



CISI 

CHARTERED INSTITUTE FOR
SECURITIES & INVESTMENT

2017/18

a year in review

Contents	
From our Chairman	1
Chief Executive	2
International	5
Europe	6
Middle East	8
India	9
Sri Lanka	10
Asia Pacific	11
Africa	12
Education	14
Qualifications	16
Ethics and Integrity	18
Professionalism	20
Financial Planning	20
Wealth Management	22
Forums	23
Membership	24
Apprenticeships	26
Our Board of Trustees	28



In today's world attitudes and behaviours change much more quickly than they did in the past. Trust in our sector was lost quickly and the rebuild was always going to take time, but I do think we are making progress. It is our responsibility as members of the CISI, consistently to reconfirm the importance of integrity and good ethical behaviour as the foundation stone of that rebuild.

The stability of all the institutions of this country has never been more important than it is now, as we navigate our way through a highly populist and even nationalistic world. Nationalism is an easy sell. Easy to see its attractions... easy to ignore its dangers. It travels hand in hand with protectionism, which is another place we don't want the world to go to.

On social media, some people today seem to be able to lie with impunity. It seems there is no longer any retribution for somebody who lies. Maybe they wouldn't if they weren't anonymous. Even social media companies have done too little to discourage hideous behaviour by some of the few. Let's hope we come to our senses soon.

There is, however, a silver lining. There is some evidence that people are beginning to realise that 'false news' and 'false prophets', if believed, undermine their own credibility amongst their peers, and the demand for good quality, informed commentary is rising rapidly.

As I write, we still do not know whether it is going to be a soft, hard or no-deal Brexit, but one thing is quite certain, as far as the CISI is concerned, it does not change the integrity and professionalism platform which we promote.

We are grateful for the determination and boundless energy of the management team at the CISI and the enormous contribution we get from those of you who work, voluntarily, so hard to make sure we stay relevant. We are continuing to increase our global footprint and I commend everybody to read Simon's statement at the beginning of this report.

This is my last report before I hand over to Michael Cole-Fontayn at the AGM in October. I have been very proud to be your Chairman and I would like to thank you all for the support you have given me over the past nine years. My particular thanks go to the Board and our Deputy Chairman, Alan Ramsay, who is so much better at doing those things that I don't do.

As I said at the beginning of my statement, the world has rarely looked more uncertain than it does at this time. But you can be assured that this Institute will continue to pursue a positive programme to promote integrity and professionalism, both at home and abroad.

Sir Alan Yarrow, Chartered FCSI(Hon)
Chairman

From Our Chairman



Chief Executive

The Chartered Institute for Securities & Investment (CISI) is a global professional body with a strong UK base. Its 160 staff are spread over ten offices, with the majority in London, and governed by a Board of Trustees.

Reflecting and benefiting from our rich heritage and strong international growth, 2017/18 was a highly successful year.

The Institute saw a major recovery in many areas of operations, especially the UK, where, after the uncertainty, and the general surprise of the Brexit vote, the finance sector in particular proved to be more robust and optimistic than originally feared.

During the year, the Institute offered over 5,500 more exams, welcomed 3,485 new members, was recognised by four new regulators, opened a new office in Africa and returned to a financial surplus of £1,086k for the year.

Purpose

The Institute is proud to be both a Chartered Body and a charity which allows us to be an organisation which seeks to maximise its objectives rather than its profits. That is not to devalue the importance of earning a surplus as the Institute receives no public income or government subsidy, but it is not our primary aim.

Being focused on our objectives allows us to consider the longer term and to carry out initiatives which are the right thing to do for our profession and society rather than the most profitable.

Our significant work on Integrity and speaking up and responding to consultation papers are good examples of where we add value.

Much has been written during the year about integrity and trust, with the Bank of England governor, Mark Carney noting that "Trust arrives on foot and leaves by Ferrari".

The Institute's integrity case studies and guidance has been particularly well received during the year, especially internationally, as many countries grapple with how they can help their financial sector regain public trust. During the year over 10,000 people participated in our Integrity at Work seminars and we remain the only professional body in the world to require new members, and those taking some of our capital market exams, to take and pass a unique integrity test. The number who have done so topped 50,000 in the year.

The reason the Institute focuses on trust and integrity is that finance in general, and our area in particular, depends on it. People buy from people and if there is no trust, there is no transaction.

Trust is one of the three legs of being a professional. The other two are having the right knowledge and the right skills, which together define what it takes to be considered a professional.

Qualifications

The acquisition and assimilation of knowledge is one of the Institute's key strategic goals. We aim for CISI qualifications to be recognised as the global benchmark for wealth managers, financial planners, capital market, compliance or operations professionals. We were delighted that regulators in Qingdao (China), Estonia, Latvia, Lithuania, Labuan and Turkey recognised our qualifications during the year. Our strategic goal is to gain recognition in 60 countries by the end of 2020, and we are on target to do so, with 47 so far.

The recognition in Qingdao (which is rapidly becoming the prime area for wealth management in China) was accompanied by a decree from the municipal government, awarding anyone who achieves the CISI Chartered Wealth Manager qualification an automatic 10% salary rise.

In terms of number of qualifications taken, there was better than expected (and welcome) recovery in the UK, where the number of examinations taken rose 10% to just over 25,000.

There was also significant growth internationally, with over 16,200 exams being taken, which is more than 30% growth on the previous year, helped especially by the growth of our Fundamentals qualification in both South Africa and India.

