

# WELCOME TO THE 2018 ANNUAL MEETING OF MEMBERS

The meeting will begin momentarily.

# ANNUAL MEETING OF MEMBERS

11 May 2018



**CFA Institute**

# SPEAKERS

1

**Robert W. Jenkins, FSIP | Chair of the Board**

2

Paul Smith, CFA | President and CEO

3

Diane Basile, CFA | Chief Financial Officer

# OUTGOING GOVERNORS



**Elizabeth Corley, FSIP, CBE**  
as of 31 January 2018



**Frédéric P. Lebel, CFA**



**Colin McLean, FSIP**



**Mark Lazberger, CFA**



**George Spentzos, CFA, FSIP**



**Lynn Stout**

# CONTINUING GOVERNORS



**Leah Bennett, CFA**



**Heather Brilliant, CFA**



**Yu Hua, CFA**



**Robert Jenkins, FSIP**



**Diane Nordin, CFA**



**Sunil Singhania, CFA**



**Paul Smith, CFA\***



**Maria Wilton, CFA**  
as of 1 March 2018

\*President and CEO

# MEMBER PROPOSALS

## PROPOSAL:

Elect Heather Brilliant, CFA, as Chair and Diane Nordin, CFA, as Vice Chair of the CFA Institute Board of Governors for fiscal year 2019

## RATIONALE:

The Board believes the nominees have the abilities and commitment to lead the Board and to help the Board carry out its duties



Chair Nominee  
**Heather Brilliant, CFA**



Vice Chair Nominee  
**Diane Nordin, CFA**

# MEMBER PROPOSALS

## PROPOSAL:

Elect Alex Birkin; Robert Bruner; Dan Fasciano, CFA; Daniel Gamba, CFA; Punita Kumar-Sinha, CFA; Geoffrey Ng, CFA; and Zouheir Tamim El Jarkass, CFA, as governors, each to serve a term beginning 1 September 2018 and ending 31 August 2021

## RATIONALE:

The Board believes the nominees bring requisite skills and qualities to provide optimal levels of oversight and guidance to the management and operations of CFA Institute



Governor Nominee  
**Alex Birkin**



Governor Nominee  
**Punita Kumar-Sinha,**  
PhD, CFA



Governor Nominee  
**Robert Bruner, DBA**



Governor Nominee  
**Geoffrey Ng, CFA**



Governor Nominee  
**Dan Fasciano, CFA**



Governor Nominee  
**Zouheir Tamim El Jarkass,**  
CFA



Governor Nominee  
**Daniel Gamba, CFA**

# MEMBER PROPOSALS

## PROPOSAL

## PROPOSED CHANGE

1 Amend Article 2(d) of  
The CFA Institute Articles of Incorporation

To bring additional clarity to advocacy activities within the stated Purposes of CFA Institute

2 Amend Article 5 of The CFA  
Institute Articles of Incorporation

To specifically identify that governors not serving in an ex officio capacity are elected by the Regular Membership of CFA Institute

3 Amend Article 3.2(b)(iv) of the  
CFA Institute Bylaws

To authorize the Board of Governors to admit to Regular Membership of CFA Institute voting members of an organization with whom CFA Institute or Member Societies combine through merger, acquisition, or otherwise

4 Ratify Selection of Independent  
Registered Public Accounting Firm  
For Fiscal Year 2018

Ratification of PricewaterhouseCoopers LLP to perform the fiscal year 2018 audit of CFA Institute consolidated financial statements



REMARKS BY:

ROBERT W. JENKINS, FSIP | CHAIR OF THE BOARD

# SPEAKERS

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Robert W. Jenkins, FSIP | Chair of the Board

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**Paul Smith, CFA | President and CEO**

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# OUR MISSION



**To lead the investment profession globally**

by promoting the highest standards of ethics, education,  
and professional excellence for the ultimate benefit of society.

# KEY PRIORITIES



Computer-Based Testing



Continuing Professional Development



Technology and Delivery: member app, new website, etc.



Focus on Delivering Value to Members



Societies 2.0



Journey to Professionalism



Credentialing 2030



Continue to Build the Brand Globally



# BLUE SKY: CREDENTIALING 2030



If the rate of change on the outside exceeds the rate of change on the inside, the end is near.



