement and for voting on the proposals before the membership. Your ongoing support of CFA Institute during these tumultuous times is greatly appreciated.

In this proxy statement, we present candidates to you for election to the Board of Governors; we seek your support to ratify the selection of our auditor; and we ask for your approval to amend the Articles of Incorporation and Bylaws to set up the organization for success in the future. The proposed changes will enhance our agility and flexibility by expanding the stated purposes of CFA Institute and enabling the Board to initiate additional, non-voting individual membership classes.

I have been Board Chair for nearly nine months now, and I would like to share with you my philosophy of the Board as to its role. More information relating to Board governance can be found later in this document with respect to our defined roles and responsibilities, committee structure, and meeting attendance over the course of fiscal year 2021.

The Board has a central responsibility to ensure that the reputation of CFA Institute is protected and enhanced over time. The charter holds a unique place in our industry as it is a globally recognized credential of excellence and commitment to professional standards. It remains paramount that we manage that

reputation with the utmost care, considering current, emerging, and contingent risks. Risk management, in the broadest sense of the term, must be at the forefront of the Board's work.

Our Board of Governors collectively brings decades and decades of experience in our field to our roles. Yet the Board's role is not to run CFA Institute. The Board sees that as being the clear responsibility of the CEO, Marg Franklin, and the Leadership Team. Our role is to guide the development of the strategy at CFA Institute—that includes testing assumptions and drawing on the Board's collective experience to help guide management. A perspective shared by the Board is that a good strategy well-executed will invariably produce better results than a great strategy that is not. The old maxim, "perfect is the enemy of good," so often represents sound advice for boards and management teams to follow.

As Marg outlines in her letter in this proxy statement, we continue to face financial challenges due to the pandemic-related cancellations and deferrals of the exams. Throughout this prolonged period of disruption, Marg and her management team have been diligent in managing the organization's financial position and guiding the organization's progress. As we expect a loss for fiscal year 2022, the Board believes drawing on our reserves is appropriate. The reserves have benefited from strong market performance over the last two



years, and so the impact of these drawdowns is manageable relative to the overall reserve balance. The Board regards this action to be prudent and in the best interest of CFA Institute.

In closing, despite the upheavals that we have all felt in our personal and professional lives in the last two years, it is the Board's strong hope that charterholders and members around the world can draw strength from the leadership, reputation, and financial position of CFA Institute.

Thank you for your support and for your attention to the matters in this proxy statement.

A handwritten signature in dark ink, appearing to read "Mark Lazberger". The signature is fluid and cursive.

Mark Lazberger, CFA  
Chair  
CFA Institute Board of Governors

# MESSAGE FROM THE PRESIDENT AND CEO

## Dear Colleagues,

Since my update to you in our fiscal year 2021 Annual Report, the world continues to be a volatile and unpredictable place.

Despite the many challenges posed by this now two-year pandemic, our organization remains clear on our mission and strategy. We have seen setbacks, but we are focused on the road ahead; on delivering for our members, charterholders, and candidates; and on leading this industry forward for the ultimate benefit of society.

I look forward with a sense of optimism. There has never been a more important and critical time for CFA Institute. The state of the world and the challenges we collectively face require our industry to rise to the occasion and do its part to bring about a new period of prosperity and purpose.

The vitality of our global network and our membership continues, and I am most grateful for the support of our charterholders and members during this time. Our members, our volunteers, and our societies bolster, amplify, and deliver the mission of CFA Institute in 160 different markets around the world.

We collectively set high standards to help promote the industry's integrity and to ensure more resilient and fairer capital markets exist for investors, including emerging areas that require our leadership and collaboration with multiple industry stakeholders to help define the way forward. We do this through our research, advocacy, and standards efforts and through our educational offerings, both foundational and via continuing professional development for our membership.

To assist our members and charterholders to further advance in their careers, we are on a journey to offer learning products that meet investment professionals' needs from career entry to career exit by offering them high-quality content that is relevant to practitioners and is delivered digitally in an engaging, effective, and efficient manner.

Two such examples of new professional learning products are Performance Attribution and Data Science for Investment Professionals. The Performance Attribution course, available on our Learning Ecosystem, covers the conceptual foundations of performance attribution. The course material represents a subset of our broader Certificate in Investment Performance Measurement Program curriculum.

Data Science for Investment Professionals launched on Coursera marks the first time CFA Institute offered a learning product on this platform. By using this widely known platform to host three courses in Data Science, we extend our reach and increase learners' accessibility to our content. The specialization is specifically designed for practitioners to confidently act as "translators" between data scientists and investment professionals. The three courses integrate technical and soft skills specific to the confluence of investing and data science.

We continue to meet market needs in an ever-changing business environment. The Certificate in ESG Investing stands as a prime example of that. Now offered globally, the certificate does not require candidates to be charterholders to earn it; they only need to seek



an enhanced understanding of environmental, social, and governance (ESG) investing and have a desire to acquire both practical application skills and technical knowledge in the fast-growing field of ESG investing. Registrations for this certificate continue to outpace our projections, a sure sign that this product meets a real need.

We have much more to come in terms of professional learning offerings; it remains core to our work. None of us can afford to sit still in an ever-changing industry. Continuous professional development not only benefits our careers but also builds a better industry—one that is highly skilled and ethical, focused on client outcomes, and more representative of the world at large.

To build an industry that is more representative and resilient, we continue to advance diversity, equity, and inclusion (DEI) in the investment industry. We are moving from talk to action, but progress has been too slow. And while I have been pleased to see some advancements in terms of gender, we must acknowledge that much more work needs to be done across all aspects of DEI.

In 2021, we issued a draft voluntary DEI code for the United States and Canada spearheaded by CFA Institute and developed by a working group of investment professionals, and we finalized this effort in early 2022 after a comment period. The Code outlines six key principles within the following categories: pipeline, talent acquisition, promotion and retention, leadership, influence, and measurement. Adoption by financial firms is purely voluntary. We are heartened by the fact that a working group of industry leaders helped draft the Code to foster a commitment that will lead to greater inclusion of wider viewpoints from diverse talent—which should result in better investment outcomes and help create better working environments.

I would like to express my gratitude to the working group members for the time they dedicated to this work while still performing their highly demanding roles. They met every few weeks starting in March 2020 and dealt with the impact of COVID-19, choppy markets, family issues, and some major work changes. Their approach placed DEI at the heart of the investment profession, and they truly brought those practices to life in their creation of the Code.

We recognize that the words diversity, equity, and inclusion mean different things to different people in different parts of the world, and each part of the globe may be in a different stage of the DEI journey. So rather than seek a global approach at first, we started in the United States and Canada to ground our efforts and to provide us with a path forward. It will take time, but we will endeavor to bring more markets into the effort.

As I noted in the fiscal year 2021 Annual Report, the greatest challenge to our financial condition

continues to be seating candidates whose paths through the program have been delayed by pandemic-related deferrals and cancellations. As explained in the Annual Report, we do not book candidate revenues until they sit for an exam and receive their results.

Since the end of fiscal year 2021, candidates have continued to experience deferrals and cancellations in fiscal year 2022 due to the pandemic, and as a consequence, our budget for the fiscal year has been impacted yet again. As of early 2022, we have had more than 330,000 deferred candidates over the course of the pandemic, beginning with the June 2020 exam administration cancellation. To date, we have sat or rescheduled to sit more than 280,000 of those candidates. We are making good progress addressing the backlog, but many candidates have yet to sit.

Because of this, we will not hit our revenue projections for fiscal year 2022. We have implemented a range of cost-savings initiatives to minimize the impact on our bottom line, and while we will show a small GAAP profit for the year, this only presents a partial picture of our financial health. We rely on cash from new registrations to fund our operations, and because we are not seeing the rebound in candidate registrations that we had expected for fiscal year 2022, we will experience a cash shortfall this year. Fortunately, we have healthy reserves, which have been built up over the years to weather exogenous events such as the pandemic. We had anticipated a draw on them for this year, and we will exercise that.

While the pandemic has interfered with candidates' plans, we believe that in this period of disruption—when so many people seem to be focused on their careers—that the quality and

rigor of the CFA Program truly stand out. The CFA Program offers a time-tested, demonstrable means of enhancing one's career trajectory. It's affordable, accessible, and meritocratic for anyone who wants to take on the challenge. Passing all three levels demonstrates to employers that a charterholder holds the necessary skills, knowledge, determination, and perseverance needed to succeed in the financial services industry.

As always, I want to take this time to thank every member of our Board of Governors for their support during these most unusual times. As a former volunteer Governor myself, I can appreciate the time commitment involved as a Board member. It is even more demanding now. These times continue to challenge us all, and Board members have stepped up in ways large and small to offer their expertise and support. I want to express my deepest thanks to them for their efforts. I encourage you to cast your votes for our new candidates for Governor as outlined in this proxy.

Thank you once again for your commitment and loyalty to CFA Institute during this period.



Margaret Franklin, CFA  
President and CEO  
CFA Institute



# NOTICE OF THE ANNUAL MEETING OF MEMBERS

## Purpose

- ▶ To approve amendments to the CFA Institute Articles of Incorporation and Bylaws.
- ▶ To elect a Chair and a Vice Chair of the CFA Institute Board of Governors for fiscal year 2023.
- ▶ To elect four governors, each to serve a term beginning 1 September 2022 and ending 31 August 2025.
- ▶ To ratify the selection of an independent registered public accounting firm for fiscal year 2022.
- ▶ To transact any other business that properly comes before the meeting or any adjournment.

All Regular Members at the close of business on 10 May 2022 will be entitled to vote at the meeting and any adjournments.

This notice and the Proxy Statement will be mailed on or about 17 May 2022 to each Regular Member who has not elected to receive the materials electronically.

On behalf of the CFA Institute Board of Governors,



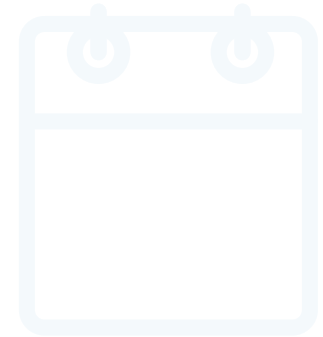
Joseph P. Lange

Corporate Secretary, CFA Institute

## Date and Time

Thursday, 14 July 2022  
8:00 a.m. Eastern Time  
(New York, USA)

Regular Members are encouraged to participate via live audio webcast.



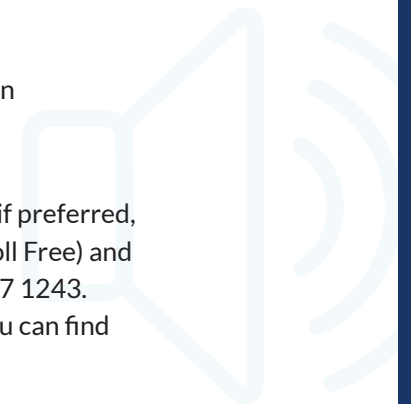
## Audio Webcast

Please use the following link to join the live audio webcast:

<https://zoom.us/j/91461471243>

You can also dial into the session, if preferred, by calling +1 877 853 5247 (US Toll Free) and entering the Meeting ID: 914 6147 1243.

If you need a different number, you can find your local number [here](#).



## 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, 13 July 2022.



### By Internet

Visit <https://vote.esvote.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/region 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.

# DIVERSITY, INCLUSION, AND CORPORATE CITIZENSHIP

Our cultural values define who we are, what we stand for, and what we aspire to be. They run deeply through the organization, guiding our thinking and anchoring our actions and behaviors. They bind our colleagues together, creating a strong sense of community across geographies and every level of business, in passionate pursuit of our company's mission.

- ▶ With **curiosity**, we demonstrate an unrelenting pursuit of knowledge and understanding in our quest for excellence.
- ▶ In the spirit of **inclusion**, we create a welcoming, safe environment where fairness, opportunity, and trust exist, allowing us to leverage the diverse talents and perspectives of our staff and volunteers to achieve our strategic objectives.
- ▶ In **service**, we understand the needs of our external stakeholders and, together, deliver exceptional results through a regional model, localized where appropriate.
- ▶ To build **trust**, we act with integrity, are ethical and authentic, and speak the truth in a timely, transparent manner.

To that end, we undertake a variety of environmental, social, and governance (ESG) initiatives that enhance our employee value proposition while strengthening fundamental elements of our business.



