Minutes of a meeting of the Board of the CFA Society of the UK (CFA UK) held at the CFA UK offices, 3rd Floor, Boston House, 63-64 New Broad Street, London EC2M 1JJ and by Teams at 5.00pm on Tuesday 1st July 2025

Present:	H Eastman	chair
	A Byrne	
	S Hsu*	
	W Hung*	
	K Kosmopoulou	
	E Koycheva	
	P Lenoble*	(from item to 1691 to 1699)
	M Pryce	
	S Solomon	
Attending:	N Bartlett (chief executive)	(from item 1687 to 1700)
	C Curtin (director of education)	(from item 1688 to 1700)
	V French (chief financial officer)	(from item 1688 to 1700)
	L Gracie (Indigo Independent Governance)	
	A Ramsay (chief operation officer)	(from item 1688 to 1700)
	P Shivaprasad (director of outreach)	(from item 1688 to 1700)
	B Young* (company secretary)	

* denotes remote attendance

1686 Board's own time

In the absence of management, board members discussed any matters they wanted to share with the board. These largely focused on committee communications, matters relating to the changes to the membership of the CFA Institute and over governance issues that would be discussed later in the meeting under any other business.

1687 Discussion with chief executive

The chief executive provided a verbal update on the strategy and forecast.

1688 Apologies for absence

Apologies for absence were noted from Kieran Ferguson.

1689 Declarations of interest

The chair invited board members to declare any conflicts of interest related to the items on the agenda for the meeting. There were no conflicts declared.

1690 Matters arising

The matters arising report was taken as read and noted. It was agreed that the chair would review the current report and rationalise the list.

1691 FY26 Strategy

The FY26 strategy presentation was reviewed and noted.

The strategic approach, with three pillars focusing on customer strategy, member engagement and education, was discussed. It was questioned whether member engagement should be the first pillar. It was confirmed that the term "customer" was all encompassing and referred to a member, a firm or a candidate.

The use of NPS scores was suggested as a KPI to track delivery although the targets should be realistic. Personalisation of membership was noted to sit under both the member engagement and customer pillars and it was discussed that KPIs to monitor these could also be split into targets for future financial years and achieved in stages rather than creating an overly ambitious plan for FY26. The approach for all pillars of establishing objectives in year 1 with the application and implementation to flow through later years was agreed. It was therefore suggested that more detailed strategic targets for FY26 be set, with further strategic aims be set out on a separate longer term strategy slide for FY27 and beyond.

It was agreed that the pillars embraced the right areas, but it was suggested that the strategy pack be updated to provide more detail on how to the strategy would be achieved over the three pillars and to refine the FY26 targets. The board reporting KPIs, including NPS scores, would also be proposed and added to the pack.

It was agreed that the strategy pack would be circulated to the board for comment prior to presenting for approval at the next meeting.

1692 Financial Forecast FY26 and FY27-28

The draft financial forecast paper for FY26 and estimates for FY27-28 was reviewed and noted.

It was confirmed that the finance committee had not approved the FY26 forecast at their last meeting, due to the size of the operating losses in FY26 and future years resulting from the reduction in ESG revenues, the low levels of local qualification revenues, and the relatively high fixed cost base. The finance committee had agreed that the staffed office should produce an updated forecast incorporating mitigations to reduce losses in FY26 and future years, which should then be approved by the board.

It was noted that the reserves working group had engaged with the chair of the investment committee to understand the liquidity of the investment portfolio. It was confirmed that the portfolio was highly liquid and that the majority of investments could be liquidated within one week, if required.

It was requested that some stress-testing be carried out by the investment committee to test the resilience of the portfolio, in different adverse scenarios. It was suggested that the estimated reserves utilisation from the adverse forecast scenario be provided to the investment committee. It was also requested that a worst-case scenario be produced to estimate the lowest level the reserves could reduce to.

ESG revenues were discussed, and it was suggested that the society should actively promote the certificate in the UK to boost sales to mitigate the possible future risk of all ESG revenues being lost. The re-branding of the certificate to the sustainable investing certificate was considered to be the ideal opportunity to collaborate with CFA Institute to increase marketing activity. It was agreed that a marketing campaign would be explored, taking into account the cost versus potential revenue benefit.

It was confirmed that the levels of depreciation and future capex were considered to be appropriate, and the treasurer and CFO were comfortable to continue with the approach in the forecast. Depreciating intangible IT assets over five years was considered to be reasonable per discussions at the finance committee. This approach was supported by the board. The annual run rate for IT business-as-usual costs, excluding staff costs, were noted.

It was confirmed that high level estimates for activities connected to the strategy had been included in the FY26 forecast.

Opportunities to achieve economies by collaborating with CFA Institute on the learning eco-system were being explored as CFA Institute was keen to explore collaborative opportunities.

It was confirmed that as a next step, the FY26 forecast would be reviewed, line by line to determine whether direct costs could be reduced, without compromising services to members, and ensuring it aligned with the strategy. Once that had been done, further cuts in the form of fixed costs should be made to reduce losses in FY26 and future years, as needed.

The timing of the approval of the revised forecast was discussed. The next finance committee meeting was 18th September 2025 and therefore the recommendations following that meeting could be communicated to the board thereafter and the forecast could be approved at the October board meeting.

It was noted that the going concern assessment would also be bought for approval to the October board meeting when the FY25 accounts would be signed-off. There were no concerns noted with the going concern assessment paper included in the board pack.

It was noted that a board call had been arranged for 25th September 2025 to review the FY25 annual report and accounts prior to the sign on at the October board meeting. Time permitting, the comments of the finance committee on the revised forecast could be discussed at that meeting.