We are particularly pleased to have been working ever more closely with regulators in East Africa, who have embraced CISI exams and quickly made them part of the core competency requirements in their capital markets. Because of this significant growth, we opened a full-time office in Kenya in 2018, working in partnership with African Advisory Partners.

Another factor underlying some of the growth was the introduction in Europe of MiFID II – a multifaceted EU directive designed to improve investor protection, of which one aspect is greater focus on ensuring that wealth and financial planners are suitably qualified. This contributed to examination growth in Spain.



Students at an Integrity at Work workshop in India

The Institute sees continued significant growth internationally, primarily through examinations, followed by membership, with growth anticipated at around 10% this year and higher thereafter as a number of long-running projects come to fruition.

The UK market is not as buoyant, partly because it is a mature market. However, it is still a surprise to many that the wholesale sector does not view qualifications and continuous learning as critical. With the wholesale financial market in danger of suffering from Brexit, it is a strange decision not to raise the core standards of competence and integrity to at least those of the private client and retail market.

As I forecast last year, the greater pension freedoms in the UK are leading to an increased demand for financial planning either for individuals or for core wealth management firms, who are establishing financial planning teams within their businesses. We continue to work to enhance our financial planning qualifications.

Membership

This year a record number of professionals joined the Institute as members, many to take advantage of our highly regarded continuous professional development offer.

Being a member of a Chartered body is what differentiates a professional from a layman, because membership signifies that not only is the individual qualified, but that they have kept their knowledge and skills up to date and uphold the highest standards of integrity.

Many more firms are now requiring all their staff to be members. The Institute welcomes and recognises other professional qualifications and this year nearly 50% of the 3,485 new members obtained membership through non-CISI qualifications.

Every year some members do not renew, usually because they have left the sector. This year the number leaving declined to an all-time low, resulting in there being almost 25,000 fully qualified and a further over 27,000 student members, as at 31 March 2018.

The Institute is a strong advocate of technology which we use to deliver our 120 elearning topics, and over 150 webcasts. We have revised and modernised our website as well as how we deliver our elearning. To help us be

nimbler, towards the end of 2017 we took our IT development back inhouse and created a team of highly skilled developers, many based in Colombo, Sri Lanka where our second operations base is located.

We are already seeing a significant improvement in quality and development which will allow us to roll out and streamline a number of new online services during the year, including end to end online membership application and further enhancements to our highly valued CPD log.

However, we haven't forgotten the importance of people relationships, which is why our UK regional network has expanded and is thriving, with attendance increasing from 6,208 to 6,498 across the 24 different branches. The number of local speaker events has also increased.

It is people who are the Institute's secret ingredient. We are so fortunate to enjoy the assistance of many hundreds of practitioners who voluntarily help us every year. Some help with our exam panels, some run our Professional Forums, some write articles for us and some run our branches. We owe them a huge debt of gratitude, because, without our volunteers, we wouldn't have an Institute.

We do, however, need more volunteers, especially to help our syllabus panels. The pace of change in our sector is very fast, so

we particularly value the input from current practitioners, and we will be looking for greater help this year.

The Chartered Body Alliance

This year was the first active year of the Chartered Body Alliance, an alliance of three professional bodies; the CISI, the Chartered Insurance Institute (CII) and the Chartered Banker Institute.

Our philosophy is that while there are just one or two areas where we compete, most notably around financial planning, there are far more areas where we can and should cooperate.

Therefore, we ran two series of joint advertising campaigns where we promoted membership of a Chartered body in general, rather than for our Institute specifically. We have also created a common Chartered Body Alliance – similar in concept to the airline alliances – and have issued joint responses to UK regulatory and UK Banking Standards consultations.

We were particularly concerned about the proposed abolition of the UK Register of approved persons, which we felt would be detrimental for consumers, and are delighted to see that the UK regulator is now having second thoughts.

We are also able to distribute some of the Alliance's qualifications through our international network, which provides the CISI with an enlarged offer for the banking and insurance sector, while giving greater distribution and access to the other bodies. A true, win-win-win position.

Staffing

We are fortunate to have so many dedicated professional staff working at the Institute. As a charity, working in the education sector, we expect a lot from our people and many willingly go the extra mile. However, this year, staff turnover rose more than we would have liked, so we are

reviewing how we can achieve a better work/life balance.

Although we are not required to report our gender pay gap, it is 18.8%, mainly because of fewer women at director level. However, at the managerial level and below, the gap is in single digits or less.

The Board was pleased to have been able to make an extra payment this year to many colleagues in recognition of their successes.

I am privileged to lead our team and it is a great delight to see the enthusiasm for the Institute and its principles shown by my colleagues, throughout our offices.

I thank them for their dedication and commitment.

Finances

From a financial perspective, the Institute had a good year. The increased volumes coupled with good cost control resulted in a full year surplus of £1,086k compared to last year's loss of £187k.

The end-year result is flattered by a number of one-off items including a positive dilapidation negotiation and a modest rise in our investment portfolio, despite the March sell-off.

This has allowed us to increase our donation to the Education Trust, which is a separate charity, to £236k.

A better indicator is the operating surplus which increased by £545k from £318k to £863k, 5.5% of turnover.

Conclusion

The past financial year was a good year for the Institute. For the forthcoming year internationally, I am optimistic, but for the UK it's much more finely balanced on whether the Brexit settlement is positive or negative for the financial sector.

Either way, the Institute will continue to maximise its objectives and promote professionalism, by raising the standards of financial education and behaviour across the world.



