

Minutes of the general members' meeting of 25 October 2023

Board members present: Melinda Rook, president
Cees Harm van den Berg, vice president and treasurer
Inge van den Doel
Noortje Draper
Raphie Hayat
Linde Kok
Vincent Stap
Anisa Salomons

Representatives of the staffed office present:
Andrej Antonijevic
Joost van der Mandele
Anne-Marie Munnik, executive director
Heleen de Vlaam
Irma Willemsen, minutes secretary

Present: 25 voting members

Apologies: 2 members

1. Opening of the meeting

At 16:53 hours the president of the board Melinda Rook opens the meeting. The agenda is accepted.

2. Minutes of the general members' meeting of 27 June 2023

The minutes are adopted.

3. Update of activities 2022-2023

Vincent Stap gives an update on the activities in the past Society year.

Events are one of the most important ways in which the Society offers member value.

More than 20 events have been organized for members both in webinar form and in-person.

Many different committees contributed to this feat.

Some highlights are:

- Annual get-together for our committee members and other volunteers – boat trip through canals in Amsterdam
- Meet & greet with Margaret Franklin, President and CEO of CFA Institute
- 150th edition of the VBA Journaal
- Lustrum party
- CIOP launch event
- Annual Dinner 2023

In March 2023, the last cohort of students in the Risk Management for Financial Institutions program graduated. We welcomed the graduates to our Society.

CFA Society Netherlands continues to maintain the register of RMFI graduates.

On June 23, 2023, 44 new charter holders were present at the Amstel Boathouse in Amsterdam to officially receive their charters. We welcome these new members to our Society. Afterwards they could immediately join with the celebration of the 5-year anniversary of the merger of CFA Society Netherlands and VBA.

And last but certainly not least: on June 28th, 2023, CFA Society Netherlands welcomed the latest graduates from the RBA Program. The participants achieved the prestigious RBA designation in a ceremony at the Rosarium. We welcome these new members to our Society.

One of the key KPIs of the Society is membership retention. For 2022-2023 this stands at 94%, well above the budgeted 88% (last year also 94% versus the budgeted 88%). This is one of the highest for all European CFA Societies. We believe the committees and the events are the foremost reason for this high figure.

Linde Kok, who is taking over the portfolio member value, talks about further increasing member value via close relationships with committees which is one of the focus areas of the Board. During the 2022-2023 year, we took several initiatives:

- Committee engagement: regular meetings between the board and committee chairs
- Through for instance the VBA Journaal and the column in the Financial Investigator a wider coverage of the work of committees has been established
- Volunteering possibilities: a new volunteering management policy has been developed

Going forward:

- Continued emphasis on committees as member value tool and important pathway for member contribution and engagement
- We want to further learn (through a member value survey) what specific benefits members are looking for to ensure we offer members the value that best fits their needs, capabilities and resources
- We will implement our volunteering management policy
- And will further track our performance on member engagement

Anisa Salomons gives an update on the new RBA program which has its first class of graduates. Students value the program. Second class has started.

Piloting master classes with TIAS, with a more condensed schedule.

We also want to attract people who do not want to do the whole program because you can also do a single module on a topic that interests you.

Our MiFID II Stay Compliant Program is still (by far) market leader in the institutional space, it remains important to invest in the (assessment) platform and connectivity to L&D portals of clients.

An alliance with Certified Investment Operations Professional (CIOP) has been realized in the past fiscal year. CFA Society Netherlands maintains a register of graduates and we will facilitate permanent education.

In accordance with our merger agreement and bylaws our legal name since January 2022 is CFA Society Netherlands. In January 2023, also our trade name changed. No impact on VBA Journaal or other communications, except for a logo change.

Next steps, we will rebrand and position Stichting VBA Opleidingsinstituut Morreau as the VBA Academy. To preserve and further build upon the strong VBA brand name.

