



PEOPLE AND CULTURE COMMITTEE CHARTER

Purpose

The purpose of the People and Culture Committee (the “Committee”) is to carry out the responsibilities delegated by the Board of Governors (the “Board”) of CFA Institute relating to organizational capability and ensuring the organization is viewed as an Employer of Choice in the markets in which we operate. Pursuant to that purpose, key items of focus are:

- 1) Review output of the annual Talent Review producing a robust succession plan and high potential slate ensuring the organization has top talent in critical roles and internal talent pipelines are being developed with a focus on enhancing organizational capability.
- 2) Provide oversight of compensation policies, programs and related plans, with an emphasis on those pertaining to the executive officers of CFA Institute.
- 3) Review annual goals, performance against those goals and recommend compensation of the President and Chief Executive Officer (the “CEO”).
- 4) Review compensation recommendations for all key executives on the leadership team.
- 5) Review annual development plans of executive officers as applicable and discuss retention issues for this group and other critical talent in the organization.
- 6) Discuss key activities focused on evolving employee engagement and organizational culture.
- 7) Discuss any People-related issues (labor practices, EEO activity, executive separation events, etc.) that may create risk for the organization. Depending on the level of risk associated, these issues may also be reviewed by the Risk Committee.
- 8) Provide oversight of the diversity and inclusion program for CFA Institute.

These matters, and all other matters discussed by the Committee will be executed in accordance with and subject to the Bylaws of CFA Institute, as such Bylaws may be amended from time to time (the “Bylaws”). For purposes of this Charter, the term “executive officers” refers to the officers and managing directors in the positions for which compensation disclosure is included in the annual proxy statement to members.

Membership

Each member of the Committee shall be independent in accordance with the applicable rules and standards of the New York Stock Exchange and any independence guidelines of CFA Institute that apply to members of the Committee.

The Committee shall consist of the Chair of the Board and a minimum of two Governors who ideally has compensation experience. The Governor appointment shall serve as a member of the Committee for a period of time that is desirable to better foster continuity of the committee.

The Board shall appoint a Governor to serve as the Committee’s Chair (the “Chair”).

The CEO is invited to attend the Committee meetings as an invited guest and is not a voting member of the Committee.

Meetings

The Chair shall preside at meetings of the Committee and shall set the agenda in consultation with the members.

The Committee shall meet as often as deemed necessary or appropriate, in its judgment, to discharge its duties and responsibilities, but at least once per year. Meetings of the Committee may be held in-person and/or via telephonic or electronic or video conference, and at such times and places as the Committee determines. A majority of the members shall constitute a quorum. If a quorum is present, a majority of the members present shall decide any matter brought before the Committee. The Chair may call a meeting of the Committee upon due notice to all other members at least one month prior to the meeting as standard practice and at least 48 hours prior to the meeting for more urgent matters.

Notice by electronic mail shall be sufficient notice. The Committee may also act by written consent signed by all of its members.

The Committee, through its Chair, may invite such executive officers of CFA Institute to its meetings, or to meetings with the Committee's advisers, as the Committee deems appropriate. However, the Committee shall meet regularly without such members of management present, and in all cases executive officers shall not be present at Committee meetings at which their compensation or performance is discussed.

Duties and Responsibilities of the Committee and Decision Rights

In addition to carrying out any other responsibilities delegated to the Committee by the Board, the Committee shall:

People and Culture Matters

Action	Decision Rights	Consulting Entity	Committee Oversight
CEO and Chief Legal Officer (the "CLO") of CFA Institute are considered "Board Reporting Executives." For the CEO, the Committee shall annually review and approve the goals and objectives prior to the start of the fiscal year.	People & Culture Committee		
At the end of the performance period, the Committee shall evaluate CEO performance by weighing in on the organization's overall performance and progress toward strategic objectives in addition to individual performance.	People & Culture Committee		
CEO compensation shall be recommended by the Committee and approved by the Board.	Board of Governors		●
Performance evaluation for the CLO will be done jointly by the Board Chair and CEO.	Board Chair & CEO		●
Discuss the CEO's performance evaluations and related compensation determinations for executives on the leadership team; the CEO shall determine compensation for the executives on the leadership team, including that of the CLO. The CEO shall keep the Committee informed of any decisions regarding the CLO.			●

