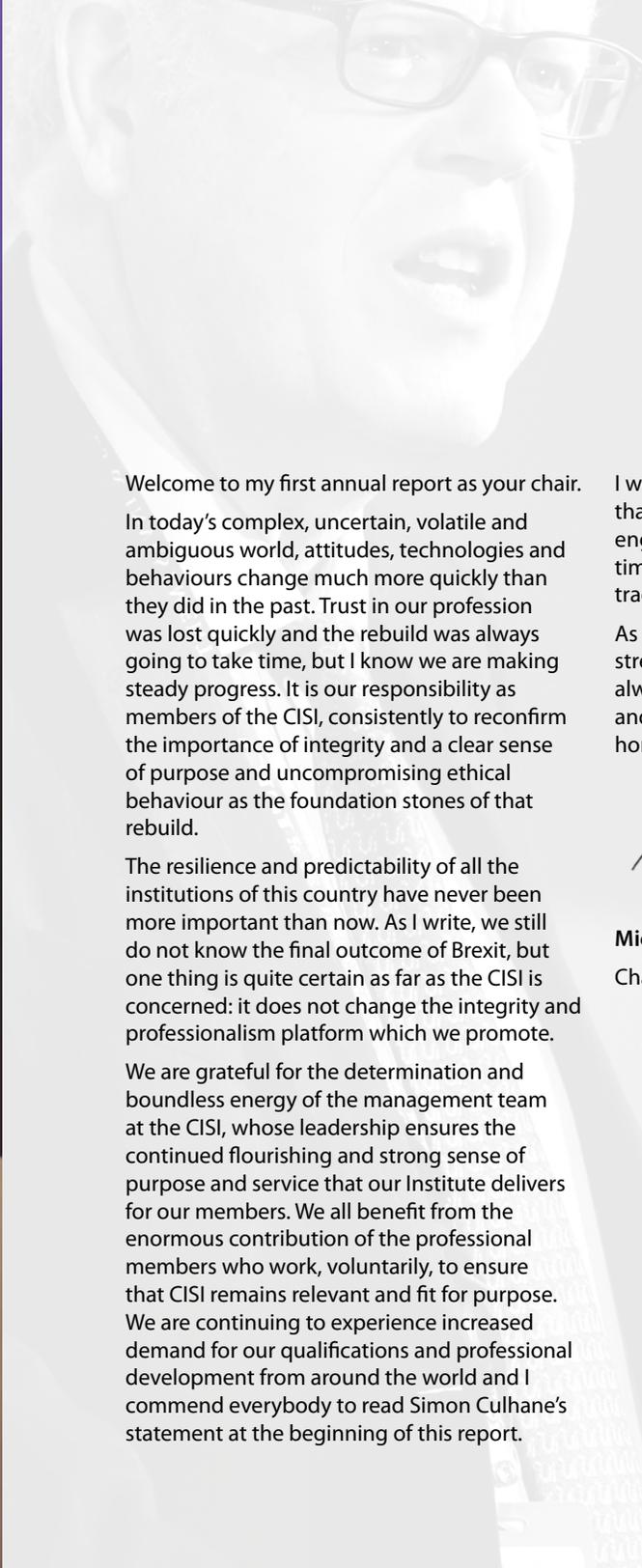




2018/19

A year in review



Welcome to my first annual report as your chair.

In today's complex, uncertain, volatile and ambiguous world, attitudes, technologies and behaviours change much more quickly than they did in the past. Trust in our profession was lost quickly and the rebuild was always going to take time, but I know we are making steady progress. It is our responsibility as members of the CISI, consistently to reconfirm the importance of integrity and a clear sense of purpose and uncompromising ethical behaviour as the foundation stones of that rebuild.

The resilience and predictability of all the institutions of this country have never been more important than now. As I write, we still do not know the final outcome of 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, whose leadership ensures the continued flourishing and strong sense of purpose and service that our Institute delivers for our members. We all benefit from the enormous contribution of the professional members who work, voluntarily, to ensure that CISI remains relevant and fit for purpose. We are continuing to experience increased demand for our qualifications and professional development from around the world and I commend everybody to read Simon Culhane's statement at the beginning of this report.

I would like to take this opportunity also to thank our knowledgeable, conscientious and engaged Board of Trustees who too give their time voluntarily to help the Institute to stay on track and be the best that it can be.

As your Institute goes from strength to strength, the trustees and staff will continue always to promote integrity, professionalism and a commitment to lifelong learning, both at home and abroad.

Michael Cole-Fontayn MCSI

Chair



CHIEF EXECUTIVE

The Chartered Institute for Securities & Investment (CISI) is a global professional body, headquartered in London, with a strong UK base and wide international reach. Its 170 staff are spread over eight offices and governed by a Board of Trustees.

The past year has been one of change, challenge and achievement, building on our rich heritage and strong foundations and was, by any measure, a highly successful year.