**- Jack Welch**



**Credentialing  
Industry Trends**



**Investment  
Management Trends**



**Identify  
Disruptive Forces**

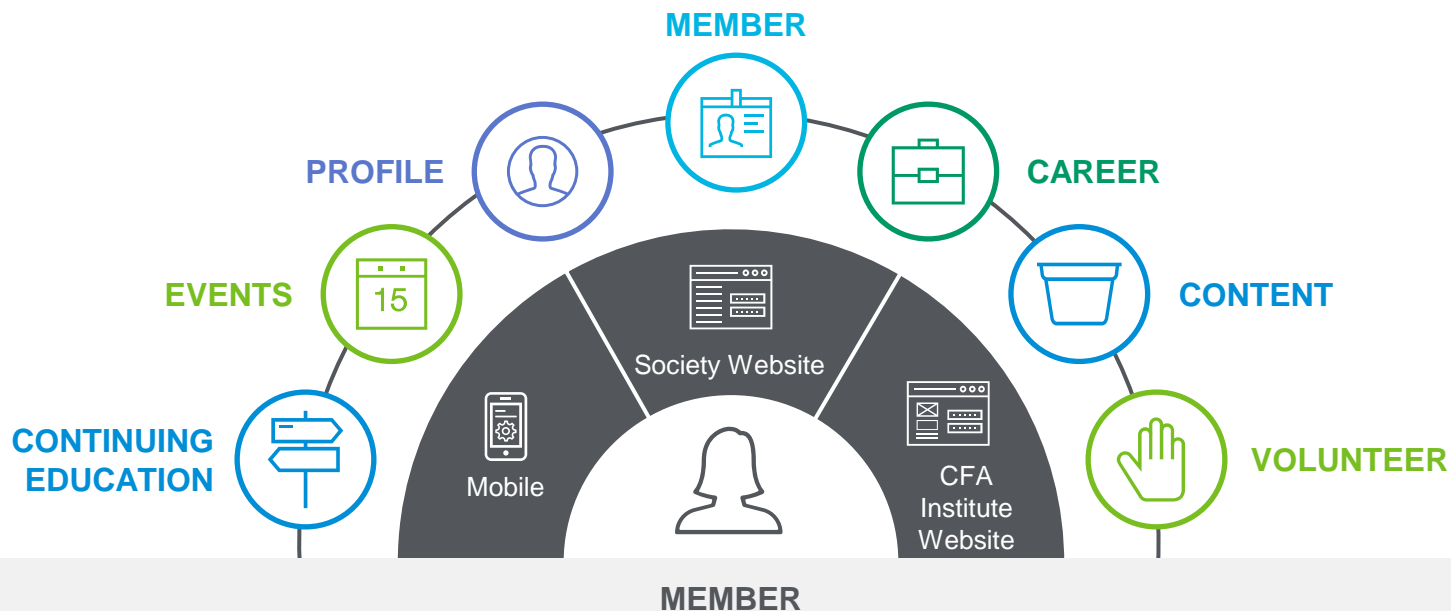


# KEY COMPONENTS OF CREDENTIALING 2030

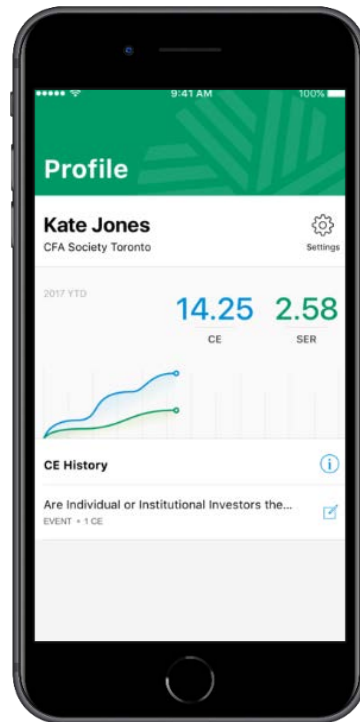
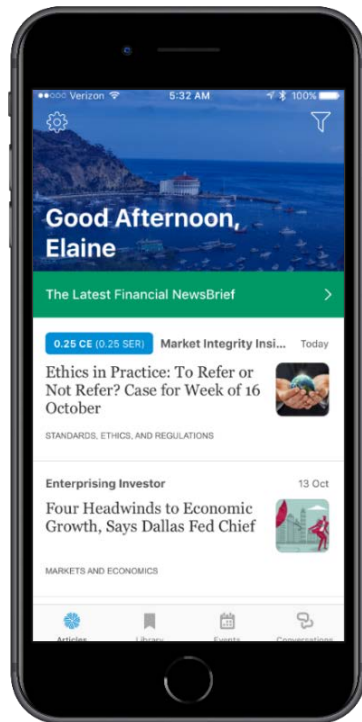
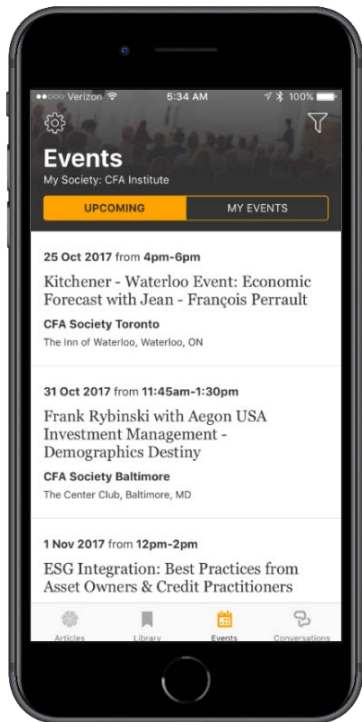
|  |          |  |   |   |
|--|----------|--|---|---|
| <b>Learning Ecosystem (LES)</b>                  | <b>1</b> | Contemporary instructional design              | Integrated learning experience                        | Data analytics  |
| <b>Future of Exam Delivery (FED)</b>             | <b>2</b> | Risk management and candidate growth           | Candidate convenience, accessibility, and service     | Fidelity to practice  |
