

Minutes of the general members' meeting of 14 June 2022

Board members present: Cees Harm van den Berg, CFA, vice president and treasurer
Anisa Salomons

Representatives of the staffed office present:

Anne-Marie Munnik RBA, executive director

Irma Willemsen, minutes secretary

Maarten Mosselman RBA

Heleen de Vlaam

Present: 18 voting members

Apologies: 7 member

1. Opening of the meeting

At 17:52 hours, the vice president, who in absence of the president will act as chairman, opens the meeting.

2. Minutes of the general members' meeting of 26 October 2021

The minutes are adopted, with thanks to the minutes secretary.

3. Year in review – committees and volunteer perspective (informative)

Cees Harm van den Berg guides us through the year in review.

A new event structure where events are done both physically, the Annual Dinner and the ALM congress are good examples of that, and online, as much more short and sweet webinars are held.

Not only a shift in events but also how we work as a board, for example doing much more online via Teams. Also much of the communication with the committees has been done online.

Receiving the VBA Journaal on your doormat has not changed.

We had a Dutch student winner for the Quant Awards last year which provided us the opportunity to organise the Quant Awards in the Netherlands this year, which was a great success.

The committees are an important pillar of member value. Committees consist (mostly) of members who contribute to the Society. Being part of a committee also make members feel involved in the Society.

Further increasing member value continues to be one of the focus areas for the Board. During the 2021-2022 year we took several initiatives:

- Implementation of New Committee Charter – established a framework for the committee set-up process, member rotation, and coordination with the Board
- Self-Evaluation – Committee Chairs reviewed the current composition of committees, and identified “pain points”, for which they are asking assistance from the Board
- Committee Engagement – regular meetings between the Board and Committee chairs
- Board Involvement – regular attendance of the Committee meetings by Board members

4. Board succession (informative)

Two board members, Gerben Jorritsma and Ivo Kuiper, recently left and therefore we are now with five board members. In October 2023 the term (the maximum term a board member can

be at the Board is three times two years) of three others, Melinda Rook, Cees Harm van den Berg and Anisa Salomons, expires and therefore we have vacancies for four new general board members. A vacancy text is finalized and will be distributed shortly.

A nominating committee, same as last time, will be set in place.

The plan is to install three new board members in October 2022 and an additional board member in June 2023. According to the bylaws the Board has to consist of at least six board members.

5. Reappointment board members (voting item)

There are currently five people at the board from which three are stepping down at the end of next year and two, Alex Morozov and Vincent Stap, are up for reappointment today.

Members are invited to vote on reappointment two board members. The reappointment is voted on with 100%.

How do you vote on the proposal for reappointment of Alex Morozov as a board member?

- A. In favour 18/18 (100%)
- B. Abstain 0/18 (0%)
- C. Against 0/18 (0%)

How do you vote on the proposal for reappointment of Vincent Stap as a board member?

- A. In favour 18/18 (100%)
- B. Abstain 0/18 (0%)
- C. Against 0/18 (0%)

6. Update annual plan 2022-2023 (informative)

Anisa Salomons reminds the audience of the relaunch of the RBA program two years ago. This was done to make it more distinctive from and complementary to the CFA Charter. The RBA program is now focused on more experienced professionals and build around three tracks Learn, Change and Lead. For each track we selected the best university. The VU, a long term partner of the RBA program, has been selected for the Learn modules, TIAS for the Change track and finally an announcement today for a third university, Nyenrode, for the Lead track.

In terms of students we have had a difficult start for the RBA program. Probably also due to Corona as the program is really focused on class interaction.

People can choose to do the whole program and earn the RBA title but it is also possible to do individual modules.

The modules in the fall are Understanding Clients and Client Behaviour at the VU, Lifecycle Investing and DC Management at TIAS, Regulatory Dynamics and Practical Implications at the VU and Understanding Board Room Dynamics and Interaction at Nyenrode.

Anne-Marie Munnik explains the four strategic pillars.

1. Member value: Online and in person events, network opportunities and content delivery. Advertise committee openings on the website. Start with member survey after each event.
2. Education: Combination of creation of local content (f.i. MiFID program) and curation and distribution of content created by CFA Institute or other CFA societies (f.i. ESG certificate).

Continuing with and further improving of MiFID II stay compliant program and maintain market leadership in institutional space.

Roll out modules and further increasing visibility RBA program and modules in the market.

3. Standards & Advocacy: Leveraging on (ample) resources, both in the local society as well as in CFA Institute, to demonstrate knowledge in and contribute to in particular on Ethics and integrity, Responsible Investing and Pensions.

Advocacy committee as funnel for coordinating content and making it visible.

