

## NOMINATING AND GOVERNANCE COMMITTEE (NGC) CHARTER

### Purpose

The Nominating and Governance Committee (the “Committee”) is established in the CFA Institute Bylaws in accordance with Article 9 to:

- Submit nominations for qualified candidates for Governor and oversee the nominations process for Board of Governors, ensuring the process reflects the highest standards of transparency, independence, and accountability;
- Oversee the Board, Committee, and Governor performance evaluation process;
- Develop, review periodically, and recommend amendments to the governance practices, processes, and structures of CFA Institute;
- Consult with the Board Chair as to Board committee leadership and composition;
- Lead Board Chair succession planning, including identifying and cultivating future leaders;
- Provide oversight of governance policies relating to its engagement with members;
- Review and recommend updates to the Articles of Incorporation, Bylaws, policies, and job descriptions; and
- Monitor trends and external developments affecting the organization’s governance environment.

### Membership

The Committee shall be composed of members as defined in the Bylaws, which includes:

- A minimum of two (2) Regular Members elected annually by the board who are serving as Governors;
- The CFA Institute Chair shall serve as an ex officio member;
- The Board shall elect the chair of the Nominating and Governance Committee from among the members of the Nominating and Governance Committee. The CFA Institute Chair is not eligible to serve as chair of the Nominating and Governance Committee.

Each member shall be independent per NYSE standards and CFA Institute independence guidelines. The Board shall appoint the Committee Chair from among its members (excluding the ex officio CFA Institute Chair).

The CFA Institute Vice Chair of the Board shall presumptively serve as Chair of the Committee unless otherwise designated by the Board.

No member of the Nominating and Governance Committee other than the CFA Institute Chair, while serving on the committee, may be nominated for a Board position.

### Meetings

The Committee 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. Meetings of the Committee may be held in-person and/or via telephonic 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, acting 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.

The individual serving as Chair of CFA Institute and ex officio member of the Committee will recuse himself or herself from the review and recommendation process for a successor for the position of Chair of CFA Institute when seeking to serve another term.

## 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:

### Nominations Functions

The members of the Committee are designated in the Bylaws to conduct the nominations activities shall:

Oversight Duties	Review	Decision
Carry out, in accordance with the Bylaws, all activities set forth in Article 9 thereof.		●
Maintain confidentiality in the Committee's deliberations and choices of those to propose for nomination while maintaining transparency in the Committee's process.		●
Solicit, recruit, and develop candidates in accordance with the Bylaws and solicit candidates for Governor, committees, and leadership for consideration that match the strategic needs of the organization by the Committee on a regular basis from the membership of CFA Institute and other appropriate sources.		●
Identify, screen, and review individuals nominated and qualified to become Governors, consistent with any criteria approved by the Board; fairly and objectively evaluate candidates for open positions; evaluate said candidates for nomination considering the skill sets, diversity of characteristics, and independence needed on the CFA Institute Board according to a structured evaluation process designed to nominate individuals who can best promote the fulfillment of the mission.		●
Select and recommend to the Board for approval, and then for election by the regular membership, the nominees for Governor (new and renewal), in accordance with and subject to the Bylaws. The Committee shall draft and recommend the appropriate skill sets and diversity of characteristics appropriate to generate a properly balanced Board.		●
Oversee the President and CEO succession planning process to recommend qualified candidates to the CFA Institute Board, including identifying and cultivating future leaders that best align with the organization's mission, vision, values, and strategic direction.	●	Board of Governors

Annually evaluate the nominations process in evaluating candidates with a view to process improvements, transparency, and accountability.		●
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## Governance Matters