Continuing from 2018, the UK market rebounded from its low almost three years ago, immediately following the vote to leave the EU. Since then, confidence has returned, and the finance sector has continued to be more resilient, with exam numbers now at the same level they were three years ago. However, more recently there has been a noticeable decline, and as the UK moves into the Brexit transition phase, the uncertainty arising in the early part of the year is having a detrimental effect.

During the year, the Institute offered almost 40,000 exams, welcomed 3,552 new members and achieved recognition by four new jurisdictions. Financially, we returned an operating surplus of £741k, which, together with investment and interest income, resulted in our reserves increasing by £1,198k during the year.

Transition

During the year we saw the retirement of our long-standing chair, Sir Alan Yarrow Chartered FCSI(Hon), who, under good governance arrangements, stood down after nine years. We are indebted to him for his leadership, advice, and passion for the Institute. It was fitting that Sir Alan retired after the annual dinner in October 2018, at which the governor of the Bank of England, Mark Carney, spoke warmly of his achievements.

We are delighted to welcome the Institute's fourth chair, Michael Cole-Fontayn MCSI, a veteran from Bank of New York Mellon and also chair of the investment bank trade body, the Association for Financial Markets in Europe.

Purpose

The Institute is proud to be both a Chartered body and a charity. This means that it 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 creating money is not our primary aim.

Being focused on our objectives allows us to consider the longer term and to carry out initiatives which might be the right thing to do for our sector and society rather than the most profitable. Some projects take far longer than others. For example, in February 2019, we launched our exams in Morocco in partnership with the Casablanca Stock Exchange, which was the culmination of a variant of a proposal originally discussed nine years previously!

Directory/Register

When the UK Financial Conduct Authority (UKFCA) announced in 2017 that it was abolishing its Register of approved persons/ financial advisers, there was great concern from our members that this would be to the detriment of consumers. The Institute initially considered replicating the Register on a pro bono basis, but then, taking advantage of a change in sentiment and a consultation exercise by the FCA, actively lobbied the regulator to not only modernise the Register but also include an individual's professional membership status. We encouraged our members and Fellows to respond, and were delighted in March 2019 to note that from December 2020, the UK regulator will require an individual to record their professional body affiliation in the new Directory of advisers. This is welcome recognition from the regulator that greater professionalism helps the consumer.

Integrity

The Institute's integrity case studies and guidance continues to be well received during the year, especially internationally, (including Australia where we have partnered with our equivalent professional body FINSIA), as many countries look to discover how they can change the culture of the finance sector and help it regain public trust.

The Institute gained its Royal Charter almost ten years ago, having been created from the London Stock Exchange in 1992. Integrity – the second of our three core principles of professionalism, integrity, and excellence – is as relevant now as it was then. Finance continues to rely on trust.

People buy from people and if there is no trust, there is no transaction.

Over 60,000 people have now taken our unique IntegrityMatters workshop, and the Institute continues to be 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.

Qualifications

The acquisition and assimilation of knowledge is one of the Institute's core pillars. Our aim is that CISI qualifications, and the body of knowledge which accompanies them, are recognised as the global benchmark for wealth managers, financial planners, capital market, compliance or operations professionals.

We received recognition from four further regulators during the year, taking the total to 48, with our strategic goal to reach 60 by the end of 2020.

We are particularly excited that the draft syllabus for our new level four Certificate in International Advanced Wealth Management has been enthusiastically received in China and South Africa, especially as this was a more challenging year internationally, where a number of major projects, especially in the Gulf, have been delayed until the latter half of 2019. Additionally, we were saddened to lose the contract with the Cypriot regulator for their exams on the basis of price.



Sir Alan Yarrow, Chartered FCSI(Hon) with Mark Carney, governor of the Bank of England at the CISI London annual dinner

However, there were successes, especially in India, with good foundations also being laid in Australia and West Africa.

There was more positive news in the UK, where the number of people taking qualifications increased ahead of expectations, rising by 7.3% to 26,960.

For next year we expect to see a resumption of growth internationally in our examinations. We are forecasting an increase of between 12% and 15% in the expectation that a number of long-running projects reach fruition.

We are seeing more wealth firms add financial planning to their services, reflecting a growing trend to provide integrated wealth management.

At long last, we were pleased to announce in March 2019 that our revised financial planning pathway is now available, and we have a new level 6 exam and level 7 financial planning case study, which will culminate in the Chartered Wealth Manager award and lead to CERTIFIED FINANCIAL PLANNER™ certification.

There are also welcome signs that the UK wholesale market wishes to professionalise and is considering qualifications. We are currently exploring options with the FICC Markets Standards Board, which is the de facto body representing the wholesale sector.

During the year, Ofqual made a themed inspection, focusing on our approach to third party testing arrangements. Surprisingly, this revealed a number of areas where we needed to tighten up procedures, and we have now implemented all its recommendations.

Membership

Membership continues to grow, across all regions. Ten years ago, there were only 15,000 qualified members. Today there are over 25,000, and this is likely to increase as continuing professional development (CPD) becomes the norm. Our new five-year plan targets membership at 35,000.