| <b>Continuing Professional Development (CPD)</b> | <b>3</b> | Post-CFA refresher and advanced specialization | Integrated competency framework based on job role     | CFA “platform” leads to specialized and localized learning through society portal |
| <b>Specialist Micro-Credentials</b>              | <b>4</b> | Derived from the CFA Program                   | Member CPD (Refresher, Industry Advances)             | Non-member, non-professional, pre-professional certificates or “stacks”           |
| <b>Multiple Learning Paths</b>                   | <b>5</b> | Smaller CBT segments as credit toward Level I  | Recognize third-party learning as partial fulfillment | Examples: CIPM, CMT, CAIA, CFP, PRM, CIMA, CPWA, CEIV, TAC                        |

# THE PROFESSIONAL JOURNEY

One Technology Platform, One Member Experience

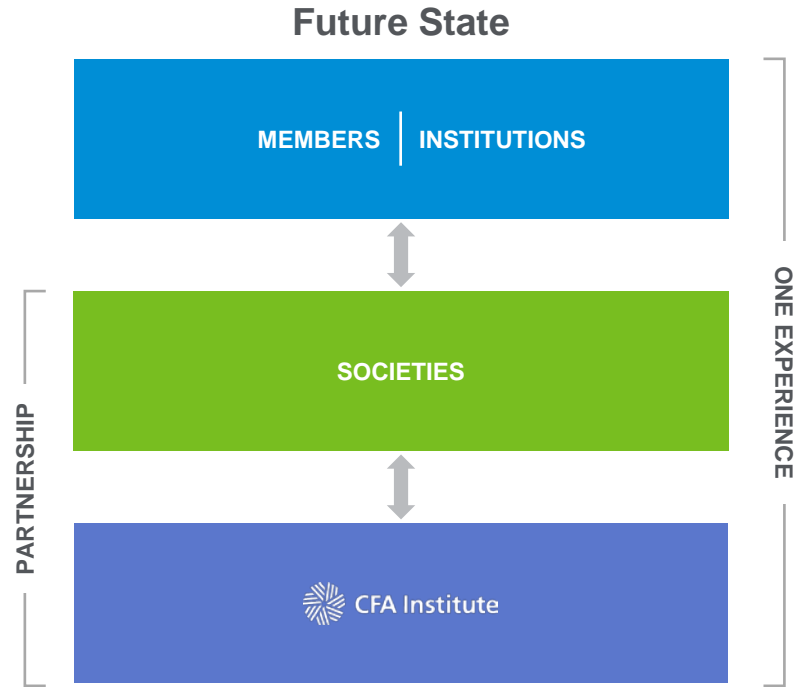
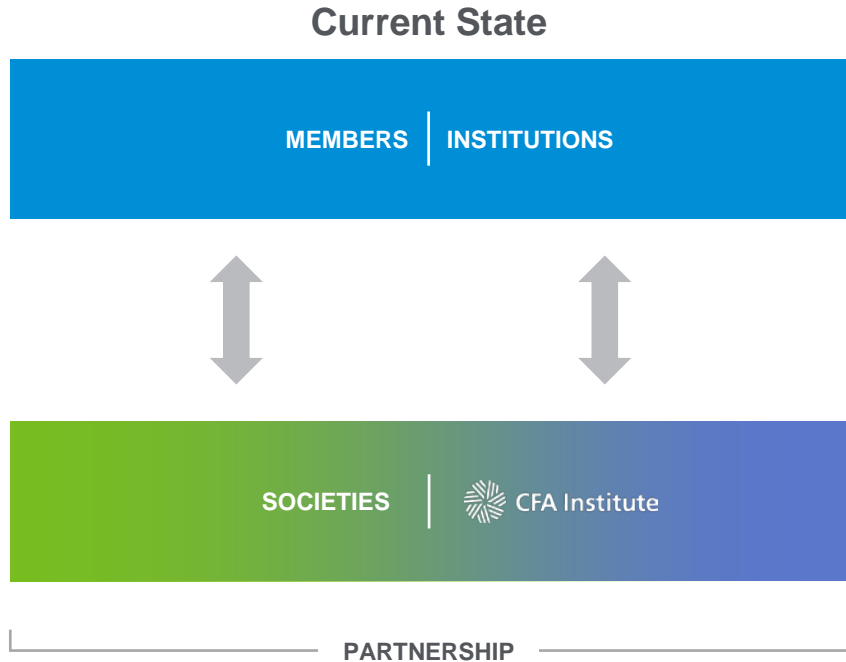