Noortje Draper who is responsible for the portfolio Outreach & Advocacy takes over. Within advocacy we have Ethics and integrity, Responsible investing and Pensions as focus points. On these topics we would like to contribute to regulations and/or industry discussions and be considered thought leader. To achieve this we can build on the resources that we have available within our Society, but also on the resources within CFA Institute. The advocacy committee streamlines all the content and makes it visible.

Within outreach, we currently focus on Diversity, Equity and Inclusion, so we organized a CIO round table in February, which was perceived really good, and we also investigated the perceived inclusiveness within our own Society by an inclusion survey. Thank you for your contribution to that. We are very pleased with the results that the Society is perceived to be inclusive and there have been a couple of recommendations to improve that. We are working on that.

I think the focus for the upcoming period will be on strengthening the cooperation with employers to promote our educational offering. And next to that, we are working in close collaboration with CFA Institute on the European CFA DEI code with an addendum for the Dutch market. One of the next steps is that we will investigate whether we will sign the European CFA DEI ourselves as a Society, once launched.

4. Report of the Financial Committee

Michiel Plakman conducted with the Financial Committee members an audit of the results and accounts of the Society and Foundation. Accounts are very clear, results are very good. Financial position of the Society is actually very healthy. There are no additional remarks from the Financial Committee. Questions have been answered satisfactory.

Michiel Plakman has been with the Financial Committee for five years and has really done some outstanding work in particular directly after the merger when accounts had to be consolidated. The board thanks him for his contribution.

He is stepping down but the committee is in good hands with two new members and one existing.

5. Financial statements 2022-2023 (voting item)

Cees Harm van den Berg presents the financial statements. Over the corona years we have been able to increase equity to around 630k. That is a very healthy reserve. That's also something that CFA Institute requires from us, to have healthy reserves. Going forward we are not looking to increase equity further but rather provide members with even more member value.

If we look at the numbers for last year, they have been very good underlying. The bottom line shows a small profit of € 2k for this fiscal year, but that is slightly distorted by the fact that we have some larger payments from the VBA designated reserves. We want to spend these reserves in a number of years; what we do not spend of these reserves within 10 years of the merger, falls back into the Society. We have been spending in the last fiscal year on three research projects for € 64k in total. The VBA reserves have therefore come down from € 476k at the beginning of the fiscal year to €412k. Without these expenses, profit of the Society came to around € 65k. Some expenses have gone up, for instance in the staffed office, but also on the events and program side, we have seen increased expenses due to inflation. We have not been able to increase the revenues with the same amount of the inflation. Overall for the next coming years we look at very healthy numbers.

A number of things I want to highlight. So with regards to Society dues and CFA Institute funding, that is all based on the number of members that we have. The actuals are quite a bit higher than what we budgeted because we budgeted quite prudently. We have been quite careful in forecasting our retention rates. Our retention rates are higher than other societies in Europe and worldwide, but we can not be sure this will remain so.

With regards to events and programs, we also have been very prudent in budgeting for the MiFID II stay compliant program; actual revenues have been more than expected and also our events are going well.

On the expenses side, with events and programs, we see a small increase due to inflation, but it is close to what we budgeted for.

With regards to consultancy fees, you see quite a higher number than what we budgeted for and that has to do with the survey on inclusion. That is a one off expense for last fiscal year. We are happy that our finances provided for this larger project of significant importance.

On the revenue side, with regards to strategic sponsors, we did a small inflation correction. The allocation for the hours that the staffed office spent on work for the Foundation is in line with what we budgeted for.

On the expenses side, with regards to staffed office, we incurred inflation in rent, but also inflation in wages. In the € 447k that we budgeted, we did account for an additional employee on the staffed office, which was not the case yet for the full fiscal year.

For publications, we expected some higher cost, for instance for the 150th edition of VBA Journaal, which turned out a bit too conservative.

The RBA program makes up the largest part of revenues and expenses of the Foundation. With regards to the budget we anticipated a small profit for the RBA program. So you see a small net profit of €10k in professional learning. On the one hand the number of participants was a bit lower than budgeted and on the other hand we had less modules on offer the last fiscal year. Objective is to further increase the number of participants. A small deficit for the foundation can be seen. The equity is still sufficiently healthy with € 93k. We knew we had some investments to do in the RBA program and would incur losses a couple of years in the foundation.