## A Focus on Sustainability

CFA Institute considers a broad range of sustainability issues with a particular interest in and care for the environment at the core of our efforts. 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 City, Shanghai, and Washington, DC.

The fiscal year 2021 analysis includes an expanded examination of the indirect emissions that occur as a result of the CFA Institute value chain based on current industry standard metrics. Using this expanded emission analysis, the GHG emissions for fiscal year 2021 were 24,235.93 metric tons CO<sub>2</sub>e compared to 15,697 metric tons CO<sub>2</sub>e in fiscal year 2020. Compared on a like-for-like basis, this indicated a 44.7% reduction in emissions from fiscal year 2020. This reduction is primarily driven by the impacts of the ongoing pandemic.

CFA Institute will leverage the disruption of COVID-19 to evaluate opportunities to adapt our internal global operations to better support long-term environmental sustainability goals. In our headquarters city, Charlottesville, we have joined an inaugural energy alliance of Virginia-based businesses that have committed to reducing their collective emissions by 45% by 2025. CFA Institute is one of 16 central Virginia businesses and nonprofits joining forces to address climate change and ready our economy for a clean energy future. We will have the opportunity to not only positively impact our carbon emissions footprint but also to collaborate with, and learn from, a wide range of local businesses committed to reducing their environmental impact.

## A Focus on Volunteerism

COVID-19 continues to significantly impact human behavior. Despite being in a season where people were unable to be together, our employees found ways to be of service to others; 1,077 employee Volunteer Time Off hours were used in schools, parks, and not-for-profits around the world. Through service, employees are simultaneously able to impact communities and causes while building skills and engaging in leadership experiences that inform and improve our organizational practices. This reciprocal relationship is also demonstrated through organization-sponsored community engagement. Our Inclusion and Diversity Council and Business Resource Groups (BRGs) partnered to bring book-based diversity, equity, and inclusion learning to individuals and businesses across the globe. BRGs also supported a math competition focused on broadening the pipeline of talent to STEM (science, technology, engineering, and math) centered disciplines and the Walk to End Alzheimer's. Creativity and a core service ethic allowed for continued meaningful community engagement in 2021.



1 OF 16

central Virginia businesses and nonprofits  
joining forces to address climate change and  
ready our economy for a clean energy future



1,077  
HOURS

out of an available 16 hours/employee of Volunteer  
Time Off were invested in local communities

We have joined an inaugural energy  
alliance of Virginia-based businesses  
that have committed to reducing  
their collective emissions by

45% BY  
2025



## A Focus on Diversity, Equity, and Inclusion

Diversity, equity, and inclusion (DEI) are crucial elements in the future of the investment industry and the success of investment firms. CFA Institute recognizes that a diversity of perspectives will lead to improved investor outcomes; an inclusive investment industry will better serve our diverse society. Further, we recognize that an organization's culture, through awareness, education, and practice, must satisfy the responsibility to create a place where all employees can be and feel safe, valued, and respected. To help ensure these critical initiatives, CFA Institute is leading the industry in developing a voluntary code to guide DEI, beginning in the United States and Canada.

In our day-to-day internal operations, inclusion and diversity continue to be a priority. This year, we were selected as a Brandon Hall Group Gold award recipient for excellence in the Best Diversity, Equity & Inclusion Strategy category. Our people-centric and data-driven strategy—which we call “The ABCs of Inclusion”—encourages and empowers every individual within our global organization to become **aware**, **build** skills, and implement **change**.

### The ABCs of Inclusion framework has anchored our strategy and has:

- ▶ Driven consideration of policy and practice changes to help identify and remediate areas and processes that could allow for biased decision making,
- ▶ Guided internal advocacy in employee relations matters, and
- ▶ Provided ongoing educational offerings to help all employees create awareness, build skills, and feel confident in their ability to create change.

The Blue Ocean Brain platform is a key element that has transformed our approach, offering just-in-time microlearning to meet ongoing and evolving needs; 94% of our employees adopted these microlearnings within 90 days of launching the platform. In 2021, we also launched supplemental organization-wide learning about bias mitigation and tactical training to foster an inclusive workplace by addressing subtle acts of exclusion. A Business Resource Group (BRG) hosted an interactive empathy building experience called “Walk in My Shoes.” Plans for 2022 include making supplemental learning standard and compulsory while expanding the reach of BRG-driven learning.

Curiosity, inclusion, and service build upon each other and can ultimately foster trust. We are committed to these values as the foundation of a healthy and productive organization.





# PROXY SUMMARY

To assist you in casting your vote, we have provided the following 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

### AMENDMENTS TO THE ARTICLES OF INCORPORATION

Article 2 – Purposes

“Purposes” – Amend Article 2 of the Articles of Incorporation to consolidate the stated purposes of the organization to provide CFA Institute with more flexibility for future expansion.

Approval requires two-thirds 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 Articles of Incorporation.

## Proposal 2

### AMENDMENTS TO THE ARTICLES OF INCORPORATION

Article 7 – Limit on Liability and Indemnification

“Limit on Liability and Indemnification” – Remove Article 7 of the Articles of Incorporation (Limit on Liability and Indemnification). Based on best practice, this section will be moved to a new article (Article 10) of the Bylaws for enhanced transparency.

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

See [page 45](#) for further information.

- ✓ The Board recommends a vote **FOR** the amendment to the CFA Institute Articles of Incorporation.

## Proposal 3

### AMENDMENTS TO THE BYLAWS

Article 1 – Name, Location, and Corporate Seal

“Name, Location, and Corporate Seal” – Amend Article 1 of the Bylaws to add the purposes of CFA Institute to the Bylaws for enhanced transparency.

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 46](#) for further information.

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

## Proposal 4

### AMENDMENTS TO THE BYLAWS

Article 2 – Definitions

“Definitions” – Amend Article 2 of the Bylaws to align to support revisions offered in the Bylaws.

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 47](#) for further information.

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

## Proposal 5

### AMENDMENTS TO THE BYLAWS

Article 3 – Members and Candidates

“Members and Candidates” – Amend Article 3 of the Bylaws to allow the Board to establish additional, non-voting individual membership classes. Furthermore, Charterholder Members are identified as having voting rights as Article 3.4 (a)(i) requires such individuals to satisfy the requirements to become a Regular Member.

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 48](#) for further information.

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

## Proposal 6

### AMENDMENTS TO THE BYLAWS

Article 9 – Nominating Process and Election

“Nominating Process and Election” – Amend Article 9 of the Bylaws to allow the Board Chair to serve as an ex-officio member of the Nominating Committee.

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 49](#) for further information.

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

## Proposal 7

### AMENDMENTS TO THE BYLAWS

Article 10 – Limit on Liability and Indemnification

“Limit on Liability and Indemnification” – Add new Article 10 (Limit on Liability and Indemnification) section to the Bylaws to align with best practice and enhance transparency.

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 50](#) for further information.

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

## Proposal 8

### AMENDMENTS TO THE BYLAWS

Article 12 – Amendment of the Bylaws

“Amendment of the Bylaws” – Amend Article 12 of the Bylaws to provide a point of clarification on governance.

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 51](#) for further information.

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

## Proposal 9

### 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 52](#) 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 2023.

## Proposal 10

### 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 57](#) for further information.

- ✓ The Board recommends a vote **FOR** the election of Tricia Rothschild, CFA; Maria Wilton, CFA; Mei Gao, CFA; and Oyebanji Fehintola, CFA, as governors of the CFA Institute Board of Governors, each to serve a term beginning 1 September 2022 and ending 31 August 2025.

## Proposal 11

### 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 2022 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 77](#) for further information.

- ✓ The Board recommends a vote **FOR** the ratification of the selection of KPMG LLP as our independent registered public accounting firm for fiscal year 2022.



# 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, Germany, India, Malaysia, the United Kingdom, and the United States.



## 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.



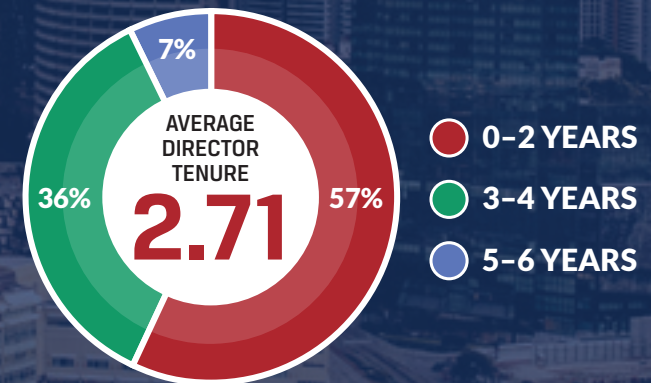
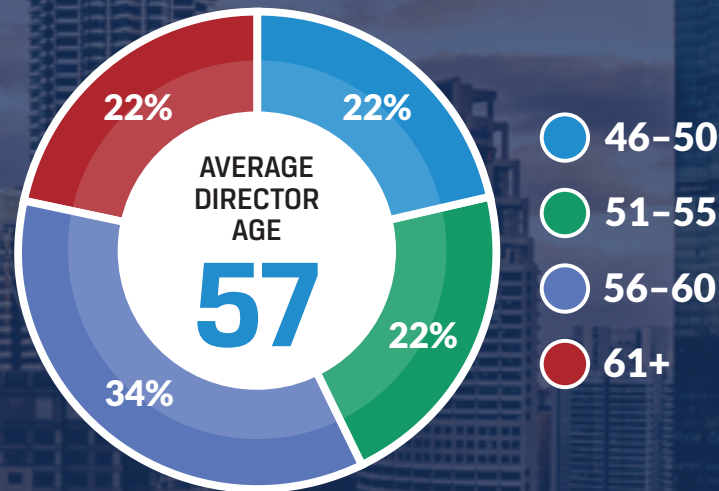
Charterholder  
10 OF 14





















































Independence  
12 OF 14



Gender  
8 : 6



# MEET YOUR BOARD OF GOVERNORS FOR FISCAL YEAR 2022

Name	Age	Governor Since	Region	Charterholder	Gender	Independent	Committee Memberships FY2022
 Marshall Bailey, CFA	55	2020	EMEA				<ul style="list-style-type: none"> <li>• Risk Committee</li> <li>• Society Partnership Advisory Council</li> </ul>
 Alexander Birkin	47	2018	EMEA				<ul style="list-style-type: none"> <li>• Audit and Finance Committee</li> <li>• Strategy SWAT Working Group</li> </ul>
 Dan Fasciano, CFA	55	2018	AMER				<ul style="list-style-type: none"> <li>• Nominating Committee</li> <li>• Society Partnership Advisory Council **</li> </ul>
 Margaret Franklin, CFA	57	2019	AMER				<ul style="list-style-type: none"> <li>• Executive Committee</li> </ul>
 Joanne Hill, PhD	72	2021	AMER				<ul style="list-style-type: none"> <li>• Society Partnership Advisory Council</li> </ul>
 Heinz Hockmann, PhD	69	2021	EMEA				<ul style="list-style-type: none"> <li>• Governance Committee</li> </ul>
 Punita Kumar-Sinha, PhD, CFA	59	2018	APAC				<ul style="list-style-type: none"> <li>• Audit and Finance Committee</li> <li>• Investment Subcommittee *</li> </ul>
 Mark Lazberger, CFA	60	2021	APAC				<ul style="list-style-type: none"> <li>• Executive Committee *</li> <li>• People and Culture Committee</li> </ul>
 Yimei Li, CFA	46	2020	APAC				<ul style="list-style-type: none"> <li>• Audit and Finance Committee</li> <li>• Strategy SWAT Working Group</li> </ul>
 Karina Litvack	59	2019	EMEA				<ul style="list-style-type: none"> <li>• Governance Committee</li> <li>• Investment Subcommittee</li> </ul>
 Geoffrey Ng, CFA	48	2018	APAC				<ul style="list-style-type: none"> <li>• Audit and Finance Committee *</li> <li>• Nominating Committee</li> </ul>
 Diane Nordin, CFA	63	2016	AMER				<ul style="list-style-type: none"> <li>• Executive Committee</li> <li>• Governance Committee *</li> <li>• Risk Committee</li> </ul>
 Tricia Rothschild, CFA	55	2019	AMER				<ul style="list-style-type: none"> <li>• Executive Committee</li> <li>• People and Culture Committee</li> <li>• Risk Committee *</li> </ul>
 Maria Wilton, CFA	57	2018	APAC				<ul style="list-style-type: none"> <li>• People and 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 rulemaking affecting the investment industry.