# MEMBER APP

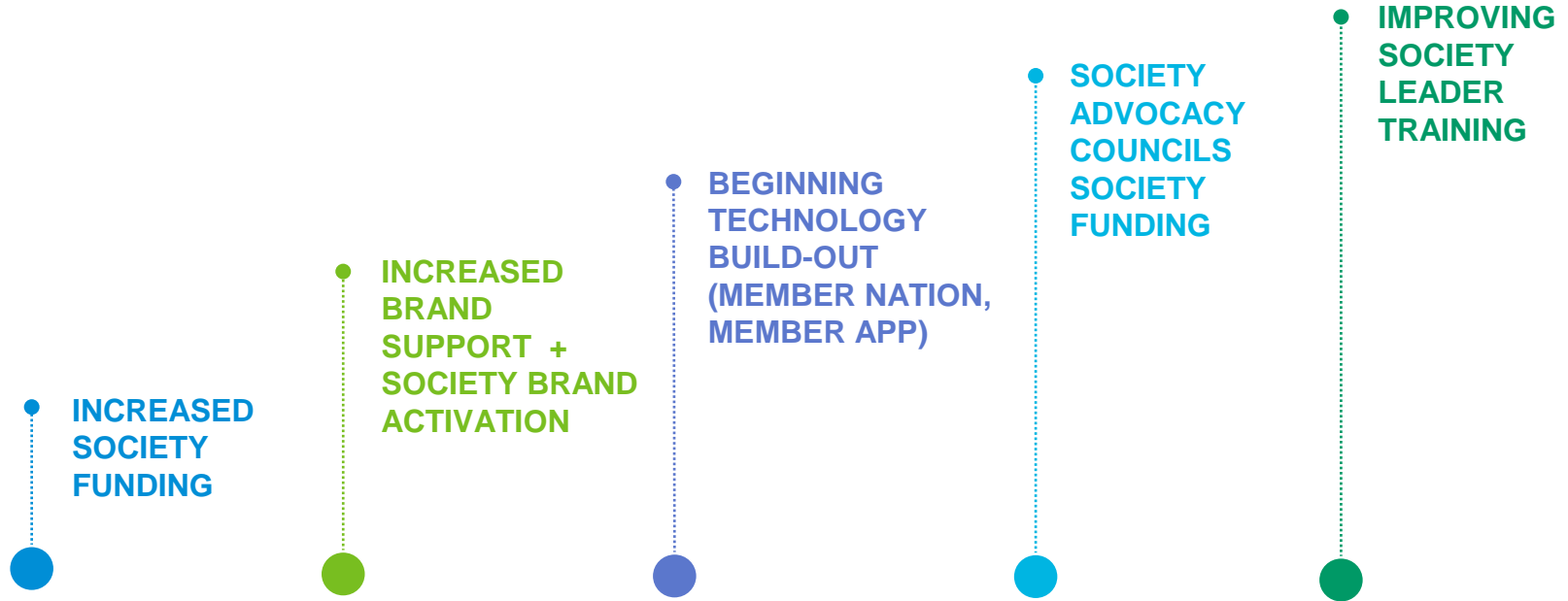




# SOCIETIES 2.0 – FUTURE STATE



# WHAT HAVE WE ACCOMPLISHED TO DATE?



# SPEAKERS

1

Robert W. Jenkins, FSIP | Chair of the Board