Part of the reason for growth internationally is that some regulators have introduced compulsory CPD in their area, appreciating the necessity for individuals not only to be initially qualified but also to maintain their competence.

Our digital learning library continues to grow. We now provide 108 unique financial modules, often in other languages, including Spanish, French, and Greek.

Around 7,000 modules are downloaded each month, and there are around 7,000 views from our seminar/webinar programme.

We are particularly pleased that our Young Professionals Network, which was piloted in London, is proving popular and will now be rolled out to other regions. We have also started a mentoring system, which is fully subscribed in its pilot phase.

Since April 2019, it has been a requirement for all individual members to maintain their CPD, of which 10% must be on integrity related subjects. We are delighted that 98.5% of our members have embraced and supported this move to raise standards.

Technology

The Institute is a strong advocate of technology, and we have expanded our IT team significantly. In addition to a team of IT specialists in London, we have built up a team of professional developers in Sri Lanka, who are upgrading many of our processes. We aim to make significant improvements in member experience over the next year, including the development of a mobile app.

While technology is important in our world, so too are people. Amongst the talk and concern about artificial intelligence and 'robo-advisers', there is common consensus that people value, and need, to be advised by people who have the necessary empathetic and relationship skills to treat clients as individuals and meet their specific needs.

It is also people who are the Institute's special ingredient. As I have written before, 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 regions. We owe them a huge debt of gratitude because, without our volunteers, we wouldn't have an Institute.

We do, however, always need more help, especially on 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.

Chartered Body Alliance

In 2018, I wrote about the formation of the Chartered Body Alliance, which is a loose alliance of three financial services professional bodies: the CISI, the Chartered Insurance Institute and the Chartered Banker Institute.

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

During the past year, we ran a series of advertising campaigns promoting professionalism and membership of a Chartered body in general, rather

than for our Institute specifically. We also attended and ran fringe meetings at the two main party conferences, held joint events on ethics and the Senior Managers and Certification Regime, as well as distributing each other's products, including the Chartered Banker Institute's Green Finance qualification globally.

Staffing

The Institute is a charity, and we are fortunate that so many dedicated professionals wish to help us meet our objectives across the world. We are conscious of the need to find the right work/life balance, and are trialling greater use of remote working. Staff turnover has reduced during the year in most offices, including London, while it is very low in our Colombo office, where we have expanded significantly and moved to modern and better premises to accommodate our 42 staff there.

Although we are not required to report our gender pay gap, it is 12.1%, and only 3.1% at assistant director level. However, we do not support the use of quotas and will continue to appoint on merit. We have made changes to our recruitment process to ensure we select for interview on a gender blind basis.

It has been my privilege to lead our expanded team over the past year. We have had some

challenges, but I have been delighted and impressed by how we have risen to meet them, and I thank all our staff for their dedication and commitment.

Finances

From a financial perspective, the Institute had another good year. The unexpected improvement in UK qualifications offset the disappointing international figures and resulted in a full year surplus of £1,198k compared to the previous year's surplus of £1,117k.

However, this is a significantly better performance when viewed in the context of a budget which projected an operating surplus of just £287k.

The figures this year are slightly depressed by a charge for the unexpired portion of a lease on our test centre, which was surplus to requirements following the new five-year exclusive contract with our third-party test centre provider, Prometric.

The positive financial out-turn has allowed us to increase our donation to the Educational Trust, which is a separate charity, to £200k.

Conclusion

Overall, the past year was successful, but choppy at times. Internationally, the financial results were lower than forecast, but the outlook for next year is far more positive, with the expected imminent major contract in two major Gulf states.

For the UK, the outlook is more finely balanced. Some form of deal with the EU will end the uncertainty and confidence should return, but further delay will be bad for business in general and the finance sector in particular. So far, firms are holding their nerve but we are seeing a drop in investment.

The Institute operates globally, precisely to ensure that it can thrive in all circumstances or when one market is down, so it 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





Simon Culhane, Chartered FCSI giving an Integrity at Work workshop at the Philippine Stock Exchange

INTERNATIONAL DEVELOPMENT

The CISI's international presence continues to grow for both membership and qualifications, and in the past year over 14,000 exams were sat outside of the UK across 84 countries. We were also very pleased to increase the number of jurisdictions where CISI qualifications are recognised to 48.

This year, we have seen a shift in some markets from a focus on initial competence (requiring professional qualifications) to continuing competence (requiring membership and continuing professional development (CPD) opportunities). As a result, we have welcomed many new members to CISI from outside the UK – in particular in the Middle East and Africa – with 28% of our new members over the past year coming from outside the UK. These members gain access to a wealth of membership and CPD opportunities with the CISI, including access to Professional Refresher digital learning modules in four languages, as well as numerous CISITV videos and attendance at events held worldwide.

We are also growing our presence on the ground in these countries in cooperation with local partners, and this year held inaugural events for our members in countries including Nigeria, the Philippines and Gibraltar on topics ranging from 'Restoring investor confidence through sector standards' to 'Enhancing your professional image'. Our global presence is supported by offices in Spain, Ireland, the UAE, India, Philippines, Singapore, Sri Lanka and Kenya, with representatives in Nigeria, Hong Kong and Colombia.