Oversight Duties	Review	Decision
Review information and take appropriate action with respect to Board practices and Board culture, including but not limited to training, orientation, operations and effectiveness.		●
Oversee the process for evaluating the performance of the Board and its committees and prepare and report to the Board the results of such annual evaluations.		●
Evaluate as needed the performance of the Chair and Vice Chair of CFA Institute in fulfilling the requirements of the respective job descriptions and provide feedback to the Chair and Vice Chair of CFA Institute regarding the results of their performance evaluation.		●
Determine whether a Governor is independent each year after reviewing relevant facts and circumstances.		●
Recommend to the Board for approval the plan to mitigate and manage conflicts of interest arising with respect to any Governor, in accordance with the Code of Conduct for CFA Institute Governors and the CFA Institute Conflict of Interest Policy.	●	Board of Governors
Develop, review periodically, and recommend amendments to the corporate governance practices, processes, and structures of CFA Institute as reflected in the Articles of Incorporation and Bylaws.	●	Board of Governors and/or* Regular Members
Develop, review periodically, and recommend for Board approval amendments to the governance guidelines, committee charters, job descriptions for Governors and officers who serve on the Board, and other relevant policies, practices, and procedures of CFA Institute.	●	Board of Governors
Alongside the Risk Committee, review annually the organization's reservation of authorities and recommend revisions, as deemed necessary by the Committee, for Board approval.	●	Board of Governors
Recommend any modifications to the Articles of Incorporation and Bylaws regarding the range in Board size and Governor tenure for approval by the regular members.	●	Regular Members
Recommend annually for Board approval the skills, qualities, and composition of committees required to yield optimal Board performance.	●	Board of Governors

Review and recommend annually to the Board for approval, proxy statements that are distributed to CFA Institute members, and provide oversight of the governance policies relating to its engagement with members.	●	Board of Governors
Review the date, location, and time of the Annual Meeting of Members and all dates associated with the annual proxy process as required by local law and recommend for Board approval.	●	Board of Governors
Periodically review the governance of CFA Institute Research Foundation (the “Research Foundation”) and provide oversight of Research Foundation operations through the agreement with CFA Institute.		●
Appoint Governors to serve as ex-officio members of the Research Foundation Board of Trustees.		●
Provide oversight of the implementation of and adherence to the US Public Company Standards that the Board has resolved to adopt for CFA Institute.		●
Periodically review the role of the Presidents Council Representatives (PCRs) with respect to the organization’s corporate governance and provide oversight of the engagement of PCRs with CFA Institute.		●
Evaluate and monitor the social, political, and environmental trends, issues, concerns, legislative proposals and regulatory developments that could significantly affect the public affairs of CFA Institute.		●

### Working Groups and Reporting

Oversight Duties	Review	Decision
Create working groups as needed and ensure they have a defined purpose, scope, and list of deliverables.		●
Review the purpose, scope, and deliverables of the working groups created by other committees of the Board.		●
Report regularly to the Board on Committee findings and recommendations and maintain minutes or other records of Committee meetings and activities.		●
Be responsible to the Board for its activities.		●

### Authority to Engage Advisers

Oversight Duties	Review	Decision
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The Committee has authority to retain advisers when it deems appropriate, shall have sole authority to retain any search firm to be used to identify Governor candidates, and shall have authority to approve fees and terms of retention (and sole authority over such fees and terms with respect to any search firm to be used to identify Governor candidates), without the prior permission of the Board or management, and shall be provided the necessary resources for such purpose.		●
The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any adviser the Committee retains. To the extent required by applicable rules or policies, the Committee shall conduct an independence assessment, taking into consideration any factors the Committee deems relevant to the adviser's independence from management, prior to selecting or receiving advice from such adviser.		●

## Consultation with the Candidate Advisory Council

The Nominating and Governance Committee shall establish a Candidate Advisory Council composed of the chairs, or their designee(s), from the Presidents Council, Council of Examiners, Education Advisory Committee, and any other CFA Institute volunteer committee that the Nominating and Governance Committee deems necessary during the nomination process to assist with soliciting and recommending candidates for Governor. The Candidate Advisory Council shall:

CAC Oversight Duties	Review	Decision
Provide feedback on the Governor candidate search criteria established by the Board.	●	NGC
Recruit and submit prioritized Governor candidate recommendations for consideration by the Nominating and Governance Committee.	●	NGC
Review the Governor slate nominated by the Nominating and Governance Committee prior to submission to the Board for approval.	●	NGC
The Nominating and Governance Committee shall publish a Nomination Report on the CFA Institute website providing an overview of the governor nomination process and activities of the Candidate Advisory Council no less than 70 days before the Annual Meeting of Members.	●	NGC

## Candidate Advisory Council Meetings

The Candidate Advisory Council shall meet virtually with the Nominating and Governance Committee a minimum of two (2) meetings in the fiscal year.

## Annual Evaluation

The Nominating and Governance Committee (NGC) 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 Legal and Compliance Officer.