### Society Leadership Experience

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

	 Audit	 CFA Institute Volunteer	 CFA Program	 Corporate Governance	 Education	 Human Resources	 Information Technology	 Leadership	 Not-for-Profit	 Public Company Board	 Regulatory	 Society Leadership
 Marshall Bailey, CFA												
 Alexander Birkin												
 Dan Fasciano, CFA												
 Margaret Franklin, CFA												
 Joanne Hill, PhD												
 Heinz Hockmann, PhD												
 Punita Kumar-Sinha, PhD, CFA												
 Mark Lazberger, CFA												
 Yimei Li, CFA												
 Karina Litvack												
 Geoffrey Ng, CFA												
 Diane Nordin, CFA												
 Tricia Rothschild, CFA												
 Maria Wilton, CFA												



Audit Experience  
9 OF 14



CFA Institute Volunteer  
8 OF 14



CFA Program  
1 OF 14



Corporate Governance  
6 OF 14



Education  
3 OF 14



Human Resources  
11 OF 14



Information Technology  
5 OF 14



Leadership  
13 OF 14



Not-For-Profit  
8 OF 14



Public Company Board  
6 OF 14

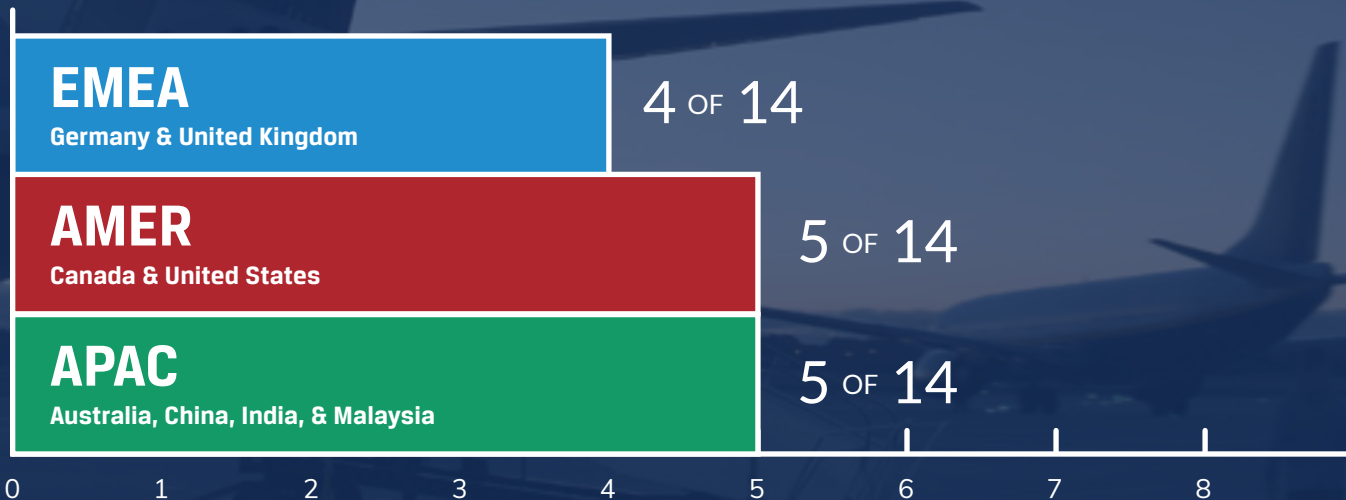


Regulatory  
7 OF 14



Society Leadership  
5 OF 14

## REGIONAL REPRESENTATION



# MEET THE LEADERSHIP TEAM



**Margaret Franklin, CFA**  
President and CEO



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



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



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



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



**Chris Wiese, CFA**  
Managing Director,  
Credentialing



**Marty Colburn**  
Chief Operating Officer



**Paul Moody**  
Managing Director, Regions,  
Marketing & Customer Experience,  
and Society Relations



**Steven Hendry**  
Chief Financial Officer

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. We also have a Code of Conduct Policy 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 to establish a culture supportive of risk management.

The Board also carries out and oversees internal audit, risk management and internal controls, and legal and compliance responsibilities in accordance 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, as well as 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, the General Counsel and Chief Legal Officer, the Global Head of Risk & Compliance, 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 Enterprise Risk Appetite and composition of the risk portfolio to ensure alignment with the organization's strategic goals.

## Risk and Compliance

Commitment to a high standard of ethical conduct is essential to our core philosophy and culture. The Board, directly and through the Risk Committee (RC), oversees the operation of our risk and compliance framework. The General Counsel and Chief Legal Officer serves as the Chief Risk and Compliance Officer for the organization and reports dually to the CEO and the Board.

This structure is further strengthened with the Global Head of Risk & Compliance reporting directly to the Risk Committee Chair, and functionally to the Chief Legal Officer and Chief Risk and Compliance Officer, 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.

Management is responsible for the day-to-day risk assessment and management of the organization's risks and compliance with laws, regulations, and internal policies and procedures.

The Risk and Compliance function supports the CFA Institute Board of Governors and the Leadership Team in their commitment to manage risks in alignment with the corporate strategy, Risk Appetite Statement and policy, and Code of Conduct policy. The CFA Institute Code of Conduct applies to all our employees as well as to our contingent workers, our volunteers, and other third parties. Our policies and organizational documents, including the code of conduct referred to above, can be found [here](#) on our website.

The risk and compliance oversight activities of CFA Institute help develop the discipline, culture, and control structure the organization needs to proactively improve its risk and compliance management capabilities in a changing business environment. It enables CFA Institute to achieve its strategic goals and objectives in a risk-informed manner and is most effective when applied in strategy setting across the organization. The Risk and Compliance function also partners closely with the internal audit, legal, and governance teams to ensure an integrated risk and compliance management approach is pursued for 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 Risk Committee (RC), has primary responsibility for overseeing the CFA Institute risk management program 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 Operating Officer is responsible for the organization's enforcement of data privacy controls and the information security program, which includes a risk-based cybersecurity strategy, architecture, policies, standards, and processes. The CFA Institute Global Data Privacy Officer advises the business on data privacy regulations and assesses the effectiveness of data privacy controls within the enterprise.

## Strategic Oversight

Our strategic plan is developed by management in consultation with the Board of Governors and then submitted for Board approval. Management is responsible for implementing the strategic plan, and the Board receives reports on the plan's implementation at every Board meeting, as well as between meetings. This affords both the Board and management the opportunity to assess whether the plan is being implemented effectively and whether changes in the plan or its implementation may be desirable.

“The company culture is a key area of focus for the Board”

## Talent Management and Succession Planning

The global labor market has been impacted and forever changed by the pandemic. Changing employee expectations and the “great resignation” are requiring every employer to rethink their employee value proposition, reinvigorate their culture, ensure they are delivering meaningful work, and further invest in the development of their workforce. Therefore, the Board is even more actively engaged in the company's human capital management efforts.

Annually, the Board reviews the company's 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 frequently interact with senior leaders as part of the Board's succession oversight to deepen their knowledge of and relationships with key talent. They also leverage these interactions to deliver messages of thanks that bolster the organization's retention efforts and demonstrate the organization's commitment to a culture of appreciation for a job well done.

The Board's focus on people development is not limited to that of senior management and is consistently engaged on the topics of culture; engagement; talent attraction and development; and diversity, equity, and inclusion. 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 company culture is a key area of focus for the Board, and it is imperative that Board members be able to experience the company culture across the organization's various offices. While the pandemic has prevented the Board from making in-person visits to all offices, they have been able to conduct board meetings at some locations, as well as engage with various employees through many virtual interactions. While the Board looks forward to more frequent in-person interactions, they are fully embracing this hybrid approach to employee interactions and connections.



## **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.

Governors are encouraged to serve as ambassadors in their respective locations, such as attending virtual regional society leadership conferences 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 14 July 2022 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 appointment that may be renewed annually up to a maximum of 6 one-year terms for the Chair and 2 one-year terms for the Vice Chair. 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

#### VICE CHAIR

- ▶ Executive Committee Member
- ▶ People and Culture Committee Member
- ▶ Risk Committee Chair

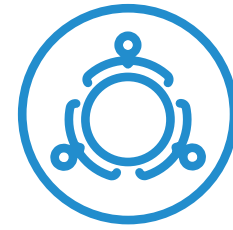
#### CHAIR RESPONSIBILITIES

- ▶ 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 continuing 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;
- ▶ 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;
- ▶ Provide input on the evaluation of Board members for feedback to the nomination process;
- ▶ 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;
- ▶ 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;
- ▶ 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.





## Fiscal Year 2022 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.

#### Board Members



Alexander Birkin



Punita Kumar-Sinha, PhD, CFA



Yimei Li,  
CFA



Geoffrey Ng,  
CFA (Chair)

### 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



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.

### Board Members



Margaret Franklin,  
CFA



Mark Lazberger,  
CFA (Chair)



Diane Nordin,  
CFA



Tricia Rothschild,  
CFA

## 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



Heinz Hockmann,  
PhD



Karina Litvack



Diane Nordin,  
CFA (Chair)

## ▶▶▶ 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.

## Board Members



Dan Fasciano,  
CFA



Geoffrey Ng,  
CFA

## Non-Board Members

- ▶ Greg Filbeck, CFA
- ▶ Daniel Gamba, CFA (Chair)
- ▶ Anubhuti Gupta, CFA
- ▶ Pieter van Putten, CFA

## ▶▶▶ 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



Mark Lazberger,  
CFA



Tricia Rothschild,  
CFA



Maria Wilton,  
CFA (Chair)

## 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.

### Board Members



Marshall Bailey,  
CFA



Diane Nordin,  
CFA



Tricia Rothschild,  
CFA (Chair)

## 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



Marshall Bailey,  
CFA



Dan Fasciano,  
CFA (Co-Chair)



Joanne Hill,  
PhD

### Non-Board Members

- ▶ Aaron Brown, CFA (Co-Chair)
- ▶ Joshua Howard, CFA
- ▶ Mahmoud Nawar, CFA
- ▶ Ming Shu, CFA
- ▶ David Smith, CFA
- ▶ Randi Tolber, CFA



## Fiscal Year 2021 Board and Committee Meetings Held and Member Attendance

In fiscal year 2021, the Board conducted seven required sessions, with an average aggregate attendance rate of 94%, which primarily 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 2021 that ran for approximately 10 hours each and three 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 following graphics show the number of meetings held and member attendance statistics for the Board and each committee in fiscal year 2021. It's important to note that there were four 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

7 mtgs.



86%

Marshall Bailey, CFA



86%

Yimei Li, CFA



86%

Alexander Birkin



86%

Karina Litvack



100%

Robert Bruner, DBA



100%

Geoffrey Ng, CFA



100%

Dan Fasciano, CFA



100%

Diane Nordin, CFA



100%

Margaret Franklin, CFA



71%

Tricia Rothschild, CFA



100%

Daniel Gamba, CFA



100%

Zouheir Tamim El Jarkass, CFA



100%

Punita Kumar-Sinha, PhD, CFA



100%

María Wilton, CFA

**Audit and Finance Committee** ..... 10 mtgs.



90%

Alexander Birkin



100%

Punita Kumar-Sinha,  
PhD, CFA



100%

Yimei Li,  
CFA



100%

Geoffrey Ng,  
CFA

**Nominating Committee** ..... 13 mtgs.



62%

Daniel Gamba,  
CFA



100%

Diane Nordin,  
CFA



77%

Zouheir Tamim  
El Jarkass, CFA

**Executive Committee** ..... 12 mtgs.



100%

Margaret Franklin,  
CFA



100%

Daniel Gamba,  
CFA



100%

Diane Nordin,  
CFA



92%

Maria Wilton,  
CFA

**People and Culture Committee** ..... 7 mtgs.



100%

Daniel Gamba,  
CFA



86%

Diane Nordin,  
CFA



100%

Maria Wilton,  
CFA



86%

Zouheir Tamim  
El Jarkass, CFA

**Governance Committee** ..... 8 mtgs.



100%

Robert Bruner,  
DBA



100%

Karina Litvack



100%

Tricia Rothschild,  
CFA

**Risk Committee** ..... 9 mtgs.



100%

Marshall Bailey,  
CFA



100%

Diane Nordin,  
CFA



100%

Tricia Rothschild,  
CFA

**Investment Subcommittee** ..... 12 mtgs.



100%

Punita Kumar-Sinha,  
PhD, CFA



100%

Karina Litvack

**Society Partnership Advisory Council** ..... 9 mtgs.



89%

Marshall Bailey,  
CFA



100%

Dan Fasciano,  
CFA



100%

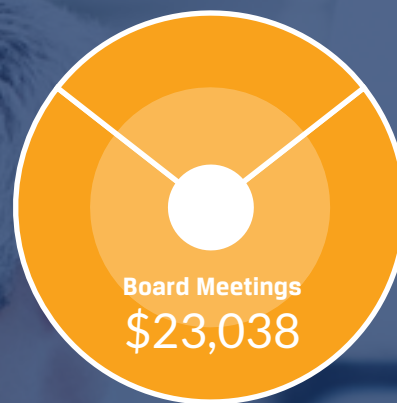
Geoffrey Ng,  
CFA

## 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 largely halted its in-person meetings and ambassadorial activities in fiscal year 2021, 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 presented reflects the amounts paid in US dollars by CFA Institute in fiscal year 2021 related to governors attending Board, committee, and council meetings and engaging in meaningful outreach efforts on behalf of the organization.