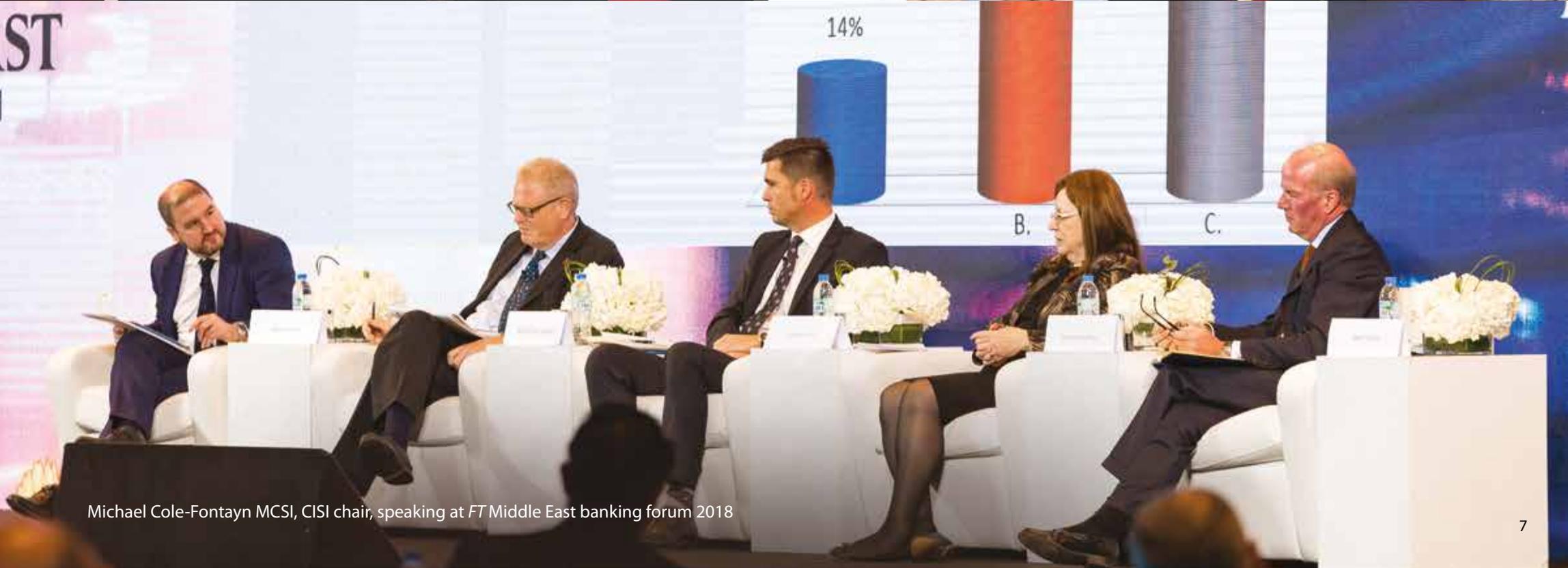
We continue to be fortunate in receiving excellent support and guidance from our International Committee, our National Advisory Councils/Board and Accredited Training Partners, who provide the essential expertise and local knowledge to help us in maintaining a relevant, attractive and global offer.



Albania	Czech Republic	Jordan	
Argentina	Denmark	Kazakhstan	
Australia	Egypt	Kenya	
Bahamas	Finland	Kuwait	
Bahrain	France	Latvia	Portugal
Bangladesh	Germany	Lebanon	Qatar
Belgium	Ghana	Lithuania	Romania
Botswana	Gibraltar	Luxembourg	Russia
Brazil	Greece	Malaysia	Rwanda
Brunei Darussalam	Hong Kong	Malta	Saudi Arabia
Bulgaria	Hungary	Mauritius	Senegal
Canada	India	Mexico	Seychelles
Cayman Islands	Indonesia	Myanmar	Singapore
China	Ireland	Netherlands	Slovakia
Colombia	Israel	New Zealand	South Africa
Croatia	Italy	Nigeria	South Korea
Cyprus	Japan	Oman	Spain
		Pakistan	Sri Lanka
		Palestine	Sweden
		Philippines	Switzerland
		Poland	Taiwan
			Tanzania
			Thailand
			Trinidad and Tobago
			Tunisia
			Turkey
			Uganda
			Ukraine
			United Arab Emirates
			United Kingdom
			United States
			Vietnam
			Zambia
			Zimbabwe



Seated from left, Andrella Guzman-Sandejas, country head Philippines and Helena Wilson, Chartered MCSI, assistant director global business development signing a Memorandum of Understanding with the University of Santo Tomas in Philippines



Michael Cole-Fontayn MCSI, CISI chair, speaking at FT Middle East banking forum 2018

EUROPE



Brexit negotiations are still ongoing in the UK and we continue to provide support to our members and exam candidates across Europe who may be impacted by developments. Part of this has involved renewing and strengthening our links with pan-European financial sector groups, and in June 2018 we were delighted to be granted membership of the European Banking and Financial Services Training Network (EBTN). The EBTN has now awarded Triple E status to our International Introduction to Securities & Investments and International Certificate in Wealth and Investment Management qualifications. Triple E is a quality standard for qualifications in the European banking and financial services sector, which recognises that our qualifications have met stringent requirements around quality and substance.