Simon Culhane, Chartered FCSI
Chief Executive



17,457
new student
members
joined us

24,670
members

7,202
SPSs were issued

64
new Chartered
Wealth Managers

41,415
exams sat in
81
countries

Argentina
Australia
Bahamas
Bahrain
Bangladesh
Belgium
Botswana
Brazil
Bulgaria
Canada
Cayman Islands
Chile
China
Colombia
Croatia

Cyprus
Czech Republic
Denmark
Egypt
France
Germany
Ghana
Gibraltar
Greece
Hong Kong
Hungary
India
Indonesia
Ireland
Israel
Italy
Japan
Jordan
Kazakhstan
Kenya
Kuwait
Latvia

Lebanon
Lithuania
Luxembourg
Malaysia
Malta
Mauritius
Mexico
Morocco
Myanmar
Netherlands
New Zealand
Nigeria
Oman
Pakistan
Palestine

Philippines
Poland
Portugal
Qatar
Romania
Russia
Rwanda
Saudi Arabia
Serbia
Seychelles
Singapore
Slovakia
South Africa
South Korea
Spain
Sri Lanka
Sweden

Switzerland
Tanzania
Thailand
Tunisia
Turkey
Uganda
Ukraine
United Arab Emirates
United Kingdom
United States
Vietnam
Zambia

The global portability of CISI qualifications continues to grow and we now have one or more of our qualifications recognised in 47 jurisdictions. Our international presence allows our members and partners worldwide to access the extensive benefits of the wider Institute, including qualifications, country specific regulatory programmes, continuing professional development and our integrity offering.

Our continued international growth is focused around developing regulatory connections in the Middle East and Africa, increasing our wealth management and investment links in Europe and China and growing our offering for business process outsourcing (BPO) operations in India and the Philippines. We sustain that growth with offices based in Spain, Ireland, the UAE, India, Philippines, Singapore, Sri Lanka, and Kenya, with representatives in Nigeria, Hong Kong and Colombia.

We are also increasingly working in the education sector internationally, with students taking our exams at Christ University and Jain University in Bangalore and the University of Johannesburg in South Africa, amongst others.

We are grateful for the continued guidance of our International Committee, who support our growth strategy, and the National Advisory Councils/Board and Accredited Training Partners (ATPs) who provide us with the local knowledge and expertise to support our international development.

International

MiFID II has dominated the European agenda, and we now have a comprehensive offer meeting the requirements set out in the ESMA knowledge and competence guidelines for both information providers and investment advisers. This had a particular focus in **Spain** where we worked closely with a number of banks and other organisations to help make their staff MiFID II-compliant. We also took part in numerous events across Spain on various topics, including MiFID II and fintech.

Developing professionalism has remained high on the agenda for the Cypriot Regulator, Cyprus Securities & Exchange Commission (CySEC), with over 1,500 exams being taken in the past year, a significant increase on the previous year. With the support of our National Advisory Council, we have strengthened CISI's relevance beyond initial exams by producing **Cyprus** specific elearning modules and holding local CISI events aimed at providing CPD, networking opportunities and a forum for senior leaders. Our membership has more than doubled to nearly 200 members, and we are confident that this will continue. We were delighted to hold our second annual dinner in March 2018, in partnership with CySEC.

In **Malta**, we are pleased to be recognised by the Malta Financial Services Authority, and have partnered with IFS Malta to promote qualifications and career progression through CPD and membership opportunities. In April 2017, CISI gained regulatory recognition in **Estonia, Latvia** and **Lithuania** in a joint initiative with the Baltic Financial Advisors Association (BFAA). CISI's qualifications, International Introduction to Securities and Investment and International Certificate in Wealth & Investment Management, are endorsed as equivalent to local licencing exams for investment information providers and investment advisors.

In May 2017 we ran a highly successful ATPs day for our European and North African ATPs in our London offices. This was an opportunity for our international and UK based ATPs to come together to discuss best practice, with presentations and discussion on learning methods, training programme structures and standards for ATPs to maintain.

Our dual-language English-Russian workbooks, funded by the UK Foreign & Commonwealth office and the British Embassy in **Moscow**, were distributed in autumn 2017 to more than 15,000 Russian school students across the country. This was one of the biggest financial literacy programmes ever conducted by a global professional body. The 170 finalists of the Financial Olympiad went to Moscow in late March 2018 as guests of Bank of Russia, with which we have built a sound relationship in recent years.

KE Kairat Kelimbetov, governor of the Astana International Financial Centre in **Kazakhstan**, signed a wide-ranging agreement with the CISI in November 2017 to deploy a range of qualifications for the opening of the new central Asian hub. These will be brought into effect from the formal launch of the centre in summer 2018.



Europe



Simon Culhane, Chartered FCSI, CEO, CISI and Rosa Mateus, CISI country head, Spain attending the Awards Ceremony with Caja Rural de Navarra in June 2017



Representatives from our Cyprus National Advisory Council, including the president, Petros Florides, Chartered FCSI with CySEC chairwoman Demetra Kalogerou

Middle East

We are working closely with regulators across the region on qualification programmes linked to the licensing of practitioners. We attended a conference in **Kuwait**, hosted by the Kuwait Capital Markets Authority (CMA) in support of its integrated programme to serve securities practitioners in the Kuwaiti capital markets sector. The programme comprises a combination of our existing international qualifications and a bespoke Kuwaiti qualification in both English and Arabic. In 2017/18 the CISI was able to offer learning products in a total of seven languages: English, Spanish, Arabic, Greek, Mandarin, Russian and French.