Ambassadorial Activities  
\$9,594



 TRANSPORTATION  
\$32,632

Ambassadorial Activities  
\$2,555



 LODGING & MEALS  
\$25,118

Ambassadorial Activities  
\$12,149



TOTAL EXPENSES  
\$57,750



## 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).

## 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

## Governor Recruitment Process



### CFA Institute Stakeholders

- ▶ Solicited for recommendations



### Nominating Committee

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



### Board of Governors

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



### 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 2022, the Board focused on finding nominees with significant not-for-profit governance experience and CFA Institute society experience while also upholding the organization's commitment to diversity, equity, and inclusion. Establishing an inclusive organization begins with establishing a diverse and inclusive Board, one composed of differing skills, perspectives, and backgrounds, to achieve the mission and enhance our understanding of our constituents worldwide. Each governor is elected by the membership of CFA Institute for a three-year term that runs from 1 September to 31 August.



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 these qualities at the highest level.



## 1 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
- ▶ employs strategic foresight
- ▶ communicates strategic insight to different environments

## 2 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

## 3 Cultural Sensitivity

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

## 4 Interpersonal Communication

- ▶ excels in building relationships
- ▶ gains trust and support from others
- ▶ possesses diplomacy and tact
- ▶ listens and adjusts to others’ input
- ▶ effectively balances speaking and listening

## 5 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

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 2022. 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.



# BOARD PROPOSALS

# PROPOSAL 1

## Articles of Incorporation / Amend Article 2 – Purposes

### Rationale

This amendment consolidates the stated purposes of the organization to provide CFA Institute with flexibility for future expansion.

### Recommendation

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

### Amendment

#### Article 2 - Purposes

The purposes of CFA Institute are to promote and advance the “Investment Decision-Making Process,” consisting of financial analysis, investment management, securities analysis, stewardship, and other similar professional endeavors, through education, instruction and training; examinations and professional credentialing; research and advocacy; publications and communications; technical standards for professional practice; ethical and behavior codes; and other policies, programs, activities, and operations that promote and advance the Investment Decision-Making Process.

- a. to establish educational standards in the professional practices of financial analysis, investment management, securities analysis, and other similar professions (collectively, the “Investment Decision-Making Process”);
- b. to instruct and train Individual Members and Member Societies (as each such term is defined in the Bylaws) and the general public in the sound and trustworthy principles, practices, and conduct with regard to the Investment Decision-Making Process;
- c. to develop and administer examinations designed to test individual competence and skill in the professional fields of knowledge pertinent to the Investment Decision-Making Process, including granting the right to use the Chartered Financial Analyst® (CFA®) designation;
- d. to carry on, sponsor, aid and encourage research, education, and information activities to further the purposes set forth in this Article 2; including advocacy and other engagement with global regulatory and standard-setting bodies, academic institutions and others to enhance investor protection, market integrity and ethical and professional standards;
- e. to guide, encourage, and aid the continuing education of individuals professionally engaged in the Investment Decision-Making Process, and to this end, to promote, encourage, and carry on research and the preparation, publication, and dissemination of educational materials and to conduct programs in the fields of knowledge pertinent to the professional application of the Investment Decision-Making Process;
- f. to develop, establish, promulgate, and maintain the CFA Institute Code of Ethics and Standards of Professional Conduct for individuals professionally engaged in the Investment Decision-Making Process, and to enforce such standards for members;
- g. to provide Individual Members and Member Societies with opportunities for exchanging ideas and information regarding the Investment Decision-Making Process;
- h. to promote good relations between the general public and professionals engaged in the Investment Decision-Making Process; and
- i. to promote the welfare of members and others engaged professionally in the Investment Decision-Making Process.

# PROPOSAL 2

## Articles of Incorporation / Amend Article 7 – Limit on Liability and Indemnification

### Rationale

This amendment removes the Limit on Liability and Indemnification section of the Articles of Incorporation. Based on best practice, this section will be moved to a new article (Article 10) of the Bylaws for enhanced transparency.

### Recommendation

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

### Amendment

#### Article 7 – Limit on Liability and Indemnification

~~To the fullest extent permitted by law, a Governor or officer of CFA Institute shall not be liable for monetary damages.~~

~~To the fullest extent permitted by law, CFA Institute shall indemnify and advance reasonable expenses to, any individual who was, is, or is threatened to be made a party in any proceeding because he or she is or was a Governor, officer, employee, or agent (including committee members and other volunteers) of CFA Institute, or is or was serving at the request of CFA Institute as a director, officer, partner, trustee, employee, or agent of another corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise.~~



# PROPOSAL 3

## Bylaws / Amend Article 1 – Name, Location, and Corporate Seal

### Rationale

This amendment adds the purposes of CFA Institute to the Bylaws for enhanced transparency.

### Recommendation

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

### Amendment

#### Article 1 – Name, Location, Purposes, 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.

**1.4 Purposes.** The purposes of CFA Institute are to promote and advance the “Investment Decision-Making Process,” consisting of financial analysis, investment management, securities analysis, stewardship, and other similar professional endeavors, through education, instruction and training; examinations and professional credentialing; research and advocacy; publications and communications; technical standards for professional practice; ethical and behavior codes; and other policies, programs, activities, and operations that promote and advance the Investment Decision-Making Process.

# PROPOSAL 4

## Bylaws / Amend Article 2 – Definitions

### Rationale

These amendments to the definitions align to support revisions offered in the Bylaws.

### Recommendation

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

### Amendment

#### Article 2 – Definitions

**2.9 “Covered Person”** is any individual who is: a CFA Institute Charterholder, a Regular, ~~or Affiliate,~~ or other class of Member, a Candidate, a Postponed Candidate, an individual that has passed the CFA® Level III® 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 disciplinary process (and who appears to be misusing the CFA designation), or an individual that seeks to reactivate a membership that has been lapsed.

...

**2.11 “Individual Member”** refers to persons who are Regular Members, Affiliate Members, and Charterholder Members, or Members in another class of membership.

...

**2.14 “Past Chair”** is the Regular Member who previously served as the Chair immediately prior to the ~~currently serving Chair.~~

# PROPOSAL 5

## Bylaws / Amend Article 3 – Members and Candidates

### Rationale

These amendments will allow the Board to establish additional, non-voting individual membership classes to provide CFA Institute with flexibility in the future. Furthermore, Charterholder Members are identified as having voting rights as Article 3.4 (a)(i) requires such individuals to satisfy the requirements to become a Regular Member.

### Recommendation

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

### Amendment

#### 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, and other classes of non-voting membership for individuals, as determined by the Board.

...

**3.6 Voting Rights.** Regular Members and Charterholder 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, and~~ other classes of membership for individuals as determined by the Board, 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, or other classes of membership for individuals as~~ determined by the Board.

# PROPOSAL 6

## Bylaws / Amend Article 9 – Nominating Process and Election

### Rationale

This amendment allows the Board Chair to serve as an ex-officio member of the Nominating Committee. The charter for the Nominating Committee will be revised to mitigate conflicts by requiring the individual serving as Board Chair to recuse himself or herself from the review and recommendation process for the chair position when seeking to serve another term.

### Recommendation

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

### Amendment

#### Article 9 – Nominating Process and Election

~~9.1(b)(i) the Chair shall serve as an ex officio member one (1) Regular Member who is the Past Chair or other Regular Member serving as a Governor elected by the Board;~~

9.1 (c) On an annual fiscal year 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.~~

9.1(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

...

9.2(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

9.2(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 candidate(s) to assist CFA Institute in ~~meeting the fulfilling its purposes set forth in Article (2)(h) and (i) of the CFA Institute Articles.~~

...

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



# PROPOSAL 7

## Bylaws / New Article 10 – Limit on Liability and Indemnification

### Rationale

This amendment adds the Limit on Liability and Indemnification section to the Bylaws to align with best practice and enhance transparency.

### Recommendation

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

### Amendment

#### Article 10 – Limit on Liability and Indemnification

**10.1 Non-Liability.** To the fullest extent permitted by law, a Governor or officer of CFA Institute shall not be liable for monetary damages.

**10.2 Indemnification.** To the fullest extent permitted by law, CFA Institute shall indemnify and advance reasonable expenses to, any individual who was, is, or is threatened to be made a party in any proceeding because he or she is or was a Governor, officer, employee, or agent (including committee members and other volunteers) of CFA Institute, or is or was serving at the request of CFA Institute as a director, officer, partner, trustee, employee, or agent of another corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise.

# PROPOSAL 8

## Bylaws / Amend Article 12 – Amendment of the Bylaws

### Rationale

This amendment provides a point of clarification on governance.

### Recommendation

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

### Amendment

#### Article 12 – Amendment of the Bylaws

12.2(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, Bylaws, or otherwise by applicable law.



# PROPOSAL 9

## 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 2022 and ending on 31 August 2023, 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

GOVERNOR SINCE  
**2021**

TERM EXPIRES  
**2022**

AGE  
**60**

COUNTRY  
**Australia**

REGION  
**APAC**

SOCIETY MEMBERSHIP  
**Sydney**

### EXPERIENCE

Audit	✓
CFA Institute Volunteer	✓
CFA Program	
Corporate Governance	
Education	
Human Resources	✓
Information Technology	
Leadership	✓
Not-for-Profit	✓
Public Company Board	
Regulatory	
Society Leadership	✓



### Current Position

- ▶ Chairman, Omnia Capital Partners
- ▶ Non-Executive Director, Yarra Capital Management
- ▶ Non-Executive Director, Fisher Funds Management

### Prior Positions

- ▶ CEO, Colonial First State Global Asset Management and First State Investments (now First Sentier Investors)
- ▶ President, International State Street Global Advisors
- ▶ President and CEO, State Street Japan, and Head, International Businesses, State Street Global Advisors

### Board Committee Service

- ▶ Audit and Risk Committee (FY2013, FY2014)
- ▶ Board Effectiveness Working Group (FY2013)
- ▶ Compensation Committee (FY2017)
- ▶ Compensation and Governance Committee (FY2016)
- ▶ Executive Committee (FY2022\*)
- ▶ External Relationship and Volunteer Involvement Committee (FY2015)

- ▶ Governance Working Group (FY2016)
- ▶ People and Culture Committee (FY2022)
- ▶ Planning Committee (FY2016)

### CFA Institute Volunteer Experience

- ▶ 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 Volunteer Experience

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

### Current Positions on Other Boards

- ▶ Director, Children's Cancer Institute

### Education

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

\* Denotes the governor served as Chair.





“

## A Note from Mark Lazberger, CFA

As the 2022 Chair of the CFA Institute Board of Governors, I am honored to be nominated for an additional year and continue to work with my fellow governors and the organization's committed employees around the world to further the mission to maintain the professional standards of our industry.

An essential characteristic of our profession is that of ongoing change, which has been abundant in fiscal year 2022. CFA Institute has not been immune to its effects. When defining the organization's strategic goals, the Board and management have sought to emphasize its primary mission to advance ethics, market integrity, and professional standards, which altogether adds value to society.