Our membership across Europe has continued to grow, and we now have more than 800 members in the region. This year we held a number of events for members in Gibraltar, Cyprus and Spain, including a very successful Cyprus Gala dinner held in April in partnership with the Cyprus Securities & Exchange Commission and with the support of our Cyprus National Advisory Council.

In Spain we gained recognition from the Spanish regulator Comisión Nacional del Mercado de Valores, confirming that three of our Spanish qualifications are MiFID II compliant when taken in combination with an online test.

We continue to focus on ensuring our wealth management exams are globally relevant, and have recently launched our pinnacle postgraduate level Chartered Wealth Manager qualification in Cyprus. This will be taught in partnership with the European Institute of Management and Finance.





Karim Mansoor, managing director, Tadawul Academy, speaking at a CPD event kindly hosted by the UAE Securities and Commodities Authority

MIDDLE EAST

Driven by the implementation of continuing professional development mandates introduced by the regulator, we have seen significant growth in membership in the United Arab Emirates and now have nearly 500 CISI members based in the region. We continue to offer our members a wealth of CPD opportunities, including Professional Refresher modules in Arabic and numerous events on a variety of topics, all with the support and guidance of our UAE National Advisory Board.

We gained regulatory recognition in Jordan through a partnership with the Jordan Securities Commission (JSC), the entity responsible for developing, regulating and monitoring Jordan's capital market activities. This will see our International Introduction to Securities & Investment introduced as the core qualification in the JSC programme, as well as collaboration around the design of the JSC certification pathway.

We have continued to work closely with the Kuwait Capital Markets Authority in support of its programme to serve securities practitioners in the Kuwaiti capital markets sector through a certification programme, and this will be launched to the market in April 2019.



Ganesh Iyer, CISI India country head, speaking at Integrity at Work event at the Indian Institute of Banking and Finance

INDIA AND SRI LANKA

In India we have continued to see excellent growth in qualifications in both the corporate and university sectors, with more than 2,300 exams sat over the past year. Our director of global business development, Kevin Moore, Chartered FCSI, attended Christ University's 2019 International Conference in February, speaking on the subject of 'Digital revolution of the financial services sector'. We continue to see record numbers of Christ University students sitting our exams, with consistently excellent pass rates.

Our partnership with the Indian Institute of Banking & Finance (IIBF) continues, and in February we ran a well attended interactive Integrity at Work workshop in conjunction with IIBF.

In Sri Lanka we have now moved our office to new and larger premises and have focused on providing support and continuing professional development opportunities to our more than 150 Sri Lankan members.

We have concentrated on delivering and developing our Integrity offering, running several of our flagship Integrity at Work seminars to firms and members over the year.

ASIA PACIFIC

In the Philippines, our focus remains on the business process outsourcing and higher education sectors. We have continued to develop links with the university sector in the Philippines and, in April 2018, more than 40 students from the University of Santo Tomas visited our London office, attending an Integrity at Work workshop and study session. They concluded their visit by sitting our Fundamentals of Financial Services exam with an excellent pass rate.

We presented at several events in the Philippines throughout the year,

including on Integrity at Work to the Philippine Stock Exchange and on MiFID II to some of our members.

This year, we took the difficult decision to not renew the lease for our Singapore office when it expires in the summer of 2019, and to use our Manila office as our regional headquarters in Asia Pacific. This was as a result of the increased cost of maintaining an office in the region, balanced against the potential for growth we are currently seeing in the Philippines and elsewhere. We will continue to support our members and clients in Singapore through a combination

of our Singapore National Advisory Council, our senior representative in Hong Kong and assistance from our Manila and London offices.

In Qingdao, China, our partnership with the Shanghai University of Financial Education has progressed and we are currently designing the syllabus for a new level four Certificate in International Advanced Wealth Management suitable for the Chinese market. Initial responses have been excellent and work on this continues, with the aim of launching next year.



Simon Culhane, Chartered FCSI attending the inaugural CISI members' event in the Philippines

AFRICA

Our presence across Africa continues to grow, and we now have regulatory recognition in 14 African countries, including South Africa, Kenya and Nigeria. In June 2018, we opened an office in Nairobi, Kenya to provide a base from which to service Kenya and the rest of East Africa, where we have been active since the signing of a Memorandum of Understanding with the Kenyan Capital Markets Authority (CMA) in 2014.

We have continued to receive support from Financial Sector Deepening Africa (FSDA), a Department for International Development funded initiative, who have funded various

projects to help support capacity building in the region. FSDA supported projects throughout the year have included a partnership with the University of Rwanda which saw more than 500 students sitting our Fundamentals of Financial Services exam.