1693 Qualification price increases

The paper setting out the recommendations to increase qualification prices was reviewed and noted.

It was noted that the E&E committee and finance committees had reviewed the price increase proposals made by the staffed office. The proposed increase to the bundled exam and online materials for the Impact investing certificate was 4.8% with an increase in the hard copy materials to £115. The proposed increase for the IMC exam was 4.3%, with a higher 8.7% increase for the hard copy learning materials.

The levels of the price increase were confirmed to be in line with peer products on the market. It was also confirmed that the society had not received any negative feedback on the certificate pricing and firms were supporting candidates with the costs.

After due and careful consideration, the proposed price increases were approved.

1694 Appointment of Treasurer from 1st September

The paper setting out the proposal for Mark Pryce, CFA to be appointed as treasurer from 1st September 2025 was reviewed and noted.

It was recognised that this was the last scheduled board meeting for Weiyen Hung who would be retiring from the board and the treasurer role on 31st August 2025 due to being appointed by CFA Institute as President's Council Representative (PCR) for Western Europe from 1st September. The chair conveyed thanks to Weiyen for his six and half years on the board and his work with various committees, and latterly in his role as treasurer. Weiyen confirmed that, with his new role at CFA Institute, he would continue to be closely connected with the society in the future.

After due and careful consideration, the proposal for the appointment of Mark Pryce as treasurer from 1st September 2025 was approved.

1695 Management reports

i. Chief executive's report

The report of the chief executive was taken as read and noted.

ii. Operational report

The operational report, including an education update, was taken as read and noted.

A verbal update on the education IT project was provided. The user acceptance testing was continuing and remediations were required. It was noted that an additional budget was required to fund a third testing environment to ensure that testing was robustly carried out for the entire process, end to end. It was reported that the team were rationalising the time and costs required to complete the project. Tasks which had not yet been completed were being reviewed to ascertain if they were crucial to the project and whether they could be deferred to a later date.

The go-live date was expected to be first week of August for services provided directly to candidates and the launch to businesses would follow shortly after, although at this stage the date was fluid according to the testing findings.

It was confirmed that robust testing was being conducted for the project which include penetration testing.

It was confirmed that business transition working group had already been updated on the current position and had approved the additional spend request.

It was re-iterated that the board would not be supportive of further spend requests for the project and suggested a 'learnings' paper be produced that could be used to apply to the management of future projects. It was also requested that the areas of additional spend be summarised.

It was reported that the new finance system, Sage Intacct, had gone live on 1 July.

iii. Finance report

The finance report, management accounts and KPIs for the period to 31st May 2025 were taken as read and noted.

1696 Matters reserved to the board – project update

A verbal update of the progress made by the working group on the matters reserved to the board was provided. A meeting to discuss the next steps had been arranged for the following Monday.

1697 Minutes of previous meetings

The minutes of the board meeting held on 29th April 2025 and the minutes of the strategy meeting held on 8th May 2025 had been approved as accurate records of the meeting for signature by electronic vote via Convene, subject to the removal of the reference to the sustainability committee in item 1668.

1698 Directors' responsibilities and declarations of interest

The registers of directors' responsibilities and directors' interests were noted.

1699 Any other business

i. Amendment to membership categories in the articles of association

The paper setting out the proposed work needed to address amendments to the society's articles of association, to align with the proposed new 'Associate' membership category that CFA Institute was proposing, was reviewed and discussed.

Changes to the society's articles would require approval by members at either an AGM or an additional general meeting. It was discussed that the changes were currently expected to be implemented by CFA Institute in March 2026, but it was not a fixed date. The society would need to consider the different implications of the membership changes and propose the changes at an additional general meeting, as required.

It was noted that advice was being taken from tax advisors regarding non-voting members and tax implications.

It was also confirmed that CFA Institute had offered legal support to the society.

It was discussed that other changes to membership may also be considered whilst changes were being made and it was confirmed that it would be important to retain an ASIP membership as a member category at CFA UK.

The option to change the society's articles to allow the board, rather than members, to approve membership categories was discussed. The board agreed that members' powers should not be compromised and accordingly it was decided to that any change to membership categories or voting rights would be put to the members at a general meeting.

It was suggested that more time would be taken to research the different options and implications before a decision could be made and therefore the changes to articles would, most likely, not be included in this year's AGM resolutions.

ii. CFA Institute change to Article 9, Nominating Process and Election

The proposed changes to CFA Institute's Article 9 relating to the nominating process and election was discussed. It was noted that others had raised concern about the proposed changes and had urged the society to vote against the proposal by proxy vote. It was noted that the chief executive had arranged a meeting with CFA Institute to discuss the matter and the changing role of the PCRs.

Weiyen Hung offered to provide more information on the views being shared by other societies and PCR governance and feedback to the board. It was re-iterated that retaining rights of the members should be of primary consideration.

It was requested that the chief executive meet with the relevant parties to establish the issues being raised.

It was discussed that shaping the vote of members was something that should only be done with extreme care and when in possession of all the facts and with a good understanding of the governance impact of the proposals, if it were deemed to be in the best interests of members.

1700 Date of next meeting

It was noted that the next board call was scheduled for Tuesday 25th September 2025 to review the annual report and accounts. The next board meeting was scheduled for Tuesday 7th October 2025. A doodle poll had been set up by the company secretary to agree an additional board meeting for the end of July, which would be finalised as soon as all board members had responded to the poll.

There being no other business, the meeting was closed at 7.36pm.

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Signed: _____

Dated: _____