The certification programme in **the UAE** is now well established, but this year we have also seen an increased appetite for the CISI's CPD provision. This is partially driven by the regulator – the Securities & Commodities Authorities (SCA) – mandating CPD to certain sectors. With more than 400 members, the UAE now has the highest membership base outside the UK. We put on a number of events for our UAE members with the support of our National Advisory Boards, on a wide array of topics ranging from cryptocurrencies and bond markets.



Andrew Dobson, The QROPS Bureau, speaking at a CISI wealth management CPD event in Dubai



Joint Integrity at Work event with the National Institute of Securities Markets (NISM) with senior participants from the Reserve Bank of India and the Securities and Exchange Board of India

India

Our work in the education sector in **India** has increased in importance. We now run exam programmes at Christ University and Jain University in Bangalore, ITM Business School in Mumbai, and others.

We have signed an agreement with the government of Andhra Pradesh to offer our entry level qualifications through GITAM and Andhra Universities, which will support the development of a fintech initiative aiming to attract global banks and corporates.

We have also been delighted to partner with the National Institute of Securities Markets (NISM) on an Integrity at Work programme supported by SEBI, the capital markets regulator.



Sri Lanka

With the active support of the National Advisory Council, we have run an Integrity at Work programme in partnership with the Central Bank of Sri Lanka and a range of local banks, supporting local interest in further developing integrity in the region.

In the education sector we have signed memorandums of understanding with both the National Institute of Business Management (NIBM) and the National School of Business Management (NSBM). This will enable these bodies to offer professional financial services qualifications to local students alongside their academic studies, helping to enhance their future career prospects.



The President of our Sri Lankan National Advisory Council, Nihal Fonseka MCSI at a CEO Breakfast Forum in November 2017

Asia Pacific

We celebrated the achievement of nineteen of the brightest rising stars in global financial services in **Singapore** in March 2018, recognising their outstanding exam success with prizes awarded in eleven categories, including Islamic banking and finance, combating financial crime, derivatives operations and others.

Myanmar has been a growth story for the CISI, with nearly 250 students sitting exams in the region in the past year. In December 2017 we hosted an inaugural ATP training day

with great success. Our ATPs are strategically important, offering training for the next generation of professionals and raising the CISI's brand and profile in the local market.

In June 2017 we signed a partnership agreement with the Shanghai University of Financial Education (SUFE) to collaborate on the translation and teaching of our International Certificate in Wealth and Investment Management in Qingdao in **China**. The first cohort of students for our new product, International Certificate

in Wealth and Investment Management (Mandarin), performed admirably, and the CISI has gained formal recognition from the Qingdao Municipal Government for our wealth management qualifications.

In the Philippines our focus is on the Business Process Outsourcing (BPO) sector and the education sector reflecting the high demand for a qualified workforce, and over 200 students from Far Eastern University sat our Fundamentals of Financial Services in July 2017. The CISI and the Philippines

Securities and Exchange Commission (SEC) have partnered to provide a qualification framework for those working in the capital market sector, with Commissioner Eph Amatang noting 'The SEC is committed to reforming the current examination system, so it matches international standards, and are grateful for the technical advice given by the CISI'. We also announced a partnership with the Philippines Institute for Certified Public Accountants during their conference in order to offer a CISI CPD elearning module in International Taxation.



Kevin Moore, Chartered FCSI, director of global business development, speaking at our training day for Accredited Training Partners in Myanmar



Africa

“ This deepening of capacity is central to ensuring our intermediaries are appropriately equipped to structure and advise on an ever-broadening scope of locally available securities instruments, such as asset-backed securities, global depositary receipts and notes and derivatives among others. ”

Paul Muthaura, CEO, CMA

Africa has seen very strong growth over the past year, with an increased appetite for our qualifications across the continent, and the CISI is actively partnering with regulators in **Kenya, Rwanda, Uganda, Tanzania** and **Zambia**.

In January 2018, the **Kenya** Capital Markets Authority celebrated the success of their Securities Industry Certification programme, honouring the top performers since the inception of the project. Over 1,500 exams were taken in 2017/18. CISI director of global business development, Kevin Moore, Chartered FCSI, attended the Awards Ceremony, where he ran an Integrity at Work debate. The CMA chief executive Paul Muthaura Thursday said the certification has raised the level of confidence among investors.

Our qualifications were adopted as the recommended qualifications by the East African Securities Regulatory Authorities (EASRA) and our inaugural training course was run with the University of Rwanda in Kigali, with the College of Business and Economics providing the testing facilities. In Uganda we signed an agreement with the Uganda Institute of Banking and Financial Services (UIBFS) to train for the CISI certifications.

In August 2017 the CISI partnered with Financial Sector Deepening Africa (FSDA), the Nigeria Stock Exchange's X-Academy and the Chartered Institute of Stockbrokers **Nigeria** to offer training in the International Introduction to Securities and Investment exam. This achieved an outstanding pass rate. Nigeria remains a growing region for membership and we are pleased to partner with two important professional bodies: the Chartered Institute of Stockbrokers and the Chartered Institute of Bankers in Nigeria. Further west, with the support of the FSDA, we have partnered with Agence UMOA-Titres and expanded our portfolio of French qualifications to support the certification programme in the countries in the West African Monetary Union (WAMU).