Mihaele Ciulianu: What are the royalties for?

Cees Harm van den Berg: The royalties were part of the former arrangements with the VU when they were our sole partner for the RBA program. The VU paying royalties for executing our program was part of the arrangements. With new arrangements and two other universities next to the VU, royalties are not any more in play for the foundation.

Eelco van Dijk: What is the output of € 60k spent on research from the VBA reserves?

Cees Harm van den Berg: We will present the outcomes of the research projects to our members and research reports will be published based on the research that is conducted. The output is knowledge, which is less tangible, but it is something that we strive for. There is a committee in charge of the VBA reserves and they look at every proposal that they get and if they think the proposal is in line with the targets of the former VBA and the designated reserves they put it forward to the board. So there is actually quite a solid governance around the reserves.

Anne-Marie Munnik: The current projects that are running are on ESG and Machine Learning. They are multi-year projects which are still running.

Aghakarim Orujov: When will the budget for next year be adopted?

Cees Harm van den Berg: The budget for this fiscal year has been adopted in the members' meeting in June. Our fiscal year runs from the 1st of July until the 30th of June. So in the members' meeting of June 2024, you can vote on the 2024-2025 budget.

How do you vote on adopting the annual accounts 2022-2023?

- A. In favour 25/25 (100%)
- B. Abstain 0/25 (0%)
- C. Against 0/25 (0%)

6. Announcement new president

Melinda Rook highlights the achievements of three of the four resigning board members being Cees Harm van den Berg, Anisa Salomons and Alex Morozov.

After this the torch of the chairmanship is passed to Inge van den Doel as she was appointed as the new president by the board. Vincent Stap has been appointed as the new vice-president and Raphie Hayat as the new treasurer.

Inge van den Doel highlights the milestones achieved under the leadership of Melinda Rook and her accomplishments for the Society. She gets a big applause.

In a rapidly changing world, how to remain relevant as CFA Society Netherlands is being addressed by Inge van den Doel.

Both VBA and CFA Society Netherlands started off as communities for investment analysts. Both Societies developed into communities for a wider range of investment professionals. Later, also risk managers (RMFI) were included, and most recently, investment operations professionals (CIOP). We want to be an inclusive Society for all professionals in the investment industry, all work fields, all ages, all backgrounds, all opinions. Diversity, equity and inclusion, that is.

Our member base has become more international and of a younger age so we really have to think about the language spoken at events and also the language spoken in committees, to take

the development of a more international and younger group of Society members into account. Also, we probably need to offer more social and networking events, because that is what young people want. Not only getting knowledge.

We have recently sent out a member value survey which will help us to stay on the right track. If you have not already done so, please fill it in.

Then there is advocacy: we want to work on a stronger and more outspoken voice of our Society.

Education: we want the industry to be ready to implement all changes ahead of us.

We have a broad and deep knowledge in our Society on the topics of ESG/sustainability, pensions and ethics. All these topics we want to bring further. This wouldn't all be possible without our staffed office. So a big thank you to our staffed office and we all appreciate their work. Also thank you to all volunteers, including many of you present here today.

On the volunteer management process we will be working to get it better, effective recruitment and matching of volunteers will have our special attention.

The number of board members after the four people who have just resigned has come down to five. We want to increase this further. At this members' meeting we want to nomination one new board member. We expect to come back to our members in the near future with one or two more nominations for the board.

7. Nominating new board member (voting item)

Gül Poslu introduces herself.

How do you vote on the proposal for appointment of Gül Poslu as a board member?

- A. In favour 24/25 (96%)
- B. Abstain 1/25 (4%)
- C. Against 0/25 (0%)

Please note, the nominated board member abstained for the vote on her own appointment.

8. Any other business

There is no other business being raised.

The new president closes the meeting at 17:43 hours, thanking all for their attendance.

Signatures

Inge van den Doel

Vincent Stap