2

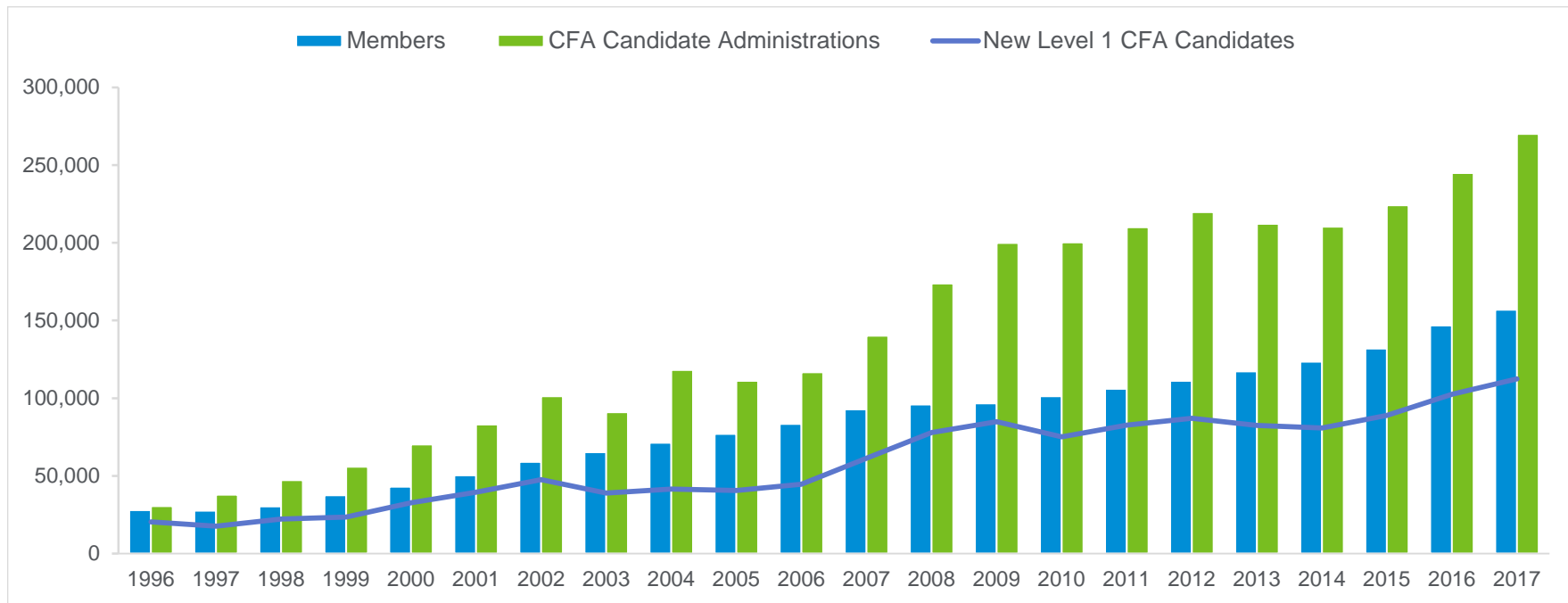
Paul Smith, CFA | President and CEO

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**Diane Basile, CFA | Chief Financial Officer**

