

REPORT OF CFA UK NOMINATING COMMITTEE TO MEMBERS

October 2019

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 2019 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, Helen Thomas, CFA, Tim Nuding, CFA and David Zahn, CFA. Alan Higgins, CFA, ASIP, a distinguished member of the investment profession not believed to be likely to stand to become a member of the board in the future, again performed the role of independent member.

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. 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 was also required to make a recommendation for a co-opted appointment following the resignation of Alexandra Haggard, CFA. The committee considered the candidates shortlisted from the nominations process that had been conducted before the 2018 AGM. After due and careful consideration it was recommended to the board that Weiyen Hung, CFA be co-opted to fill the vacancy.

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. Alan Higgins, CFA has performed the independent committee role since 2013 and has contributed significantly to the committee's work over that period. His contribution has been universally appreciated by the many current and past board members who have served with him on the committee. On behalf of the committee, I would like to thank Alan for the part he has played in ensuring the board's composition is appropriate to lead the society. However, the committee felt that, as a matter of good governance, the position should be rotated and so are seeking a successor for the role. This work will be completed later in 2019.

This year the committee has held four meetings.

Directors standing for re-election

Five board members were eligible and willing to stand for re-election. In addition, Weiyen Hung, CFA, who was co-opted to the board following the resignation of Alexandra Haggard, was also proposed to be elected. 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 Lindsey Matthews, CFA, Matthew Lonergan, CFA, Fraser Lundie, CFA, Alan Livsey, CFA, and Graham Cook, CFA be proposed for re-election and that Weiyen Hung, CFA, be proposed for election. The board was subsequently pleased to adopt this recommendation.

Selection process and recommendations for election

Having reached these conclusions, the committee noted that there would be one director standing down at this year's annual general meeting.

The committee reviewed the balance of the board and noted that an on-going governance review currently being conducted might give rise to a proposal to reduce the size of the board and, given there were no obvious skills gaps to fill, it was decided to conduct a light touch selection, based on last year's shortlisted candidates, rather than conduct a full nominations process this year.

Following discussion and consideration, the committee was pleased to unanimously recommend that Katerina Kosmopoulou, CFA, be proposed for election as director. Katerina has confirmed her willingness to serve and to commit sufficient time to her role and it is the committee's firm belief that her appointment will enhance the board's diversity and its collective ability to lead and govern the society.

The board have subsequently accepted the committee's recommendation and consequently Katerina Kosmopoulou, CFA, has now been formally proposed to members for election at the annual general meeting.

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

Gerry Fowler, CFA
Chair, Nominating Committee

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