4. Governance: To secure board continuity we start recruiting for four general board positions.

As part of the merger there is a name change on January 1st, 2023 into CFA Society Netherlands. The VBA name will continue in our educational offerings. The trade name of Stichting VBA Opleidingsinstituut Morreau will be rebrand into VBA Academy.

Wim Zwanenburg: Why is there a need to change the name?

Anne-Marie Munnik: It was part of the merger contract.

Anneke Minnema: Will there be a change for CFA versus VBA members?

Cees Harm van den Berg: There will be no change for members.

7. Update and adoption of the 2022-2023 budget (voting item)

The treasurer, Cees Harm van den Berg, shows that the numbers are pretty much in line with what we realized last year and show not a lot of a change. There is a small increase in both revenues and expenses but bottom line is that we try to run a neutral budget. With regards to the realization of last year and also the year before we had a very big surplus due to Corona. That really helps us to strengthen our reserves which has been a goal after the merger. Going forward we strive to be budget neutral.

Society Dues and CFA Institute Funding are higher than we budgeted for last year, which is mainly to do with the fact that in last year's budget we anticipated a smaller percentage of membership renewals than we have actually seen. Renewal rate is above 90% which is higher than we anticipated and even higher than in countries around us.

With events we expect a small drop which is in line with the realization of last year. There are less revenues from events. We expect similar revenues from the MiFID program.

In Allocation Staffed Office less hours will be spend on the RBA program. With the completion of the full cycle of the RBA program of all modules there will be less work involved from the Staffed Office next year.

At the expenses side an inflation adjustment for office and labor can be seen. Last year a new hire for education was anticipated in the budget which did not happen. However we are still looking for someone.

There are going to be some higher expenses for events (venue and drinks) and additional expenses (recording videos and online testing environment) for the MiFID program.

Moving over to the Morreau foundation there is quite a big difference between last year's budget and this year's budget which has mainly to do with last year's investment in the different modules of the RBA program. For the coming year we expect lower expenses on the continuing education side where no investments have to be done in the Learn and Change track. We still have to do some investments in the Lead track.

A small increase in revenues from the RBA program is based on people signing up for the modules.

Roman Gorlov: How are you going to fund the deficit?

Cees Harm van den Berg: We earmarked 150K at the redevelopment of the RBA program from the reserve to be spend into the new RBA program which was also part of the merger. We anticipate that after this year we have approximately 30K left to invest for the RBA program. We spent 120K in losses.

The goal is not to earn money from the RBA program but offer high quality education without loss.

Jean-Louis Brunet de Rochebrune: Is there any budget available for education for the Risk Management professional?

Anne-Marie Munnik: As part of history the VBA was owner of the RBA education and implementation was outsourced to the VU. With the RMFI education the owner is the VU and we never invest. However it is a valid question.

Jean-Louis Brunet de Rochebrune: What is the added value of the membership for RMFI title holders?

Anne-Marie Munnik: We want to bring as much value to the RMFI title holders as well. We will bring this up in our next board meeting.

Members are invited to vote in adopting the budget for the Society. The budget 2022-2023 is voted on with 100%.

How do you vote on the proposal to adopt the 2022-2023 budget for the Society?

- A. In favour 18/18 (100%)
- B. Abstain 0/18 (0%)
- C. Against 0/18 (0%)

Members are invited to vote in adopting the budget for the Foundation. The budget 2022-2023 is voted on with 100%.

How do you vote on the proposal to adopt the 2022-2023 budget for the Foundation?

- A. In favour 18/18 (100%)
- B. Abstain 0/18 (0%)
- C. Against 0/18 (0%)

8. Any other business

Wim Zwanenburg: As a member of the Behavioral Economics Committee I want to let you know that we are looking for new committee members. This is the last opportunity to come forward and join us. There are two applicants so far.

Secondly I want to address ALM surveillance in general. For instance the issue of risk profiles in investments. DSI and AFM still rely on previously given advice by VBA. The world is changing and there are new interest rates and a new inflation environment for which long term exceptions regarding long term investment returns and correlations are no longer valid. The board needs to address this issue and update it.

Related to this is the new pension system. There is a lot of unrest in the Netherlands. The role of the unions and broadcasting companies (MAX) are creating sympathy with uninformed and uneducated citizens. There is a role here for our Society.

And thirdly participating in international activities by other Societies. There are more and more hybrid events worldwide and when I find something of interest I do not have access because I am only a member in the Netherlands.

Cees Harm van den Berg: To answer your final point it should be possible to have access abroad and learn from each other that way. We will look into that.

With regards to the first part of your second point we will raise that with the 'risicostandaarden' working group.

And for the new pension contract, pensions is a pillar of our advocacy program which is a board responsibility, that will be put on the agenda for the board.

9. Closing remarks

The vice president closes the meeting at 18:45 hours, thanking all those for their attendance.

Signatures

Melinda Rook

Cees Harm van den Berg