In West Africa we joined Agency UMOA Titres and the FSDA to create a financial licensing certification system to raise financial sector capability and educate practitioners in the eight countries of the West African Monetary Union: Benin, Burkina Faso, Cote d'Ivoire, Guinea-Bissau, Mali, Niger, Senegal, and Togo. The project

has the support of the United States Treasury Department and is funded by the FSDA. It aims to release a certification programme in French that takes into account the specificities of the local market, and our Fundamentals of Financial Services qualification is already being studied in French by practitioners in the region.

As part of our Chartered Body Alliance programme, we have worked with both the Chartered Bankers Institute and Chartered Insurance Institute (CII) in Africa. This has seen us launch the distribution of the CII's Award in Bancassurance, and

work with the CBI, along with support from the FSDA, to develop and distribute the Fundamentals of Credit Risk Management qualification.

We were delighted to launch our Nigerian National Advisory Council (NAC) in March, which will offer support to our members in Nigeria and guide our activities in developing professional standards across the financial services sector.



Lawrence Kimbowa, public relations officer, Insurance Institute of Uganda (IIU); Kimacia Gitau ACSI, CISI East Africa region representative; Saul Seremba, IIU chief executive officer, Lisa Elo, CISI international manager, Jonan Kisakye, IIU head of training and research at a signing of the partnership between the CISI and IIU



Pranet Shivaprasad, CISI senior international manager, speaking at a Ghana Integrity at Work event



Dr John Osuoha ACSI, CISI Nigeria representative, presenting certificates to the first ever CISI exam candidates in Senegal under our partnership with Agence UMOA-Titres

6 Careers Insight events attended by 140 students

570 students in schools and colleges sat CISI qualifications

EDUCATION

Rebecca Aston, CISI head of professional standards, with students at Investment 2020

Employability is at the heart of what we do

Developing and nurturing the future talent of the financial services sector is integral to the Institute. Our education development team works with over 40 schools and colleges and 27 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. Students have attended two networking lunches organised by the City of London Corporation, which were hosted at Guildhall by Sir Mark Boleat. This was an opportunity for students to network with professionals, several of whom were CISI members.

Insight events

On 22 February, the first CISI Insight event in Birmingham took place. It was a huge success, with students receiving inspiration to embark on a career in financial services, having gained an insight into the sector. Twenty-six students from Solihull School and Aston University took part in the event at Succession Wealth's modern offices. They were joined by professionals from Succession Wealth, Quilter Cheviot and the CISI.

On Thursday 29 March, the third CISI Insight event in Manchester took place at BNY Mellon in the city centre. It was well attended, with over 50 students from nine schools across Greater Manchester in attendance. The event was opened by James Trehane, chief of staff at BNY Mellon and David Gorman, Chartered MCSI, president of the CISI Manchester Committee.

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 14 different firms, with students from a total of 21 schools benefiting from seeing firsthand how a financial firm works.

Educational Trust Awards

The top performing postgraduate was Akshat Vyas of ICMA Centre, University of Reading, who received a prize of £3,000. The top performing undergraduate was Luke Mulligan of University of Ulster, who received an award of £1,500. Josephat Loambo of Liverpool John Moores University and Niccolò Carrara of the University of York received £2,000 and £1,000 each in recognition of a high interview standard.

The standard of work submitted this year was again extremely high. Following an assessment of article submissions 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 Educational 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 Educational Trust.

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.



Global Educational Trust Award winners at the CISI London headquarters



52 new Chartered Wealth Managers

39,952 exams sat in 85 countries

QUALIFICATIONS

Michael Cole-Fontayn MCSI speaking at the CISI Awards Ceremony

Throughout 2018/19 we have continued to work closely with key stakeholders, including international regulators, firms and Accredited Training Partners to ensure that our portfolio of qualifications remains relevant, appealing and suitable for candidates in the UK and internationally.

A number of new exams and assessments have been developed during the year and several of our existing exams are currently being translated into Arabic. We are also developing extended digital learning on anti-money laundering in partnership with regulators in the Philippines and Qatar.

To provide a structured pathway for financial planners towards achieving the coveted CERTIFIED FINANCIAL PLANNER™

designation, we have undertaken a comprehensive review of our financial planning offer. The first sitting of our new level six Certificate in Advanced Financial Planning exam will take place in September 2019. Successful candidates will be able to go on to take the revised financial planning case study to achieve the new level seven Diploma in Advanced Financial Planning and eligibility for the CFP™ designation.

Work is progressing well on our new level four Certificate in International Advanced Wealth Management. Following discussions with international stakeholders, syllabi have been drafted for two new examinations which will form the new level four certificate. Feedback from partners in China, Australia and South Africa has been positive.

Under the auspices of the Chartered Body Alliance we have worked closely with the Chartered Banker Institute to develop our new Fundamentals of Credit Risk Management qualification, which will be distributed across sub-Saharan Africa.

In the latter half of the year we conducted an in-depth review of our operations offer to ensure that it remains relevant and appealing. The recommendations, including internationalisation of core modules and the continued development and promotion of our digital learning offer, will be implemented over the next year.