My nearly forty years of experience working in investment management and, more broadly, the financial services' sector has been guided by the core principles I adopted when I became a charterholder in the early 1990s. My background has afforded me many opportunities to work and live in various international markets and to meet many like-minded charterholders, who, without exception, always demonstrated the highest standards of integrity.

Despite the differences among our global members, the shared bond we all have is impressive and indeed humbling. Our emphasis on the highest standards of technical competency, underpinned by a profound commitment to act ethically and in the best interests of one's clients, sets us apart from many other professional and educational institutions.

I am dedicated to advancing the vision and standards of the CFA® designation globally and am excited by the prospect of continuing my contribution to CFA Institute as the Chair of the Board of Governors.



# ▶▶ VICE CHAIR NOMINEE TRICIA ROTHSCHILD, CFA

GOVERNOR SINCE  
**2019**

TERM EXPIRES  
**2022**

AGE  
**55**

COUNTRY  
**United States**

REGION  
**AMER**

SOCIETY MEMBERSHIP  
**Chicago**

## EXPERIENCE

- Audit
- CFA Institute Volunteer
- CFA Program
- Corporate Governance
- Education
- Human Resources
- Information Technology
- Leadership
- Not-for-Profit
- Public Company Board
- Regulatory
- Society Leadership



## Prior Positions

- ▶ President, Apex Fintech Solutions
- ▶ Chief Product Officer and Co-Head of Global Markets, Morningstar, Inc.
- ▶ Member, Executive Team/Executive Officer, Morningstar, Inc.

## Board Committee Service

- ▶ Audit and Risk Committee (FY2020)
- ▶ Executive Committee (FY2022)
- ▶ Governance Committee (FY2021)
- ▶ People and Culture Committee (FY2022)
- ▶ Risk Committee (FY2021\*, FY2022\*)

## Current Positions on Other Boards

- ▶ Advisory Board Member, The TIFIN Group
- ▶ Board Member, Financial Fitness Group

## 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

With 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 10

## Election of the Governors

### Election

At the Annual Meeting of Members, members will be asked to vote on the election of Tricia Rothschild, CFA; Maria Wilton, CFA; Mei Gao, CFA; and Oyebanji Fehintola, CFA, as governors, each to serve a three-year term beginning 1 September 2022 and ending 31 August 2025. 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 four nominees for governor.





# ▶▶ FIRST-TERM GOVERNOR NOMINEE **MEI GAO, CFA**

GOVERNOR SINCE  
**2022**

COUNTRY  
**United States / China**

TERM EXPIRES  
**2025**

REGION  
**APAC**

AGE  
**49**

SOCIETY MEMBERSHIP  
**Beijing**

## EXPERIENCE

Audit

CFA Institute Volunteer


CFA Program

Corporate Governance

Education

Human Resources

Information Technology

Leadership 

Not-for-Profit

Public Company Board

Regulatory

Society Leadership



**CHARTERHOLDER**



**INDEPENDENT**



## Current Position

- ▶ Partner, Portfolio Manager, IDG Capital

## Prior Positions

- ▶ President, Fore Research & Management
- ▶ Partner, Head of Portfolio Management & Chair of Management Committee, Fore Research & Management
- ▶ Managing Director, Portfolio Management, Fore Research & Management

## Society Volunteer Experience

- ▶ Society Event Speaker, CFA Society Beijing

## Current Positions on Other Boards

- ▶ Director & Investment Committee Member, Cavamont Holdings Ltd.
- ▶ Director, Generation Asia I Acquisition Ltd.

## Education

- ▶ Master of Business Administration, Wilfrid Laurier University
- ▶ Bachelor of Arts, Shantou University
- ▶ Chartered Financial Analyst, CFA Institute



“

## A Note from Mei Gao, CFA

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

I took my first CFA® exam fresh out of business school in 1999. It was a tremendous learning experience from day one as the comprehensive curriculum advanced my knowledge base and skill set. Over the years, the CFA® designation has opened many doors for me, allowing me to build a successful career in the alternative asset management industry and to be recognized as “one of the most powerful women in Wall Street” by [BusinessInsider.com](#).

I am also excited to witness the influx of professionals and students from China who have enrolled in the CFA® Program. CFA Institute has provided them with the opportunity to benefit from an education that promotes “the highest standards of ethics, education, and professional excellence for the ultimate benefit of society.”

I am now a partner at IDG Capital, a preeminent alternative asset management firm. IDG was the first institutional investor in Baidu and Tencent, two of China’s technology behemoths. China’s fast-paced technology landscape has given me a deep appreciation for the need to embrace change and adapt. Regardless of its brilliant past, any organization must focus on continuous innovation to stay relevant.

Since its establishment, CFA Institute has adapted to the changing investment industry landscape and its educational needs. The pandemic has also shown us that the ingenuity of its people has enabled the organization to rise to the challenge. I look forward to bringing my knowledge of China, the alternative asset management industry and technology to the Board. I will strive to instill changes, while preserving the CFA Institute tradition of advancing ethics, market integrity, and professional standards of practice.



## ►► FIRST-TERM GOVERNOR NOMINEE

# OYEBANJI FEHINTOLA, CFA

GOVERNOR SINCE  
**2022**

TERM EXPIRES  
**2025**

AGE  
**44**

COUNTRY  
**Nigeria**

REGION  
**EMEA**

SOCIETY MEMBERSHIP  
**Nigeria**

### EXPERIENCE

Audit	✓
CFA Institute Volunteer	
CFA Program	✓
Corporate Governance	✓
Education	✓
Human Resources	✓
Information Technology	
Leadership	
Not-for-Profit	✓
Public Company Board	
Regulatory	✓
Society Leadership	✓



### Current Position

- Senior Director, Africa Finance Corporation

### Prior Positions

- Fixed Income, Currencies & Commodities Citibank Nigeria
- Tax & Business Advisory, Arthur Andersen
- Financial Control, Merchant Banking Corporation

### Society Volunteer Experience

- Ex-Officio Board Member, CFA Society Nigeria
- GIPS® Country Sponsor, CFA Society Nigeria
- Past President, CFA Society Nigeria
- Past Treasurer, CFA Society Nigeria

### Current Positions on Other Boards

- Chair, Finance and Audit Committee, and Member, Credit Committee, Infrastructure Credit Guarantee Company
- Chair, Affinity Capital
- Chair, Platform for Educational Advancement Ltd/Gte
- Board Member and Co-Founder, New Frontiers Learning Centre

### Education

- Master of Philosophy, International Business, International School of Management
- Master of Philosophy, International Finance, University of Glasgow
- Bachelor of Science in Economics, University of Ibadan





“

## A Note from Oyebanji Fehintola, CFA

I am deeply honoured to be nominated to join the CFA Institute Board of Governors. I sincerely thank the Nominating Committee for their trust in me, and the opportunity to serve CFA Institute in this new capacity.

I became a founding board member of CFA Society Nigeria in 2013 and president in 2017, a position I held until March 2021. During my four years as president, CFA Society Nigeria won the Most Outstanding Society Award thrice. CFA Institute has been an integral part of my life for 17 years, and the CFA® charter has been very instrumental in my professional and personal journey. Being a member of our prestigious and globally respected organization has enhanced my ability to become one of the leading figures in the investment industry in Africa.

I started my career in banking in 1999 before joining Arthur Andersen (then one of the world's Big Four accounting firms) in 2000. In 2002, I started a career in global markets at Citibank, where I worked in the Fixed Income, Currencies, and Commodities team. In 2008, I became the pioneer treasurer of Africa Finance Corporation (AFC), a US\$8.5bn, investment grade rated, pan-African, supranational development finance institution with an investment footprint in 33 African countries. I am responsible for AFC's global capital markets activities, investor relations, balance sheet management, treasury client solutions, and I also run the financial institutions and trade finance business.

Over the years, I have built an extensive network of relationship with policymakers, regulators, investors, and other key stakeholders. I have been deeply involved in many initiatives to promote trust and capital market development in Africa. Given the continent's developmental challenges, I have seen firsthand the importance of having capital markets that work for the benefit of society. These issues are at the heart of what we stand for at CFA Institute, and I am very motivated to continue to push for CFA Institute to be the leading voice in capital market reforms in both developed and emerging markets. Functional capital markets promote investments that unlock economic prosperity, thereby addressing many of the challenges that the world faces. I believe that our work as investment professionals only has meaning when we impact lives. Therefore, as our institution engages with stakeholders globally, we need to be very intentional in ensuring that our work leads to development outcomes that make the world a better place for current and future generations.

I sincerely look forward to bringing new insights, expertise, and diversity to the Board of Governors and being an integral part of the great work that we are doing at CFA Institute in making finance a force for good.







# ▶▶ SECOND-TERM GOVERNOR NOMINEE **TRICIA ROTHSCHILD, CFA**

GOVERNOR SINCE <b>2019</b>	COUNTRY <b>United States</b>
TERM EXPIRES <b>2022</b>	REGION <b>AMER</b>
AGE <b>55</b>	SOCIETY MEMBERSHIP <b>Chicago</b>

### EXPERIENCE

- Audit
- CFA Institute Volunteer
- CFA Program
- Corporate Governance
- Education
- Human Resources
- Information Technology
- Leadership
- Not-for-Profit
- Public Company Board
- Regulatory
- Society Leadership



**CHARTERHOLDER**



**INDEPENDENT**



### Prior Positions

- ▶ President, Apex Fintech Solutions
- ▶ Chief Product Officer and Co-Head of Global Markets, Morningstar, Inc.
- ▶ Member, Executive Team/Executive Officer, Morningstar, Inc.

### Board Committee Service

- ▶ Audit and Risk Committee (FY2020)
- ▶ Executive Committee (FY2022)
- ▶ Governance Committee (FY2021)
- ▶ People and Culture Committee (FY2022)
- ▶ Risk Committee (FY2021\*, FY2022\*)

### Current Positions on Other Boards

- ▶ Advisory Board Member, The TIFIN Group
- ▶ Board Member, Financial Fitness Group

### Education

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

\* Denotes the governor served as Chair.



## ▶▶ SECOND-TERM GOVERNOR NOMINEE

# MARIA WILTON, CFA

GOVERNOR SINCE  
**2018**

TERM EXPIRES  
**2022**

AGE  
**57**

COUNTRY  
**Australia**

REGION  
**APAC**

SOCIETY MEMBERSHIP  
**Melbourne**

### EXPERIENCE

Audit	✓
CFA Institute Volunteer	
CFA Program	
Corporate Governance	✓
Education	
Human Resources	✓
Information Technology	
Leadership	✓
Not-for-Profit	✓
Public Company Board	
Regulatory	✓
Society Leadership	



### Current Position

- ▶ Director, Victorian Funds Management Corporation
- ▶ Director, Post Super Ltd.
- ▶ Director, Dexus Wholesale Property Fund

### Prior Positions

- ▶ Managing Director and Chairman, Franklin Templeton Investments Australia Limited
- ▶ Associate Director and Portfolio Manager, BT Financial Group (formerly Rothschild/Sagitta)
- ▶ Associate Director and Portfolio Manager, County Investment Management

### Board Committee Service

- ▶ Executive Committee (FY2021)
- ▶ Governance Working Group (FY2019, FY2020)
- ▶ People and Culture Committee (FY2020\*, FY2021\*, FY2022\*)
- ▶ Society Partnership Advisory Council (FY2019)

### CFA Institute Volunteer Experience

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

### Current Positions on Other Boards

- ▶ Deputy Chair, Infrastructure Victoria
- ▶ Director, WorkSafe Victoria
- ▶ Member, State Investment Advisory Board (Queensland)
- ▶ Director, Confident Girls Foundation

### 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.



“

## A Note from Maria Wilton, CFA

With a thirty-year career in investment management and extensive experience as a non-executive director in asset owning and pension fund entities, I would be pleased to make a continuing contribution to the CFA Institute mission as a member of the Board of Governors.

Our mission to contribute value to society by advancing ethics, market integrity, and professional standards in the investment management industry is a driving motivation for my work. We all need to use our experience to ensure clients make good investment decisions and receive the best possible outcomes. Our success is a key driver of the standard of living of people in their retirement, during their working lives, and in the educational opportunities they can provide for their children.