Helena Wilson, Chartered MCSI, assistant director, global business development, CISI with successful CISI exam candidates from Crested Capital, Uganda



Alice Jurjens, CISI with delegates at the CMA Awards in Kenya

Education

Our Education Trust

The CISI Educational Trust is an education charity established by us, funded through the kind donations of benefactors and by the CISI. The Trust shares the charitable mission of the Institute but uses its funds solely to support educational initiatives in the public interest and for the common good.

The Trust is supporting initiatives in partnership with schools and colleges delivering CISI qualifications, and with university partners.

It supports a number of awards and scholarships aimed at encouraging the highest levels of aspiration and achievement for those pursuing a career in financial services.

Employability is at the heart of what we do

Developing and nurturing the future talent of the financial services sector is at the heart of what we do. Our education development team works with over 40 schools and colleges and 23 universities across the UK to support them in offering CISI professional qualifications to their students.

Our partner schools and universities are supported by us through various careers events, talks and networking events hosted by high-profile financial sector firms. In March 2018, we worked with investment firm A J Bell to host a 'Get into finance' student conference, which saw students from schools in Manchester and the surrounding areas taking part in team building, careers advice sessions and speed networking at the AJ Bell head offices in Salford Quays.

CISI Talent Development Programme

We continued to support students through our Talent Development work experience programme and worked with various financial sector firms to access work experience placements for our students over the summer. Over 50 students undertook placements in fourteen different firms, with students from a total of 21 schools benefiting from seeing first-hand how a financial firm works.

CISI Education Trust UK Awards

Our work in the university sector has brought CISI qualifications to students studying at our 23 UK partner universities. An annual celebration of these successes was the CISI UK Education Trust Awards in March, which saw £23,000 prize money awarded to 18 outstanding UK students. Students submitted an article on this year's hot topic:

'What is MIFID? Who gains and who loses from its introduction.'

The standard of work submitted this year was again extremely high. Following an assessment of the article by senior members of the CISI exams team, five undergraduate and five postgraduate finalists were invited to an interview and assessment day to compete for an overall award. Members of the Education Trust put the candidates through their paces during a challenging morning of tests and interviews designed to assess their knowledge of finance and investments. One overall winner from each category then received their cash prizes followed by lunch with members of the Education Trust.

CISI Education Trust Global Awards

Working through our CISI international offices, our overseas university partners competed in 2018 to produce an overall winner from each part of the world. The regions competing in the 2018 Global Awards included: Cyprus, Singapore, the Philippines, India, Sri Lanka, Egypt, the UAE and Africa.

Our international university partners selected students to compete for a week's work placement in London with a financial firm, along with a cash prize.

25th Anniversary Awards

In recognition of the CISI's 25th anniversary, a new category of awards was approved by the Education Trust. Our UK university partners were invited to nominate an outstanding student to compete for a scholarship to cover their CISI exam fees.

Students achieving the top scores in an online general knowledge quiz won the scholarship, with a total of 23 universities submitting applications from students. All 25 scholarships were awarded, and students will be taking their exams in the upcoming months.



6
Insight events
attended by over
215
students

Over
450
students in schools
and colleges sat
CISI qualifications

Rebecca Aston, head of professional standards, CISI with students at the Liverpool Insight Day

Qualifications

During 2017/18, we continued to develop our qualifications portfolio to meet the needs of our UK and international markets and to support the professional development and accreditation of financial services practitioners.

A new level 6 Certificate in Pension Transfers and Planning Advice was developed, to offer a specific qualification for financial planners or wealth managers working in

this specialist area. When combined with a qualification that allows an individual to obtain a Statement of Professional Standing for Retail Investment Products, this certificate meets the FCA Pension Transfer Specialist standards (Activity 11). The first sitting of this narrative exam took place in December 2017, and was well received by the profession.

The syllabus for the level 3 Securities exam was modified to ensure that the content is less UK-specific, giving the exam a more global focus, and the new syllabus was released in March 2018.

A number of exams and assessments were developed during the year, and existing exams were translated into other languages, to meet the needs of financial services employers and to satisfy regulatory

requirements in different countries.

Russian language versions of the International Introduction to Securities and Investment and Fundamentals of Financial Services exams were released in July and November 2017 respectively, and a French version of Fundamentals of Financial Services was launched in February 2018. We launched a Mandarin version of our International Certificate in Wealth and



