

Minutes of a Board call of the CFA Society of the UK (CFA UK) held by video conferencing at 12.30 pm on Monday 16th December 2024

Present: H Eastman chair
A Byrne (from 1639 to 1642ii.)
K Ferguson (for item 1641 only)
S Hsu
K Kosmopoulou
E Koycheva
P Lenoble
M Pryce
S Solomon

Attending: W Goodhart (chief executive)
L Gracie (Indigo Independent Governance)
B Young (company secretary)

1639 Apologies for absence

Apologies for absence were received from Weiyen Hung.

1640 Declarations of interest

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

1641 Recommendation report from chief executive succession working group

The report from the chief executive succession working group together with attachments, Sapphire Partners search report, role description and the preferred candidate's profile, were reviewed and noted.

The process conducted by Sapphire Partners was explained. Following the interview stage, the working group deliberated between the final two candidates, taking into consideration the needs of the society, both current and future, resulting in the recommendation of the appointment of Nick Bartlett as chief executive.

It was noted that both candidates were of high quality and would bring different attributes to the role. After thorough discussion of the process and both candidates' experience and professional profiles and the working group's reasoning for the recommendation, the recommendation to appoint Nick Bartlett as chief executive was approved, subject to a reference check.

It was confirmed that the role offer would be made as soon as possible. The chair would update the Board once a response had been received. It was expected that Nick would be introduced to the staffed office and board members in January and the appointment would be formally announced to the members shortly thereafter. If the offer was not accepted, the working group would reconvene to reconsider options and revert back to the board.

1642 Any other business

i. Strategy session

It was noted that the strategy session has been finalised for Monday 10th February 2024 and, if he accepted the chief executive role, Nick Bartlett would be invited to join the session.

ii. ESG revenue

It was verbally reported that ESG certificate registrations in China had been significantly lower than forecast and the prior year in both November and December 2024. It was estimated that this could reduce ESG revenues for the full year by 40% and could result in an operating loss for FY25. It was noted that, accordingly, significant cost control measures would need to be considered and introduced in the new year.

The cause of the lower demand in ESG registrations had been explored with the Institute. It was also confirmed that the matter had already been considered by the E&E committee, with the latest ESG certificate materials adjusted to take account of the new Chinese guidelines and a name change for the

certificate also being considered given the shift in sentiment away from use of the term 'ESG'. It was suggested that future projections should be based on market penetration assumptions so that appropriate adjustments could be made to the budget. It was agreed that, if he accepted the role, Nick Bartlett should be invited to input his views to cost control decisions.

Further details of actual financial performance, potential adjustments to the budget and more background information would be circulated early in the new year and a board call would be set up for the second week of January 2025.

1643 Date of next meeting

It was noted that the next board call would be set up for the second week of January. The Strategy session was scheduled for 10th February 2025.

There being no other business, the meeting was closed at 1.30 pm.

3rd Floor, Boston House
63-64 New Broad Street
London EC2M 1JJ

Signed: _____

Dated: _____