Building trust and confidence in our industry is crucial, and we need to continue our efforts to ensure positive relationships with regulators, policy makers, and academia to improve the standing of our industry at a time of many challenges. The role of investment management in capital markets and our economy more generally is vital, and investment stewardship is a key area of interest for me.

I am a passionate advocate for high standards of governance and ethical behavior. At CFA Institute, I have served as the co-Chair of the Governance Working Group (which led to the recommendation to enable the Board Chair to serve consecutive, one-year terms), Vice Chair of the Board of Governors, and I currently serve as the Chair of the People and Culture Committee and member of the Global Pension Index Advisory Board.

I am a frequent speaker at conferences and events, including society and charterholder presentations, with a focus on topics such as industry trends, regulation, building trust, the investment professional of the future, and sustainability.

I look forward to continuing to share best practices, trends and opportunities, and confronting our challenges with my CFA Institute colleagues—staff, societies, the Board of Governors, charterholders, and aspiring charterholders—to help our clients reach their goals.





# 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 2023 and 2024. Please visit the CFA Institute [website](#) to read each governor's biography.



## ▶▶ CONTINUING GOVERNOR

# MARSHALL BAILEY, CFA

GOVERNOR SINCE  
**2020**

TERM EXPIRES  
**2023**

AGE  
**55**

COUNTRY  
**United Kingdom**

REGION  
**EMEA**

SOCIETY MEMBERSHIP  
**United Kingdom**

### EXPERIENCE

Audit	✓
CFA Institute Volunteer	✓
CFA Program	
Corporate Governance	✓
Education	
Human Resources	✓
Information Technology	
Leadership	✓
Not-for-Profit	✓
Public Company Board	✓
Regulatory	✓
Society Leadership	✓



### Current Position

- ▶ Non-Executive Chairman, MUFG Securities EMEA plc
- ▶ Non-Executive Chairman, Financial Services Compensation Scheme (FSCS)

### Prior Positions

- ▶ Representative & Non-Executive Board Director, National Commercial Bank – Jeddah Public Investment Fund
- ▶ Non-Executive Chairman, CIBC Markets plc
- ▶ Non-Executive Director, London Stock Exchange Group

### Board Committee Service

- ▶ Risk Committee (FY2021, FY2022)
- ▶ Society Partnership Advisory Council (FY2021, FY2022)

### Society Volunteer Experience

- ▶ Board Member, CFA Society United Kingdom

### Current Positions on Other Boards

- ▶ Member, CFA Institute Research Foundation Board of Trustees

### Education

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



## ▶▶ CONTINUING GOVERNOR **ALEXANDER BIRKIN**

GOVERNOR SINCE

**2018**

COUNTRY

**United Kingdom**

TERM EXPIRES

**2024**

REGION

**EMEA**

AGE

**47**

### EXPERIENCE

Audit 

CFA Institute Volunteer

CFA Program

Corporate Governance

Education


Human Resources

Information Technology 

Leadership 

Not-for-Profit

Public Company Board

Regulatory 

Society Leadership



### Current Position

- ▶ Managing Partner, EMEIA Financial Services Consulting Leader, Ernst & Young

### Prior Positions

- ▶ Partner, Global Wealth and Asset Management Consulting Leader, Ernst & Young
- ▶ Partner, EMEIA FSO Wealth and Asset Management Industry Leader, Ernst & Young
- ▶ Partner, EMEIA FSO Wealth and Asset Management Consulting Leader, Ernst & Young

### Board Committee Service

- ▶ Audit and Finance Committee (FY2021, FY2022)
- ▶ Nominating Committee (FY2019, FY2020)
- ▶ Strategy SWAT Working Group (FY2021\*, FY2022\*)

### Current Positions on Other Boards

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

### Education

- ▶ Passed Finalist, 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.



# ▶▶ CONTINUING GOVERNOR **DAN FASCIANO, CFA**

GOVERNOR SINCE  
**2018**

TERM EXPIRES  
**2024**



AGE  
**55**

COUNTRY  
**United States**

REGION  
**AMER**

SOCIETY MEMBERSHIP  
**Boston**

## EXPERIENCE

- Audit
- CFA Institute Volunteer 
- CFA Program
- Corporate Governance
- Education
- Human Resources
- Information Technology
- Leadership
- Not-for-Profit
- Public Company Board
- Regulatory
- Society Leadership 



### Current Position

- ▶ Director, GW&K Investment Management

### Prior Positions

- ▶ National Director, Portfolio Management, Bank of New York Mellon Wealth Management
- ▶ Director, State of Florida Treasury
- ▶ Head, US Investment Office, Aviva Investors
- ▶ Director, Fixed Income, Aviva Investors

### Board Committee Service

- ▶ Governance Working Group (FY2020)
- ▶ Investment Committee (FY2019, FY2020\*)
- ▶ Nominating Committee (FY2022)
- ▶ Society Partnership Advisory Council (FY2018\*\*, FY2021\*\*, FY2022\*\*)

### CFA Institute Volunteer Experience

- ▶ Member, Annual Conference Advisory Group

### Society Volunteer Experience

- ▶ 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.





# ▶▶ CONTINUING GOVERNOR JOANNE HILL, PHD

GOVERNOR SINCE  
**2021**

TERM EXPIRES  
**2024**

AGE  
**72**

COUNTRY  
**United States**

REGION  
**AMER**

SOCIETY MEMBERSHIP  
**South Carolina**

## EXPERIENCE

- Audit
- CFA Institute Volunteer
- CFA Program
- Corporate Governance
- Education
- Human Resources
- Information Technology
- Leadership
- Not-for-Profit
- Public Company Board
- Regulatory
- Society Leadership



### Current Position

- ▶ Chief Advisor, Research and Strategy, Cboe Vest
- ▶ Adjunct Professor, Finance, College of Charleston

### Prior Positions

- ▶ Head, Institutional Investment Strategy, ProShares
- ▶ Managing Director, Goldman Sachs
- ▶ Managing Director, PaineWebber

### Board Committee Service

- ▶ Society Partnership Advisory Council (FY2022)

### Society Volunteer Experience

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

### Current Positions on Other Boards

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

### Education

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



## ▶▶ CONTINUING GOVERNOR

# HEINZ HOCKMANN, PHD

GOVERNOR SINCE  
**2021**

TERM EXPIRES  
**2024**

AGE  
**69**

COUNTRY  
**Germany**

REGION  
**EMEA**

### EXPERIENCE

- Audit
- CFA Institute Volunteer
- CFA Program
- Corporate Governance
- Education
- Human Resources
- Information Technology
- Leadership
- Not-for-Profit
- Public Company Board
- Regulatory
- Society Leadership



### Current Position

- ▶ Member, Advisory Council, Lovell Minnick Partners LLC
- ▶ Regular Lecturer, Justus-Liebig University Giessen, TU Chemnitz and Smith College
- ▶ Non-Executive Chairman, Silk Invest Limited

### Prior Positions

- ▶ CEO, Fortis Investment Management S.A.
- ▶ Chief Executive, Westfalenbank AG
- ▶ Member, Board of Managing Directors, Commerzbank AG

### Board Committee Service

- ▶ Governance Committee (FY2022)

### Current Positions on Other Boards

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

### Education

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



# ▶▶ CONTINUING GOVERNOR

## PUNITA KUMAR-SINHA, PHD, CFA

GOVERNOR SINCE  
**2018**

TERM EXPIRES  
**2024**

AGE  
**59**

COUNTRY  
**India/United States**

REGION  
**APAC**

SOCIETY MEMBERSHIP  
**Boston**

### EXPERIENCE

Audit	✓
CFA Institute Volunteer	
CFA Program	
Corporate Governance	✓
Education	
Human Resources	✓
Information Technology	✓
Leadership	✓
Not-for-Profit	
Public Company Board	✓
Regulatory	✓
Society Leadership	



### Current Position

- ▶ Founder and Managing Partner, Pacific Paradigm Advisors LLC
- ▶ Founder and Director, Paradigm Advisors Pvt. Limited

### Prior Positions

- ▶ Senior Managing Director and CIO & Head, Blackstone Asia Advisors, The Blackstone Group
- ▶ CIO and Senior PM, New York Stock Exchange Listed India Fund and Asia Tigers Fund
- ▶ Managing Director, Oppenheimer & Company / CIBC Oppenheimer

### Board Committee Service

- ▶ Audit and Finance Committee (FY2021, FY2022)
- ▶ Audit and Risk Committee (FY2019)
- ▶ Governance Committee (FY2020)
- ▶ Investment Committee (FY2020)
- ▶ Investment Subcommittee (FY2021\*, FY2022\*)

### CFA Institute Volunteer Experience

- ▶ Conference Speaker

### Society Volunteer Experience

- ▶ Event Speaker and Moderator
- ▶ Presenter, Charter Award Ceremonies

### Current Positions on Other Boards

- ▶ Member, CFA Institute Research Foundation Board of Trustees
- ▶ Independent Director, Lupin (Chair, Audit Committee and Member, Nomination and Remuneration Committee)
- ▶ Independent Director, JSW Steel (Chair, Hedging Policy Review Committee and Member, Risk Management and Business Responsibility Committees)
- ▶ Blackstone Embassy REIT (Chair, Stakeholders Relationship Committee)

### 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

\* Denotes the governor served as Chair.



## ▶▶ CONTINUING GOVERNOR

# YIMEI LI, CFA

GOVERNOR SINCE  
**2020**

TERM EXPIRES  
**2023**


AGE  
**46**

COUNTRY  
**China**

REGION  
**APAC**

SOCIETY MEMBERSHIP  
**Beijing**

### EXPERIENCE

- Audit
- CFA Institute Volunteer 
- CFA Program
- Corporate Governance
- Education
- Human Resources 
- Information Technology 
- Leadership 
- Not-for-Profit 
- Public Company Board
- Regulatory 
- Society Leadership



### Current Position

- ▶ CEO, China Asset Management Co. Ltd.

### Prior Positions

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

### Board Committee Service

- ▶ Audit and Finance Committee (FY2021, FY2022)
- ▶ Strategy SWAT Working Group (FY2021, FY2022)

### Current Positions on Other Boards

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

### Education

- ▶ Master in Public Policy, International Finance, Harvard Kennedy School
- ▶ Bachelor of Economics, Marketing, Renmin University of China
- ▶ Master in Economics, Renmin University of China
- ▶ Chartered Financial Analyst, CFA Institute





# ▶▶ CONTINUING GOVERNOR GEOFFREY NG, CFA

GOVERNOR SINCE  
**2018**

TERM EXPIRES  
**2024**

AGE  
**48**

COUNTRY  
**Malaysia**

REGION  
**APAC**

SOCIETY MEMBERSHIP  
**Malaysia**

## EXPERIENCE

Audit	✓
CFA Institute Volunteer	✓
CFA Program	✓
Corporate Governance	
Education	
Human Resources	✓
Information Technology	✓
Leadership	✓
Not-for-Profit	
Public Company Board	✓
Regulatory	
Society Leadership	✓



### Current Position

- ▶ Director, Strategic Investments, Fortress Capital Asset Management

### Prior Positions

- ▶ Executive Director/CEO, Hong Leong Asset Management Group
- ▶ Managing Director, Alioth Capital
- ▶ Senior Vice President, Dubai Investment Group

### Board Committee Service

- ▶ Audit and Finance Committee (FY2021\*, FY2022\*)
- ▶ Audit and Risk Committee (FY2019, FY2020)
- ▶ Board Liaison to the Disciplinary Review Committee (FY2020)
- ▶ Nominating Committee (FY2022)
- ▶ Society Partnership Advisory Council (FY2021)

### CFA Institute Volunteer Experience

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

### Society Volunteer Experience

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

### Current Positions on Other Boards

- ▶ Chairman, Kronologi Asia Berhad
- ▶ Executive Director, Fortress Capital Asset Management Sdn Bhd
- ▶ Non-Executive Director, MiyaHealth Pte. Ltd.
- ▶ Non-Executive Director, CAPE EMS Berhad
- ▶ Non-Executive Director, FMX (M) Sdn Bhd

### Education

- ▶ Fintech Certificate, 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

\* Denotes the governor served as Chair.