Our award winners 2017/18

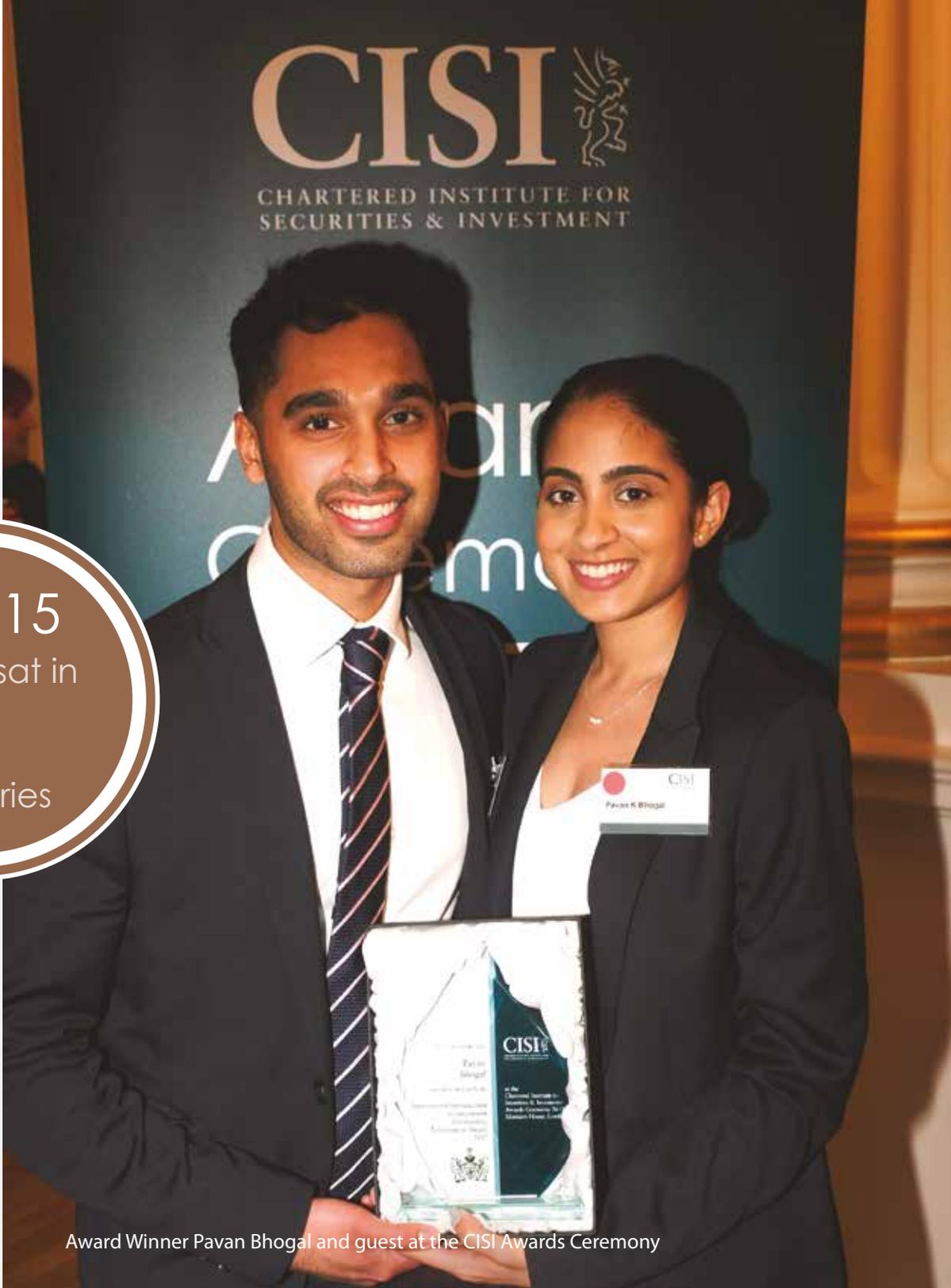
Investment Management in July 2017, and the first 25 candidates completed the exam early in 2018. Working in partnership with the CII, we launched the Bancassurance award in Africa in December 2017.

To assist financial services professionals in meeting the requirements of the capital markets regulator in Tanzania, the CISI has developed a new Tanzania Regulatory Assessment, which launched in May 2017. Our existing regulatory exams for Cyprus were also revised during the first quarter of 2018 to incorporate MiFID II requirements, ready for release on 1 April 2018.

The CISI continues to work with UK and international employers, training providers and partners, to develop and maintain a robust portfolio of qualifications that reflects the requirements of financial services practitioners in the UK and, increasingly, overseas.

41,415
exams sat in
81
countries

64
new Chartered
Wealth
Managers



Award Winner Pavan Bhogal and guest at the CISI Awards Ceremony

Ethics and Integrity

The past year has been an important year for ethics and integrity within the CISI, with the ongoing implementation of the mandatory ethics CPD requirement. All CISI members must ensure that 10% of their total required CPD target is related to ethics and integrity, and this – combined with the requirement that all new CISI members pass IntegrityMatters – places CISI members firmly at the forefront of demonstrating to the public that they are committed to upholding the highest standards of ethics and integrity.

As ever, we thank our Ethics and Integrity committee for their support throughout the year.

International reach

Our ethics and integrity resources continue to be popular globally. Particular highlights from the past year include working with the Colombian financial services regulator, AMV Colombia, to create a bespoke ethics workbook and bank of 40 questions to be used within their regulatory qualifications, and producing a copy of *Integrity at Work in Financial Services Book 5* in Spanish, with a Foreword supplied by Professor Sanchis of the University of Valencia.

IntegrityMatters has also proved to be popular globally. In the past year, 649 members have taken the test in the UAE, 108 in Cyprus, 99 in the Channel Islands, 90 in Qatar, 63 in Sri Lanka, 61 in Spain, 58 in Nigeria, 45 in India, 42 in Ireland and many more in other countries internationally.

Sharing best practice

We have worked closely with external stakeholders to expand the impact of our ethics resources, to reach a wider audience, and to learn from industry experts regarding best practice. For example, in November 2017 we partnered with the Institute of Business Ethics and the Worshipful Company of International Bankers to run a successful 'Question of Ethics' event at Cass Business School. We have continued to work closely with our Chartered Body Alliance partners on a series of events and regulatory responses, and have also taken an active role in the Banking Standards Board's Professionalism Working Group.