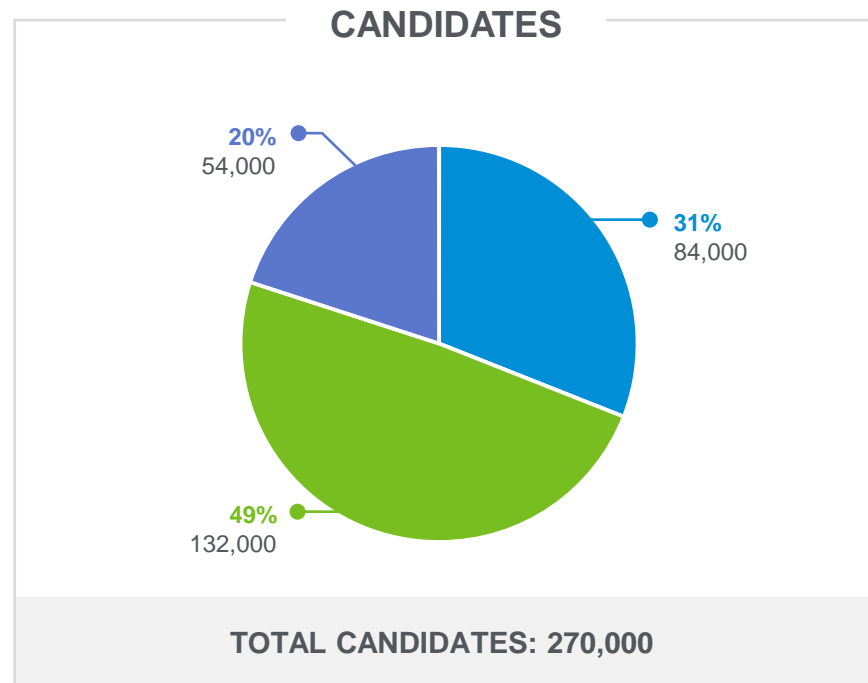
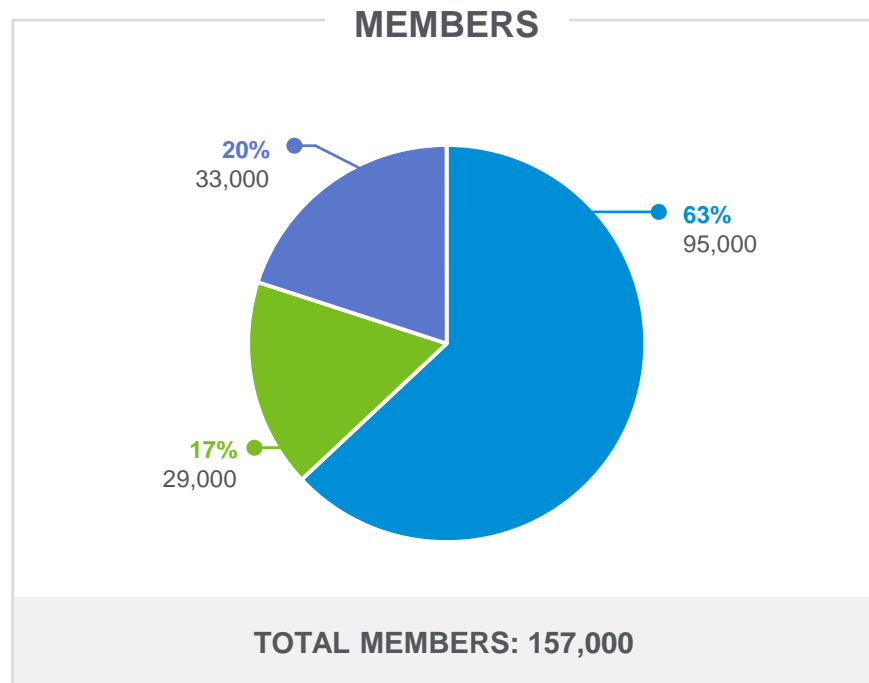