Delegate authority to the CEO and Chief Administrative Officer to administer and amend the compensation plans, policies and programs of CFA Institute as appropriate as it relates to employees that are not executives.	CEO & Chief Administrative Officer		●
Review performance metrics and approve the projected aggregate expense of merit increases and incentive amounts for all employees, including executives on the leadership team, of CFA Institute. The executive incentive payouts shall not be paid until the Board of Governors approves the year-end audited financial statements for CFA Institute.	People & Culture Committee		
Develop and recommend to the Board for approval a succession plan covering the office of CEO and other executive officer positions of CFA Institute as the Board or Committee deems appropriate (the "Succession Plan"); review the Succession Plan at least annually with the CEO, develop and evaluate potential candidates for the office of CEO and, if applicable, other executive officer positions of CFA Institute and recommend to the Board any changes to, and any candidates for succession under, the Succession Plan.	Board of Governors		●
Gauge the competitiveness of executive officer compensation at CFA Institute, and ensure that a comparative compensation study is conducted every other year by an independent, global and world-recognized consulting firm.			●
Oversee the diversity and inclusion program at CFA Institute through quarterly the dashboards and reports provided by management.			●

Working Groups and Reporting

Action	Decision Rights	Consulting Entity	Committee Oversight
Report significant people-related issues involving legal implications for the organization to the Risk Committee.		Risk Committee	●
Create working groups of the Committee as needed and inform the Governance Committee of the purpose, scope, and deliverables.	People & Culture Committee	Governance Committee	

Report regularly to the Board on actions taken and significant matters reviewed by the Committee and maintain minutes or other records of Committee meetings and activities.			●
Be responsible to the Board for its activities.			●

Authority to Engage Advisers

Action	Decision Rights	Committee Oversight
The Committee shall have the authority, in its sole discretion, to select, retain, and obtain the advice of a compensation consultant as necessary to assist with the execution of the Committee's duties and responsibilities as set forth in this Charter. The Committee shall set the compensation and oversee the work of the compensation consultant. The Committee shall have the authority, in its sole discretion, to retain and obtain the advice and assistance of outside legal counsel and such other advisers as it deems necessary to fulfill its duties and responsibilities under this Charter. The Committee shall set the compensation and oversee the work of its outside legal counsel and such other advisers. The Committee shall receive appropriate funding from CFA Institute, as determined by the Committee in its capacity as a committee of the Board, for the payment of compensation to its compensation consultants, outside legal counsel and any other advisers. However, the Committee shall not be required to implement or act consistently with the advice or recommendations of its compensation consultant, legal counsel or other advisers to the Committee, and the authority granted in this Charter shall not affect the ability or obligation of the Committee to exercise its own judgment in fulfilment of its duties under this Charter.	People and Culture Committee	
In retaining or seeking advice from compensation consultants, outside legal counsel and other advisers, the Committee must take into consideration the applicable independence factors specified in the New York Stock Exchange Listed Company Manual.		●

Notification Only

The Committee will be notified of and have the opportunity to review the following matters; and, if deemed necessary by the Chair, can request a formal discussion at one of their meetings.

- Review the Compensation Discussion and Analysis and Inclusion and Diversity, Corporate Citizenship, and Environmental Sustainability reports for inclusion in the annual proxy statement prior to submission for Board approval.

Annual Evaluation

The Governance Committee (the “GC”) will conduct an annual evaluation of the performance of the Committee, including a review of the adequacy of this Charter annually, and recommend to the Board such amendments as the GC deems appropriate.

Executive Liaison

The management liaison to the Committee is the Chief People Officer.