1,724
members passed
our Speak Up
Professional
Refresher

50,000+
IntegrityMatters
tests taken

3,536
people attended
Speak Up /
Integrity at Work
sessions globally





54

Integrity at Work
interactive workshops
presented in ten
countries

350

members streamed our
Integrity Debate live

1,153

views subsequently
on CISI TV

2,947

members passed
the Integrity and
Ethics Professional
Refresher

Professionalism

Membership

We believe that membership of a professional body enables those working in financial services to demonstrate their commitment to professionalism, acquiring further knowledge, skills and working towards excellence. Our membership offer is crafted from what our members tell us they want and what they value from a professional body.

The past year saw the biggest growth in international new members of 25% with us supporting some regulators introducing mandatory CPD.

With the introduction of our mandatory CPD policy, it is of no surprise that our CPD offering continues to be highly valued by members. We aim to support those working in the sector to access cutting edge information, to be able to network with peers and to debate and discuss common issues through our local CPD events and our online offering of CISI TV and Professional Refresher.

All members have their own online CPD record within MyCISI, where all their CISI activities are automatically added and other CPD activity can be recorded.

We thank all those who contribute to our membership and forum committees for their guidance and support (names included at the end of this document).

MiFIDII

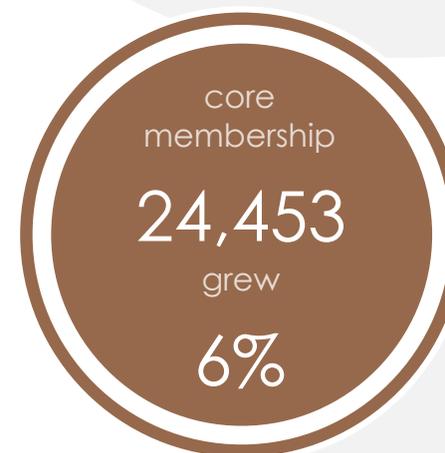
2017 saw the introduction of the MiFID II guidelines for assessment of knowledge and competence for those either giving investment advice or giving information.

We assisted firms to meet these requirements by providing guidance on the CISI appropriate qualifications, both historical and current. We also run many CPD events across the UK including our three all day workshops in London, Manchester and Scotland.

We can support firms and members in meeting their ongoing CPD and business ethics requirements through our CPD scheme, CPD benefits and integrity products.

Our member survey

In 2017/18 we had over 2,000 members complete our annual membership survey to allow us to seek their views on what they value, what trends are most relevant for their professional area and to broaden our understanding of what they want from us in the forthcoming year. This information is invaluable to us and informs our CPD programmes.



A photograph of a group of people at an awards ceremony. In the foreground, two women are clapping and looking towards the left. The woman on the left has blonde hair and glasses, wearing a red and white patterned top. The woman on the right has long blonde hair and is wearing a white textured top. In the background, a man in a suit and purple tie is also clapping. A circular graphic overlay is positioned in the lower-left quadrant of the image.

student
membership
27,067
a growth of
28%

Rob Thakur, Fitch Learning, Julia Kirkland, Chartered MCSI, Financial Services Training Partners and Katie Tasker, Chartered FCSI, Charles Stanley. at the CISI Awards Ceremony

Apprenticeships

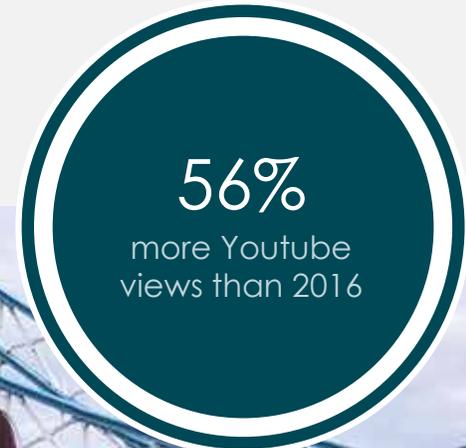
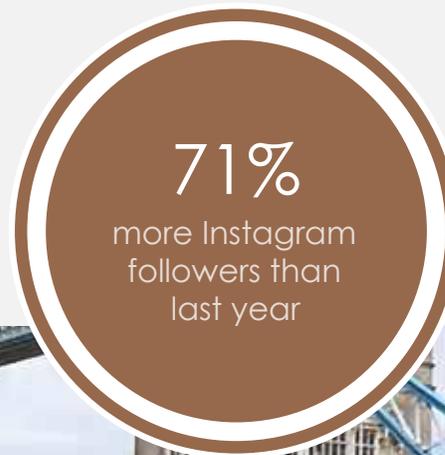
We continued to see many firms enquiring as to how they can best engage with the apprenticeship process, including requests for guidance on how to embed CISI exams into further apprenticeship standards. Our Investment Operations Certificate (IOC) has proved particularly popular as part of several apprenticeship programmes.

The Review

Incorporating news, cutting edge content, insights, thought leadership and opinions across a selection of features, interviews and articles, *The Review* magazine continues to deliver cutting edge content for our stakeholders. 2017/18 delivered some high-profile interviews, thought provoking discussions and sharing of best practice. Thanks to our hard working and knowledgeable Editorial Panel and publishing partner Wardour Communications, we produce relevant coverage of the latest topics directly to our members either in printed or digital form.

CISI TV

Our dedicated TV platform is an unrivalled source of CPD for our members. It hosts a wealth of expert speakers, informative events and discussions and interviews. We had over 75,000 videos viewed in 2017/18 and this medium continues to reach new audiences, delivering first-class knowledge and learning to our members.



