

**Minutes of a Meeting of the Board of the  
CFA Society of the UK held at 5.30pm on  
Tuesday 21<sup>st</sup> May 2019 at  
EFG Asset Management, Leconfield House, Curzon Street, London, W1J 5JB**

Present:	D Murray	(chairman)
	G Cook	
	H Eastman	
	G Elcock	
	W Hung	
	A Livsey	(From item 1229 ii.)
	M Lonergan	
	F Lundie	
	L Matthews	(From item 1229)
	T Nuding	
	H Thomas	By telephone (items 1229 i.-v. only)
	S Wackerle	By telephone
	D Zahn	(From item 1229 i.)
In attendance:	W Goodhart	(chief executive)
	A Ramsay	(director of member services)
	C Curtin	(director of education)
	B Barber	(company secretary)
	L Gracie	Chadwick Corporate Consulting

**1226 Apologies for absence**

Apologies for absence were noted from Marshall Bailey and Victoria French.

**1227 Minutes of previous meetings**

The minutes of the board and strategy meetings held on 19<sup>th</sup> March 2019 were reviewed and approved as an accurate record for signature. The minutes of the management committee meeting held on 23<sup>rd</sup> April 2019 were also reviewed.

**1228 Matters arising**

The matters arising report was reviewed and noted.

**1229 Chief executive's report**

i. Strategic planning

The skeleton business plans for education and member services were reviewed. It was noted that the planning document for professionalism would be circulated by email as soon as possible and a paper on the society's approach to sustainability would be presented to the next Board meeting in June.

Education

The strategic planning for education was presented in detail and discussed. It was noted that the first of the three main priorities for the strategy was to deliver the ESG qualification by completing the pilot scheme. It was reported that the target number of candidates for the pilot had now been reached.

Secondly, an outreach strategy would be established with associated KPI's to engage with employers. It was expected that a thematic approach, based on topics of relevance at that time, would be used in the outreach programme and the scope increased to engage with a wider range of firms.

The third area of focus would be to review the lessons learned whilst developing the ESG certificate to establish a framework for future qualification development.

The university outreach programme was discussed. It was proposed that the current activities be scaled back. It was hoped that CFA Institute would step in to continue university engagement in place of the society where the more limited and focused approach created gaps. It was suggested that a volunteer-led university ambassador programme could help to maintain relationships.

The ESG certificate progress was discussed. It was noted that the messaging had been clear about the ongoing development of the certificate for future years based on the feedback from the pilot and ensuring the certificate was up to date with legislation and industry changes. The materials were now being type-set. Question writing was in progress.

#### Member services

The skeleton business plan for member services was detailed and discussed. It was noted that the first two objectives of supporting professional development and building a greater community remained the same as the previous year. Delivering on these objectives was mainly focused on developing the competency framework.

The recent progress of the competency framework was discussed and it was noted that volunteers would be required for testing the first phase launch in September 2019. It was noted that the content mapping was near complete for the test role of equity research analyst, but that there were gaps that would need to be filled.

The staffing resources and the specialist skills required to create and curate content were being reviewed. In the meantime, 10 members of staff had been trained to help produce podcasts, webcasts.

It was suggested that the framework could be promoted on the basis that content could help members to meet MIFID regulatory requirements.

Assistance from volunteers and special interest groups would be sought in the creation and curation of useful content, although support might be needed to transition from their traditional role of event organisation. It was noted that guides on how to produce content would be developed. It was noted that not having enough high enough quality content was a risk. Content provided so far by CFA Institute was not suitable. Additional areas for CFA Institute support were being identified as well as areas where external content might need to be sourced. External content would require the appropriate permissions in order to be used.

It was requested that a more detailed understanding of the framework and the type of information required for the content be circulated to the Board.

A local membership proposal was being developed following the results of the member survey, which would be brought to the Board in June 2019.

The third and fourth objectives, membership growth and satisfaction and brand awareness were also discussed.

It was agreed that the KPI reporting would be developed for each objective, to show the progress made against the starting position.