# CFA INSTITUTE MEMBERS & CFA PROGRAM CANDIDATE ADMINISTRATIONS



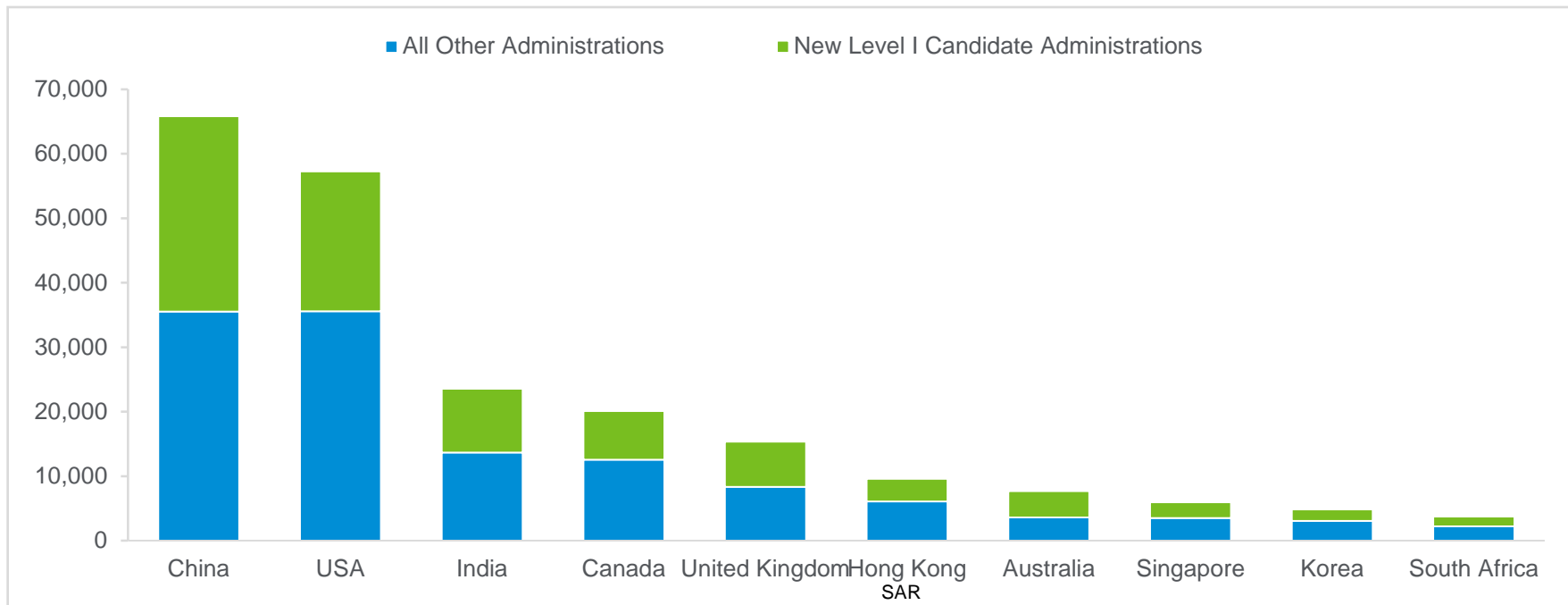


# MEMBERS & CANDIDATES BY REGION



■ AMER ■ APAC ■ EMEA

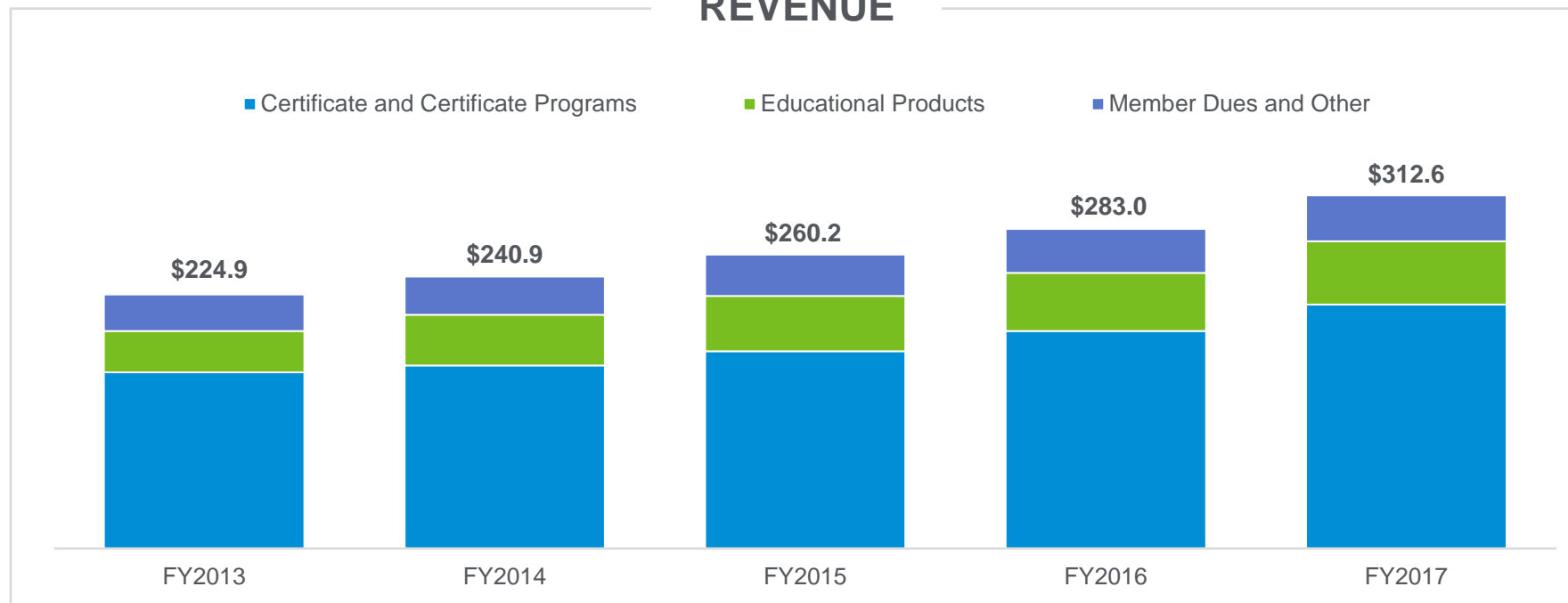
# CFA PROGRAM CANDIDATE ADMINISTRATIONS TOP 10 MARKETS





# FINANCIAL SNAPSHOT

## REVENUE



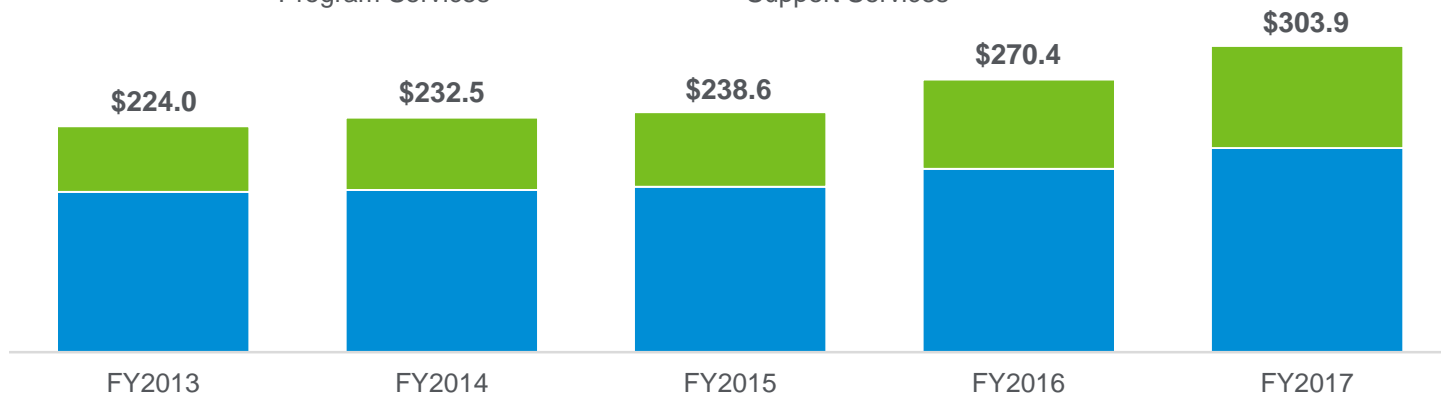
\$ in millions (USD), as of 31 August 2017



# FINANCIAL SNAPSHOT

## EXPENSES

■ Program Services      ■ Support Services



|                           |       |       |        |        |       |
|---------------------------|-------|-------|--------|--------|-------|
| Operating Margin          | \$0.9 | \$8.4 | \$21.6 | \$12.6 | \$8.7 |
| Expense as a % of Revenue | 100%  | 97%   | 92%    | 96%    | 97%   |

\$ in millions (USD), as of 31 August 2017



# OPERATIONAL EFFICIENCY/ DELIVERING MEMBER VALUE



**Organization-Wide  
Process Efficiency Gains**



**Member Society  
Funding**



**Net Contingency  
Reserve Balance**

QUESTIONS?



CFA Institute