Simon Culhane, Chartered FCSI, CEO, CISI being filmed for CISI TV by our video production team



Students from London schools attending a CISI Insight Day at J P Morgan

Forums

The Institute's nine Professional Forums and two Interest Groups are our platform for providing members of all levels with opportunities to share content, update their skills and network with like-minded professionals.

Each forum is run by its own committee comprising practitioners in the relevant field who work closely with the CISI to identify topics and trends of interest for discussion, for articles in *The Review* magazine or for planning events. Our Interest Group events are open to non-members and draw in a wide range of professionals who are interested and connected to the financial services sector.

We are grateful to all our chairmen and committees for their ongoing support. A full list of those who volunteer their time is shown at the end of this report.

Financial Planning

Our financial planning membership has stabilised in the past year, with the Financial Planning Forum membership now around 2,300. There are various groups and committees including the Financial Planning Forum, Accredited Financial Planning Firm steering group and Paraplanner Interest Group working hard and fully engaged with the CISI to help support and build the financial planning profession.

The CISI Board is fully committed to helping individuals and companies develop their financial planning skills. We have financial planning representatives in most of our network, with six stepping up to take roles as presidents in branches. It is our pleasure to help support the development of relevant content and sessions in the regions.

This was complemented by successful Paraplanner and Annual Financial Planning conferences and the Financial Planning Awards in Hinckley and Newport respectively. Financial Planning Week and World Financial Planning Day were both great successes, showcasing how financial planners give advice. They supported a significant number of the public in developing their understanding of what real financial planning looks like, as well as giving practical help and advice to people in most need.

We have worked in collaboration with our financial planning corporate supporters over the year, aiding their depth of understanding on how different financial planning is to financial advice and helping them develop a more tailored offering for our Financial Planning Forum members.

One area under development is the Diploma in Financial Planning which leads to becoming a globally recognised CERTIFIED FINANCIAL PLANNER™ (CFP™) professional. CISI is committed to support the existing assessment process as well as developing improvements in the coming years.

Globally, we support the Financial Planning Standards Board (FPSB) in its expansion of financial planning across the world. We have contributed to consultation papers for ESMA and others in support of this important role.



Bond
Compliance
Corporate Finance
Financial Planning

FinTech
International
Regulation
Operations
Paraplanner

Risk
Training and
Competence
Wealth
Management

A Wealth Management Forum at the CISI



The Financial Planning Conference and Gala Awards Dinner 2017 and host Penny Haslam (inset)



The West Country branch annual dinner



A Chartered Body Alliance event on the Senior Managers and Certification Regime at the CISI

Events



Chris Hewitt, Technical Specialist, FCA speaking at the Paraplanner Annual Conference 2017



Kamunyu Njoroge and Paul Muthaura, Capital Markets Authority, Kenya with Kevin Moore, Chartered FCSI at the CMA Awards Ceremony in Kenya



Fundamentals of Islamic Banking & Finance award winner Nur Masyitah Borhan at the CISI Awards Ceremony in Singapore



Ganesh Iyer, CISI country head, India with an award winner at the Christchurch University Awards Ceremony



Ruth Wandhöfer, Citi, Nikhil Rathi, London Stock Exchange, Antony Jenkins, 10X, Michael Mainelli, Z/Yen, Angela Knight CBE FCSI(Hon) and George Littlejohn MCSI, CISI at the City Debate at Mansion House

Our Board of Trustees



I,J

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Chartered FCSI



E

Richard Charnock,
Chartered FCSI, Chief
Executive, Standard Life
Wealth



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Debbie Clarke CF
Chartered MCSI



F

Danny Corrigan MCSI



E

Philippa Foster Back*
CBE, Director, Institute of
Business Ethics



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Bournemouth University



B,G

Claire Perryman,
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Advisors



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Joanna Place*, Chief
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Ravikumar Puranam
FCSI(Hon), Independent
Non-Executive Director,
Financial Services Sector
(India)



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Alan Ramsay FCSI(Hon),
Deputy Chairman, CISI
and Director, International
Property Securities Exchange



D

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FCSI, Non-Executive
Chairman, Tax
Incentivised Savings
Association



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Nick Swales, Chartered
FCSI, Regional Director,
Rathbone Brothers



H

Rebecca Taylor CFP™
Chartered FCSI,
Managing Director, Aurea
Financial Planning



Gary Teper, Chartered
MCSI, PLC Director,
Charles Stanley



F,I,J

Richard Wastcoat*, Non-
Executive Director, First
State Investments



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Chartered FCSI, Director,
Financial Services, Ernst
& Young



A

Andrew Westenberger
MCSI



A,B,F,H,I,J

Sir Alan Yarrow,
Chartered FCSI(Hon),
Chairman, CISI

The Trustees served on the following committees:

- A Audit Committee
- B Editorial Panel
- C Educational Trust
- D Examinations Board
- E Integrity & Ethics Committee
- F International Committee
- G Investment Committee
- H Membership Committee
- I Nomination Committee
- J Remuneration Committee

The Trustees, all of whom are non-executive, are elected by the members (except for co-optees who are appointed by the Board) at the Annual General Meeting for a term of office of three years. None of the Trustees had any interest in the company or its subsidiaries.

Frank Moxon, Chartered FCSI
Resigned 19 October 2017

Richard Stockdale, Chartered
FCSI
Resigned 19 October 2017

Debbie Clarke, Chartered
MCSI
Appointed 19 October 2017
Danny Corrigan MCSI
Appointed 19 October 2017

* denotes a co-opted Trustee



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