#### ii. Annual conference and SLC

The briefing reports were noted.

The chairman and chief executive thanked attendees for the participation and hard work of the board members and staff involved in the successful conference. It was noted that the society had achieved its main goals. The video produced by the staff for the host society reception had been very good and would be used for other purposes.

Progress made during IT meetings was particularly good and management were optimistic that the outcomes could be progressed. This would be monitored closely to continue the momentum.

#### iii. ESG Certificate

The international distribution of the ESG certificate was discussed. No firm plans had been made with CFA Institute at this stage though there had been a lot of interest in the certificate from the members of

the XL societies directly. There was potential to provide the ESG certificate from the UK to other societies by using local testing centres.

iv. Ratifications of membership due for 2019/20

The Board ratified and approved the dues at £120 sterling. CFA Institute would collect membership fees in US Dollars for regular and affiliate fees and it was ratified and agreed that the rate for 2019/20 would be \$160.

v. Governance Review

It was confirmed that a briefing document had been drafted and reviewed by the management committee and sent to the shortlist of four independent governance specialists. It was noted that two of the four candidates had responded that they were unable to pitch due to their lack of capacity and the tight timescale. The timescale of the review may need to be extended unless a minimum of two consultants were able to provide proposals.

It was noted that the timescale had been established as it had been hoped that any changes to the company's articles of associates that might be recommended could be approved at the AGM. It was suggested that perhaps the governance review could be carried out in phases in order for the time limited work to be carried out first and for the remainder of the review to be carried out without time restriction.

The cost of the review was discussed.

vi. Special Interest Group structure, operations and governance paper

The SIG paper was taken as read and discussed. The level of detail in the paper was appreciated. Suggestions about the language used throughout the policy and other such guidelines produced by the society in general should be considered and standardised to avoid ambiguity and to distinguish between recommendations and mandatory practice.

The content of the SIG paper was also discussed and it was noted that there was a point person from the Networks Steering Committee who supported each SIG in an advisory role. The number of restrictions and requirements of each SIG were discussed and it was suggested that this may be too onerous for some groups to observe.

Following discussion, the SIG structure, operations and governance paper was duly approved by the Board.

vii. Initial feedback from annual membership survey

The high-level results of the member survey were provided. Further details of the results were expected in the next few weeks and would be presented to the June board meeting. It was noted that there had been an upturn in response rates, perhaps due to the use of a third-party survey provider. The survey had recorded a 70% satisfaction rate but a decline in the net promoter score.

The results highlighted that members felt there was a lack of community within the society and also a lack of comprehensive careers support. In response to these results work had commenced to establish additional careers support services, potentially in the form of careers guidance whilst members are unemployed or having difficulties in employment. It was expected that a proposal for a careers service would be brought to the board in September 2019.

The current mentoring scheme was discussed and it was noted that it was a valued service and ways in which to scale up activity would be considered. There had been 30 pairs matched to date but that interest from potential mentees far exceeded this.

**1230 Management Accounts and KPI's**

The management accounts and KPIs for April 2019 were taken as read and noted.

It was discussed that the IMC registration had continued to perform better than forecast at 4% higher than the previous year. However this upturn could be short lived.

The costs for the month had been lower than forecast due to the postponement of some costs in relation to the ESG certificate and competency framework. Revenues, other than those for IMC, were in line with expectations. Overall the result was an outperformance against budget.

**1231 Any other business**

There was no other business.

**1232 Date of next meetings**

The next Board meeting will be on Tuesday 25<sup>th</sup> June 2019 at 5.30pm at The London Stock Exchange, 10 Paternoster Square, London EC4M 7LS.

The next management committee meeting will be held on Tuesday 16<sup>th</sup> July 2019 at 5.30pm at CFA UK, 4<sup>th</sup> Floor, Minster House, Mincing Lane, London EC3R 7AE.

There being no other business, the meeting was closed at 7.20 pm.

4th Floor, Minster House,  
42 Mincing Lane,  
London EC4N 5BP

Signed:.....

Dated:.....