We constantly strive for improvement and innovation in our exam delivery and learning resources. During 2018/19 we introduced

new software for exam development and delivery which, in addition to operational benefits, enables candidates requiring reasonable adjustments to sit our multiple choice exams digitally rather than using pen and paper. We have also upgraded the digital platform for Revision Express. Our ebooks are already market leaders, incorporating advanced functionality such as read aloud, but we are also increasing our multimedia content, with greater use of animations and videos.

To incorporate these new developments and in light of the findings of the previous year's Ofqual audit, we are reviewing all our policies and procedures, ensuring that they are as streamlined and customer friendly as possible.



Our award winners 2018/19



PROFESSIONAL STANDARDS

775
members
streamed
our Integrity
Debate live

475
views
subsequently
on CISI TV

1,669
members
passed our
Speak Up
Professional
Refresher

78
Integrity
at Work
interactive
workshops
presented in
16 countries

2,946
members
passed the
Integrity
and Ethics
Professional
Refresher

Background

More CISI members and external stakeholders have engaged with our ethics and integrity resources than ever before this year, possibly driven by the implementation of mandatory ethics CPD. Five years ago, in November 2014, we published a press release noting that 20,000 candidates had completed IntegrityMatters. This year, we celebrated passing the milestone of over 60,000 tests taken. Integrity at Work interactive workshops were delivered in more countries than in previous years, and the number of workshops being delivered increased overall, from 54 in 2017/2018 to 78 in 2018/2019. This enabled the Institute to include more people in these training sessions – from 3,536 the previous year to 7,215 this year.

This year, the Institute ran three Integrity Debates – one in March 2019 which

followed the same format as previous years with the motion ‘ESG: Is it all a lot of hot air, a craze that will drift away?’ and another event held in June 2018 which used case studies focused on AI, whistleblowing and social media to encourage more debate and discussion amongst both the panellists and the audience. The second event was repeated in a shorter format exclusively for members of the CISI Young Professionals Network in September 2018.

These, along with other successes in the ethics and integrity space, have ensured CISI remains a thought leader on ethics and integrity and demonstrates that CISI members are committed to upholding the highest standards of ethics, integrity and professionalism.

As ever, we thank our Ethics and Integrity committee for their support throughout the year. This year, we welcomed Robert Hughes-Penney, Chartered FCSI, investment director

at Rathbone Brothers as a new member on the committee. Other members are listed in the sheets at the back of this book.

International reach

The Institute’s ethics and integrity resources continue to be popular globally. Our chief executive has already mentioned the Institute’s partnership with FINSIA in Australia, and the Professional Standards team has been working with FINSIA to deliver a bespoke Integrity at Work presentation and IntegrityMatters product for the Australian market. Other highlights from the past year include the delivery of Integrity at Work presentations in Ghana, Kenya, Tanzania, Zambia and Nigeria.

IntegrityMatters has also proved to be popular globally. In the past year, 437 members took the test in the UAE, 162 in Spain, 159 in Nigeria, 130 in Gibraltar, 111

in Cyprus, 108 in the Channel Islands, 107 in Sri Lanka, 50 in India, 42 in Kenya and many more in other countries internationally.

Sharing best practice

The CISI has worked closely with external stakeholders to expand the impact of our ethics resources, to reach a wider audience, and to learn from sector experts regarding best practice. For example, we have contributed to the success of the UK Finance Conduct Risk and Culture Academy, by delivering ethics workshops to their intakes throughout the year, and the CISI head of professional standards, Rebecca Aston, represented CISI on the Trust Advisory Group assembled by the 690th Lord Mayor of London, as part of his Business of Trust campaign.



7,000+

people attended Speak Up / Integrity at Work sessions globally

65,000+

IntegrityMatters tests taken

Lawrence Lever, executive chair, Citywire Financial Publishers; Ian Simm, CEO and founder, Impax Asset Management; Simon Culhane, Chartered FCSI, CEO, CISI; Richard Charnock, Chartered FCSI, CEO, Aberdeen Standard Capital; Amanda Young, head of global ESG investment research, Aberdeen Standard Investments; Andrew Steel, managing director, global group head, sustainable finance, Fitch Ratings, at the CISI Annual Integrity Debate

PROFESSIONAL COMMUNITY

A large crowd of people in professional attire, including suits and dresses, are gathered in a well-lit room, likely a conference or networking event. The people are engaged in conversations, and the atmosphere appears busy and professional. The background is filled with more people, creating a sense of a large-scale gathering.

2,701
members
completed the
membership
survey

core
membership
25,344
grew
4%

student
membership
19,368

28%
growth in
international
members

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 28%, with some regulators introducing mandatory CPD.

With the need for members to meet the mandatory CPD policy, it is of no surprise that our CPD offering continues to be valued highly by members. We aim to support those working in the sector to access cutting-edge information, 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.

Over 2,700 of our members took the time to answer our membership survey in 2018, which gave us a wealth of insight into not only what they would like to see from us in the next few years, but how they think they can help us shape our profession too.