►► PRESIDENT & CEO

# MARGARET FRANKLIN, CFA

GOVERNOR SINCE  
**2019**

AGE  
**57**

COUNTRY  
**United States**

REGION  
**AMER**

SOCIETY MEMBERSHIP  
**Toronto**

**EXPERIENCE**

- Audit
- CFA Institute Volunteer
- CFA Program
- Corporate Governance
- Education
- Human Resources
- Information Technology
- Leadership
- Not-for-Profit
- Public Company Board
- Regulatory
- Society Leadership



**CHARTERHOLDER**



**Current Position**

- President and Chief Executive Officer, CFA Institute

**Prior Positions**

- President, BNY Mellon Wealth Management, Advisory Services
- Board Member, BNY Mellon Trust Company
- President, Marret Private Wealth, and COO of Marret Asset Management

**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, FY2022)

**CFA Institute Volunteer Experience**

- Past President and Board Member, CFA Society Toronto
- Past Chair and Member, CFA Institute Board of Governors (FY2004-FY2012)

**Current Positions on Other Boards**

- Board Trustee, CFA Institute Research Foundation

**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.



**KARINA  
LITVACK**

## EXPERIENCE

- Audit
- CFA Institute Volunteer
- CFA Program
- Corporate Governance ✓
- Education
- Human Resources ✓
- Information Technology
- Leadership ✓
- Not-for-Profit ✓
- Public Company Board ✓
- Regulatory
- Society Leadership



**DIANE NORDIN,  
CFA**

## EXPERIENCE

- Audit ✓
- CFA Institute Volunteer ✓
- CFA Program
- Corporate Governance ✓
- Education
- Human Resources ✓
- Information Technology
- Leadership ✓
- Not-for-Profit ✓
- Public Company Board ✓
- Regulatory
- Society Leadership

## VOTING MATTERS

# PROPOSAL 11

### **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 2022 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 2022.





# 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 by 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.

The AFC has reviewed the Audit Matters section and approved it for inclusion in the 2022 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 Finance Committee held 10 meetings (all video conference calls) in fiscal year 2021. During fiscal year 2022, 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 2021. 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 2021 be included in the Annual Report.

## Audit and Finance Committee Fiscal Year 2022



**Geoffrey Ng,  
CFA (Chair)**



**Punita Kumar-Sinha,  
PhD, CFA**



**Alexander Birkin**



**Yimei Li,  
CFA**

## Appointment of the Independent Registered Public Accounting Firm

The AFC appointed KPMG LLP as the organization’s independent registered public accounting firm for fiscal year 2022. 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

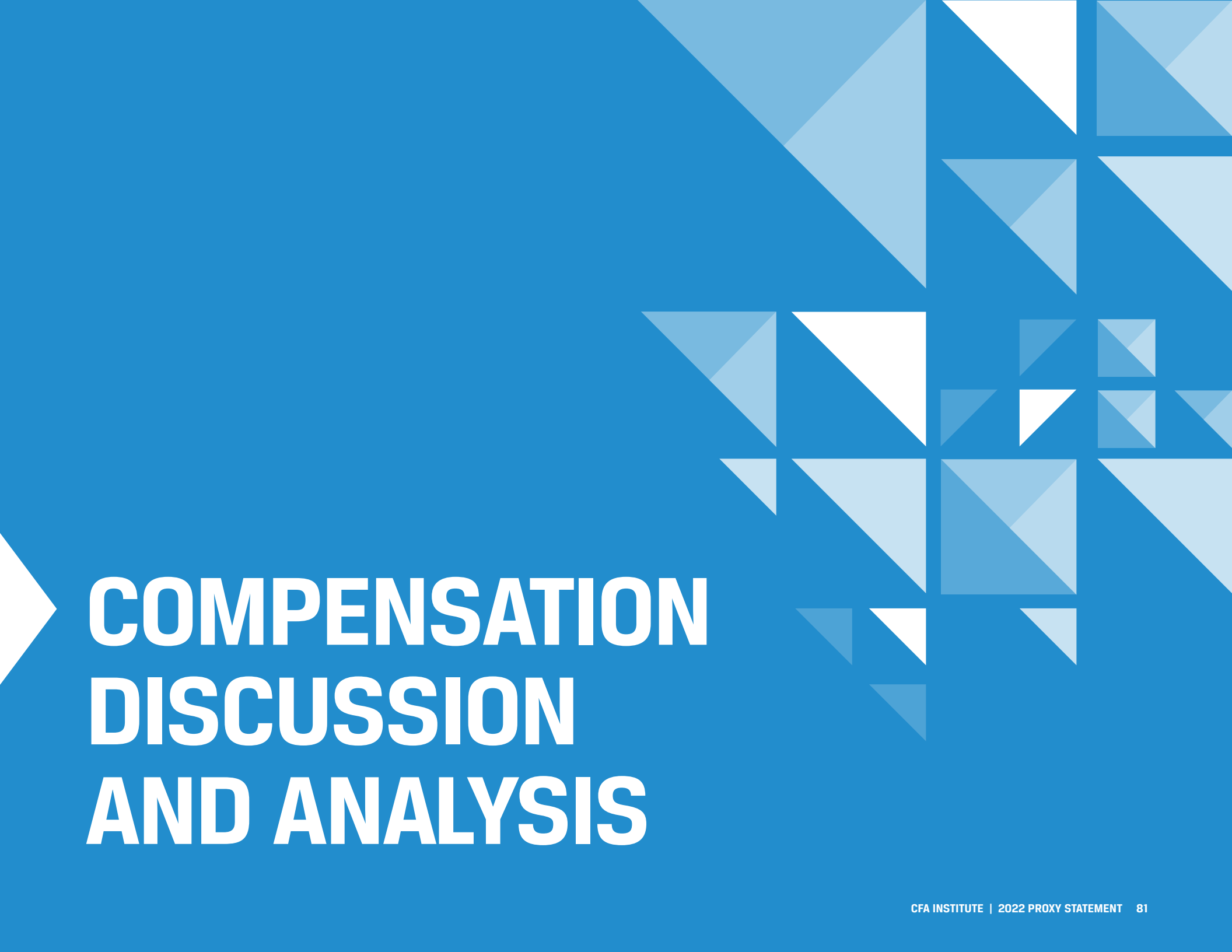
The following is a summary and description of fees in US dollars for services provided by KPMG LLP for fiscal years ended 31 August 2021 and 2020 (in thousands):

	Audit <sup>(a)</sup>	Audit Related <sup>(b)</sup>	Tax <sup>(c)</sup>	Total
2021	\$438	45	32	\$515
2020	\$470	43	36	\$549

- 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

The People and Culture Committee (PAC) has reviewed the Compensation Discussion and Analysis section and approved it for inclusion in the 2022 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 three 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.

## People and Culture Committee Fiscal Year 2022



**Maria Wilton,**  
CFA (Chair)



**Mark Lazberger,**  
CFA



**Tricia Rothschild,**  
CFA



## Governance Measures

- ▶ Appointment of a People and Culture Committee (PAC) composed 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 CAO

The Chief Administrative Officer (CAO) 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 CAO 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

- ▶ Peer companies based on mission, revenue, headcount, and global presence
- ▶ Pay data is collected from publicly disclosed IRS form 990s

## INVESTMENT MANAGEMENT

- ▶ Focusing on investment management firms, competitive market data is provided for the chief executive and other select executive positions
- ▶ Data is summarized by location and size of organization

## GENERAL INDUSTRY

- ▶ Pay data includes pay levels from the global markets in which our offices are located
- ▶ Data is sourced from third-party general industry survey providers
- ▶ This data is a mix of for-profit and not-for-profit firms
- ▶ Analysis is focused on similarly sized organizations



## 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.

### 1 **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.

### 2 **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 the following:

### 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 2021 COMPENSATION ACTIONS

- ▶ Effective 1 December 2021, the following salary increases were approved for the remaining named executive officers:
  - 18.2% for Chief Executive Officer
  - 10.0% for Chief Operating Officer
  - 8.2% for Managing Director, Credentialing
  - 6.7% for Chief Legal Officer
- ▶ Allison Holmes resigned from the position of Chief Financial Officer effective 24 August 2021 and therefore was not eligible for a fiscal year 2021 salary increase.

### 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 2021 COMPENSATION ACTIONS

- ▶ Annual incentive for the CEO for fiscal year 2021 was determined by the People and Culture Committee of the Board at 77% of base salary.
- ▶ Allison Holmes resigned from the position of Chief Financial Officer effective 24 August 2021 and therefore was not eligible for a fiscal year 2021 annual incentive.
- ▶ Annual incentives for the remaining named executive officers for fiscal year 2021 ranged from 50% to 80%. The average managing director incentive awarded was approximately 64%.
- ▶ Due to the financial impact of the COVID-19 pandemic in fiscal year 2020, payment of a \$250,000 sign-on bonus to the CEO was deferred by one year. The payment was made in fiscal year 2021.

## Retirement Program

CFA Institute provides a US 401(k) retirement plan for all employees paid through US payroll. In 2021, 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 United States. 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.

401(k) employer contributions of CFA Institute included a fixed 12% safe harbor contribution.

## 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 United States 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 2021.

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 2021, (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 2021)—resulting in a net employee population of 571 employees, and (iv) adjusted non-US employee pay applying foreign currency translation rates.

### **For 2021, 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 \$120,500, and
- ▶ the annual total compensation of our CEO for the purposes of determining the CEO pay ratio was \$1,256,700.

Based on this information, for 2021, 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 10 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.



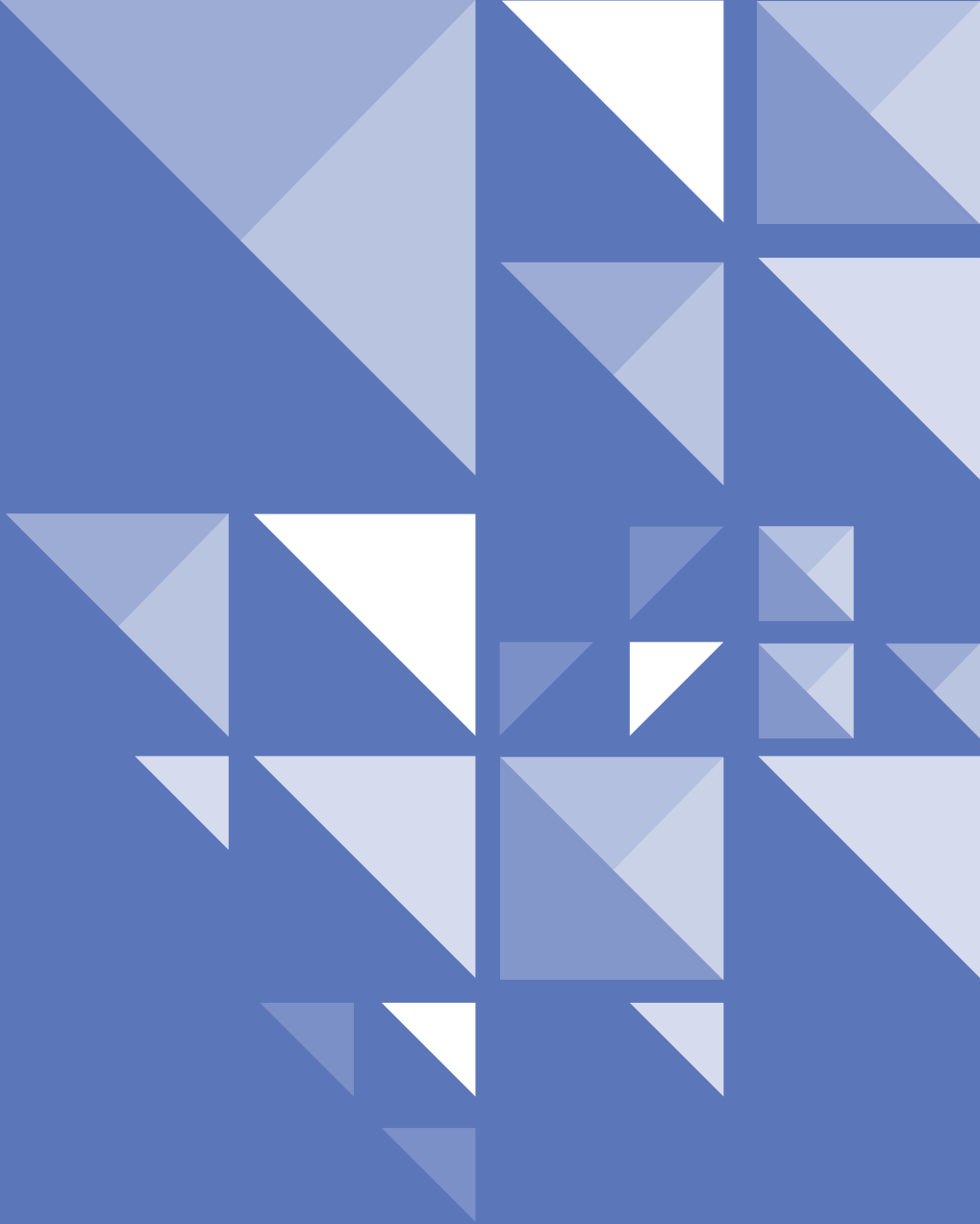
## Compensation Summary Table for the Top Five Named Executive Officers

The following table provides compensation information for the top five named executive officers, which includes the Chief Executive Officer, Chief Financial Officer, and next three top-paid executives, who served on the Leadership Team in fiscal year 2021 (sorted by earnings). The amounts are shown in US dollars.

