

## **REPORT OF CFA UK NOMINATING COMMITTEE TO MEMBERS**

**October 2020**

### **Introduction**

CFA UK's nominating committee is appointed annually, primarily to make recommendations on those standing for election or re-election to the board of directors at the annual general meeting. This report summarises the work of the nominating committee for 2020 and the committee's recommendations.

### **Membership of the committee**

The members of the committee are determined by the board in accordance with the society's articles of association. As immediate past chair of the society, I, Gerry Fowler, CFA, was appointed chair of the committee and was joined on the committee by three of the society's directors who do not hold executive office and are not eligible for re-election this year, Lindsey Matthews, CFA, Fraser Lundie, CFA and Alan Livsey, CFA. The role of the independent member of the nominating committee had been vacated at the end of last year and the process to appoint a new independent member resulted in the recommendation to board, and appointment, of Lucy MacDonald, ASIP.

### **Committee's role**

The primary role of the committee is to consider proposals for the re-election of those directors who are due to stand for re-election at the AGM and for the election of any new directors and to make recommendations to the board accordingly. The committee is guided by the requirements of the society's articles which determine the maximum number of directors to be fourteen and permit only regular members of the society to be appointed to the board. A resolution has been proposed to amend the Society's articles, in particular, to propose to reduce the board size over the next three years, which will be voted upon at the AGM. It should be noted that, so not to pre-empt the outcome of the voting, the recommendations for appointment have been made to retain the maximum number of directors according to the current articles. The articles also provide that the committee should recommend for election or re-election those candidates considered most likely to represent and serve the society well, who will provide the society with a board that reflects the society's diverse membership to a reasonable extent and who will assist the society to achieve its objectives and desired structure.

The committee is also tasked with making a recommendation to the board on the appointment of a distinguished member of the profession who is willing to serve as an independent member of the nominating committee the following year. Following the rotation of the role last year, Lucy MacDonald, ASIP was recommended as Alan Higgins', CFA successor. The recommendation was made following a selection process which was carried out by the nominating committee and approved by the board.

This year the committee has held four meetings.

### **Directors standing for re-election**

Six board members were eligible and willing to stand for re-election. The committee duly considered those six directors for election and re-election at the AGM. The committee was provided with information regarding the current board, the directors' election and re-election dates, their attendance at meetings and other society involvement. In addition, each of the directors seeking re-election was asked to provide the committee with a brief summary outlining their contribution during their current term of office and indicating how they believed they would be able to contribute if re-elected. The committee took account of the existing balance of the board and the contributions, skills and experience of each of the directors standing for re-election and, having reviewed all the available information, unanimously approved a recommendation to the board that Hilary Eastman, CFA, Gillian

Elcock, Daniel Murray, CFA, Tim Nuding, CFA, Helen Thomas, CFA and David Zahn, CFA be proposed for re-election. The board was subsequently pleased to adopt this recommendation.

The re-election of the board members this year includes the current chair, Daniel Murray. The board had requested the consideration of the extension of his chair tenure by one year due to the exceptional circumstances of the COVID-19 pandemic and the critical point reached in the society's major IT system project. The society's articles of association permit a director's term to be extended beyond the normal six year maximum if the nominating committee consider exceptional circumstances exist. The nominating committee, after due care and consideration to assess the circumstances and his previous performance as chair, approved the one-year extension to enable consistent leadership throughout the period.

### **Selection process and recommendations for election**

The committee was keen to attract candidates for the treasurer and/or who possessed IT project experience and/or risk management expertise. A full recruitment process was conducted and the committee was delighted that over 30 members came forward to be considered.

The committee reviewed all the applications to identify those applicants who they considered offered the strongest skills and closest match to the attributes which the committee had identified as priorities in the current selection process. Those applicants selected for interview in the initial round were invited to discuss their experience and qualifications, as well as the contribution they would want to make if selected. Shortlisted applicants were subsequently selected and further discussions between them and committee members took place.

Once again it is testament to the strength of the society and of our members that we are able to attract individuals of such high quality to this process. Having so many excellent applicants to choose between was an enviable position to be in. However, following further discussion and consideration, the committee was pleased to unanimously recommend that Kieran Ferguson, CFA be proposed for election as director. Kieran has confirmed his willingness to serve and to commit sufficient time to the role and it is the committee's firm belief that his appointment will enhance the board's collective ability to lead and govern the society.

The board has subsequently accepted the committee's recommendation and consequently Kieran Ferguson, CFA is now formally proposed to members for election at the annual general meeting.

A brief biography of the proposed new director and the existing directors who are this year standing for re-election can be found in the letter from the society's chairman, Daniel Murray, CFA, which accompanies the AGM notice.

Gerry Fowler, CFA

Chair, Nominating Committee

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