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	Base Salary <sup>(1)</sup>	Incentive <sup>(2)</sup>	Retirement Restoration <sup>(3)</sup>	Retirement Plan Contribution <sup>(4)</sup>	Bonus (Sign-On, Other) <sup>(5)</sup>	Total <sup>(6)</sup>
Margaret Franklin, CFA, President & Chief Executive Officer	\$550,000	\$422,500	\$31,800	\$34,200	\$250,000	<b>\$1,288,500</b>
Allison Holmes, FCCA, Chief Finance & Risk Officer (separated 24 Aug 2021)	\$343,924	\$0	\$28,800	\$36,971	\$0	<b>\$409,695</b>
Marty Colburn, Managing Director, Chief Operating Officer	\$300,000	\$240,000	\$16,200	\$34,200	\$0	<b>\$590,400</b>
Sheri Littlefield, JD, Managing Director, General Counsel & Chief Legal Officer	\$328,000	\$213,200	\$5,196	\$34,164	\$0	<b>\$580,560</b>
Peg Jobst, Managing Director, Credentialing	\$305,000	\$228,750	\$1,961	\$34,639	\$0	<b>\$570,350</b>

- 1) Salary paid in the fiscal year. In the case of officers who joined after the fiscal year began or separated prior to the end of the fiscal year, the amounts shown reflect partial year earnings.
- 2) Incentive earned in the fiscal year; payouts fall in the next fiscal year.
- 3) Restoration earned in that fiscal year. Amounts reflect payment made in order to compensate executives for the unfunded retirement/pension contributions due to government-imposed compensation and/or contribution limits. United States annual compensation cap for 401(k) contributions was \$285,000 for calendar year 2020; restoration amounts were paid in January 2021.
- 4) Employer retirement contributions made to the executive's retirement or pension plan.
- 5) The bonus as reported under this category includes a deferred sign-on payment of \$250,000 for Ms. Franklin. CFA Institute executives may also receive taxes, tax gross-ups related to business travel, and tax return preparation services depending on individual circumstances.
- 6) Total represents total value of columns 1-5.



# 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 Articles of Incorporation and Bylaws (ii) the election of the nominees for Chair and Vice Chair, (iii) the election of the four 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 Articles of Incorporation requires two-thirds of the votes cast and 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 four 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 2021, 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 virtually. During the meeting, please visit <https://zoom.us/j/91461471243>. 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 +1 877 853 5247 (US Toll Free) and entering the Meeting ID: 914 6147 1243. If you need a different number, you can find your local number [here](#). To listen to the meeting recording after the session has concluded, please visit our [Governance](#) page on our website.









# APPENDIX

Amended CFA Institute Articles of Incorporation & Bylaws

# CFA Institute Articles of Incorporation

(A Virginia Nonstock Corporation) Amended 14 July 2022

## ARTICLE 1 – NAME

The name of the corporation is “CFA Institute.”

## ARTICLE 2 – PURPOSES

The purposes of CFA Institute are to promote and advance the “Investment Decision Making Process,” consisting of financial analysis, investment management, securities analysis, stewardship, and other similar professional endeavors, through education, instruction and training; examinations and professional credentialing; research and advocacy; publications and communications; technical standards for professional practice; ethical and behavior codes; and other policies, programs, activities, and operations that promote and advance the Investment Decision Making Process.

## ARTICLE 3 – POWERS

CFA Institute is organized as a not-for-profit corporation pursuant to the Virginia Nonstock Corporation Act (“Act”) and shall not issue shares of stock, shall not pay dividends, and no part of the assets or net earnings of CFA Institute shall inure to the private benefit of any director (known as a Governor as defined in Article 5 below), officer, or other individual. Notwithstanding the foregoing, CFA Institute may pay compensation in a reasonable amount to its officers, agents, or employees for services rendered.

CFA Institute shall not make any distribution upon dissolution or final liquidation except as provided herein. CFA Institute is organized and shall be operated as an organization described in Section 501(c)(6) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future United States internal revenue law (the “Code”), and it may engage only in activities that may be carried on by a corporation exempt from federal income taxation under said section.

## ARTICLE 4 – MEMBERS

CFA Institute shall have one (1) or more classes of members as designated in its Bylaws. The Bylaws shall also state the qualifications and rights of the members of each class and shall confer, limit, or deny the right to vote.

No materially adverse change shall be made to the rights and privileges of any class of Individual Members, voting or nonvoting, including but not limited to: (a) voting rights except as required by law, (b) diminution of membership rights and privileges except those that apply to all classes of Individual Members in an equitable manner, or (c) additional or different requirements to attain or maintain membership in a class of Individual Members without the affirmative vote of more than two-thirds (2/3) of the votes of the members of the class of Individual Members so affected (whether otherwise voting or nonvoting members) cast at a meeting of members at which a quorum of members entitled to vote is present.

## ARTICLE 5 – BOARD OF GOVERNORS

All corporate powers shall be exercised by or under the authority of, and the business of CFA Institute managed under the direction of, its board of directors, subject to any limitation contained herein.

The board of directors shall be known as the Board of Governors (the “Board”) and the directors shall be known as Governors. The number of Governors shall be fixed in accordance with the Bylaws but shall not be less than ten (10) nor more than fifteen (15) Governors, including ex officio Governors.

The President shall serve as an ex officio member of the Board for a term concurrent with his or her respective term in office. Except as set forth in the last sentence of this Article 5, other Governors shall be elected by the Regular Members of CFA Institute at the annual meeting of members and each serve 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 the CFA Institute fiscal year. Each Governor shall be elected by the Regular Members of CFA Institute entitled to vote in the election by the vote of a majority of the votes cast with respect to the nominee at any meeting for the election of Governors at which a quorum is present, provided, however, that the Governors shall be elected by a plurality of the votes cast by the Regular Members of CFA Institute entitled to vote in the election of Governors at any meeting of Regular Members of CFA Institute for which the Secretary of CFA Institute receives a notice that a Regular Member has nominated a person for election as a Governor in compliance with Article 9.5 of the Bylaws and such nomination has not been withdrawn on or prior to the tenth (10th) day preceding the date CFA Institute first mails its notice of meeting for such meeting to the Regular Members. For purposes of this Article 5, a majority of the votes cast means that the number of votes cast “for” a nominee’s election must exceed the votes cast “against” such nominee’s election. Each Governor shall serve until the election and

qualification of his or her successor. In the event that any Chair or Vice Chair is either (i) not an elected Governor immediately prior to serving in such office or (ii) an elected Governor whose term on the Board has or would otherwise expire prior to or during his or her term in such office, the Chair or Vice Chair shall serve as an ex officio member of the Board for a term concurrent with his or her term in office.

## ARTICLE 6 – DISSOLUTION

In the event of dissolution of CFA Institute, the assets of CFA Institute shall be applied and distributed in the following order:

- a** all liabilities and obligations of CFA Institute shall be paid, satisfied, and discharged or adequate provision shall be made therefore;
- b** assets held by CFA Institute upon condition requiring return, transfer, or conveyance, which condition occurs by reason of the dissolution, shall be returned, transferred, or conveyed in accordance with such requirements;
- c** assets received and held by CFA Institute subject to limitations permitting their use only for charitable, religious, eleemosynary, benevolent, educational, or similar purposes, but not held upon a condition requiring return, transfer, or conveyance by reason of the dissolution, shall be transferred or conveyed to one (1) or more domestic or foreign corporations, societies, or organizations engaged in activities substantially similar to those of CFA Institute, pursuant to a plan of distribution adopted as provided by law or as a court may direct; and
- d** all of the remaining assets of CFA Institute shall be distributed to one (1) or more organizations serving the general interests of professions involving the Investment Decision-Making Process, as may be selected by the Board, but no distribution upon dissolution shall be made to any organization that is not exempt from federal income taxation under either Section 501(c)(3) or Section 501(c)(6) of the Code, or successor provisions of any future applicable tax code.

## CFA Institute Bylaws

(A Virginia Nonstock Corporation)

### ARTICLE 1 – NAME, LOCATION, PURPOSES, 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.
- 1.4 Purposes.** The purposes of CFA Institute are to promote and advance the “Investment Decision Making Process,” consisting of financial analysis, investment management, securities analysis, stewardship, and other similar professional endeavors, through education, instruction and training; examinations and professional credentialing; research and advocacy; publications and communications; technical standards for professional practice; ethical and behavior codes; and other policies, programs, activities, and operations that promote and advance the Investment Decision Making Process.

### 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 be amended.
- 2.9 “Covered Person”** is any individual who is: a CFA Institute Charterholder, a Regular, Affiliate, or other class of Member, a Candidate, a Postponed Candidate, an individual that has passed the CFA® Level III 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 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 persons who are Regular Members, Affiliate Members, Charterholder Members, or Members in another class of membership.
- 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 “Postponed Candidate”** is an individual who has registered for the CFA Program, but is not a Candidate as defined in the Bylaws.
- 2.15 “Professional Conduct Statement”** is a form prepared by CFA Institute that must be signed annually and submitted by all Individual Members and Candidates.
- 2.16 “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, Member Societies, and other classes of non-voting membership for individuals, as determined by the Board.
- 3.2 Regular Members.** Each applicant seeking to become 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 and Charterholder 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, Member Societies, and other classes of membership for individuals as determined by the Board, 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, Affiliate Members, or other classes of membership for individuals as determined by the Board.

**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 Charter Financial Analyst<sup>®</sup> (CFA<sup>®</sup>) 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 appointed by the Board to serve at its pleasure;
  - ii be entitled to compensation as approved by the Compensation Committee;
  - iii be the chief executive officer of CFA Institute;
  - iv have the power and authority to appoint and remove officers other than the Chair, Vice Chair, Secretary, and Chief Financial Officer;



- v have management, supervision and control of, and responsibility for the business of CFA Institute, subject to the direction of the Board; and
  - vi 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 act 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 the 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** The Chair shall serve as an ex officio member;
  - 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 fiscal year basis and commencing no later than 1 September, 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.
- d** Each member of the Nominating Committee other than the 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 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 members; 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 candidate(s) to assist CFA Institute in fulfilling its purposes.

**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 other than the Chair, 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 – LIMIT ON LIABILITY AND INDEMNIFICATION

**10.1 Non-Liability.** To the fullest extent permitted by law, a Governor or officer of CFA Institute shall not be liable for monetary damages.

**10.2 Indemnification.** To the fullest extent permitted by law, CFA Institute shall indemnify and advance reasonable expenses to, any individual who was, is, or is threatened to be made a party in any proceeding because he or she is or was a Governor, officer, employee, or agent (including committee members and other volunteers) of CFA Institute, or is or was serving at the request of CFA Institute as a director, officer, partner, trustee, employee, or agent of another corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise.

## ARTICLE 11 – FINANCES

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

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

**11.3 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 12 – STANDARDS AND DISCIPLINARY PROCESS

**12.1 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.

**12.2 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.

**12.3 Disciplinary Sanctions and Grounds of 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.

**12.4 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 13 – AMENDMENT OF THE BYLAWS**

- 13.1 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: Section 2.8, 2.9, 2.16, 2.17 and Articles 5, 6, 7, 10 and 11.
- 13.2 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, Bylaws, or otherwise by applicable law.