Mental wellbeing

Two notable outcomes from the annual survey were the overwhelming number of stories our members shared with us about why they value their CISI membership, and the incredibly honest and candid accounts about their experience of mental ill health in the workplace. We asked how many of our members would be prepared to talk to their line managers if they had stress, anxiety or depression. Alarmingly, over 50% of them said they wouldn't. The stigma and

pressure around 'speaking up' was evident, so we decided to initiate further research on this topic with a follow up survey to the financial services community to gain understanding of how various segments or individual specialisms are impacted by this. We then worked with the BBC in December on a story around these findings, which resulted in significant coverage in the media at the end of 2018.

We remain committed to understanding and influencing our members' ability to 'have a conversation' about mental ill health in their workplaces, so we are developing a portal of information and guidance for financial services professionals which we aim to launch later in 2019.

Professional Forums

We have nine Professional Forums and two Interest Groups, which 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 fields 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 chairs and committees for their ongoing support. A full list of those who volunteer their time is shown at the end of this report.

Bond
Compliance
Corporate Finance
Financial Planning
FinTech
International Regulation
Operations
Paraplanner
Risk
Training and Competence
Wealth Management



Vivienne Artz, president, Women in Banking and Finance speaking at a CISI Corporate Finance Forum event

Over 60% increase in our forum members

Young Professionals Network

With the intent of nurturing the next generation of professionals in the sector, we have invested considerable time and resources in the past year to cultivate the talent pipeline carving out their careers in our sector. We created a sub brand for this younger segment of our membership, notably the under 35s but inclusive to all professionals who are new or returning to financial services, and we opened our programme of activity with a launch event in London in September 2018. We created a dedicated microsite to draw together some of the elearning, events, materials and products that we already had on our platforms to curate and tailor a stream of content that specifically resonates with this group.

We also began to commission articles for *The Review* and to write online learning modules to add to the platform. Accompanying our digital programme, we built an initial programme of events in London, focusing on the soft skills that our market research and member focus groups told us they wanted, which was then expanded to other major cities across the UK. The topics for these ranged from personal branding and networking skills to coping with stress and mindfulness. The initiative has been very successful, and it is now our intention to widen the rollout to include our international membership and to start to build communities of young ambassadors across the world in 2019 and beyond.

Mandatory CPD

We introduced mandatory CPD requirements for all our members (not students) in 2018, with professionals expected to complete either ten or 35 hours of structured and unstructured professional learning throughout the year. As integrity and ethics runs through our core, it is also a requirement of members to ensure that 10% of their requirement covers ethical and integrity content. We introduced newly badged digital learning and events this year to ensure all members have access to dilemmas and training to enhance their knowledge, skills and behaviour in this area.

CISI TV

Our bespoke video CPD content continues to thrive with over 80,773 video views (from 132 CPD event videos) on the platform in the past year. We have filmed more than 219 events, interviews and features which continues to enrich our CPD offering for members. Video and animation is integrated in everything we do and used across all channels and we will continue to invest in new opportunities, including virtual and augmented reality, podcasts, and, as we develop the technological infrastructure, downloadable content too.



Delegates at a CISI Young Professionals Network event

Personalisation and digitisation

We understand that members in our community receive so much information in a working day, so we want to ensure that the content sent from us is relevant, appropriate and tailored to individual needs. We are making strides towards personalising our online member platforms, including our elearning platform Professional Refresher, MyCISI and *The Review* online. This process will continue to evolve as our technology advances.

International branding

Our brand is recognised in over 100 countries around the world, with candidates taking globally portable exams and members joining our global community throughout the year. So our brand work in 2019 has reflected this, with a significant campaign at the start of the year in over 50 countries with billboards, financial centre advertising, banner promotions in transport hubs and a complex programmatic (targeted digital adverts) and paid social campaign. All of this work contributes to us driving up standards and awareness and encourages professionals to use and be proud of their designations with us.

Chartered Body Alliance

Our partnership with our Alliance partners continued this year with joint events on the Senior Managers and Certification Regime and ethical practices in artificial intelligence. We held joint fringe events at the UK major political party conferences in September and exhibited at City Week and CityUK events. We jointly gave advice to the FCA to reconsider its abolishment of the Approved Persons Register and asked our members to respond to its consultation, which resulted in the FCA proposing a new Directory to help consumers. Finally, we invested in a joint advertising campaign to consumers to raise awareness of our work and encourage them to pursue advice from a professional who belongs to a Chartered body. All of the work for the year is showcased on the dedicated website, www.charteredbodyalliance.org.

General Data Protection Regulation

As with all businesses in May 2018, we had to accurately assess what data we had, how we use it and how we store it. We saw the new legislation as an opportunity to review our privacy, digital and other policies and created a new communications dashboard for our members to be much more in control of what information they want from us. We had over 18,000 members update their preferences in the summer of 2018, with that number increasing throughout the year. We remain committed to ensuring that we adhere to the regulations and meet our customer and member needs.



109,000
unique Review
page views

17%
increase in CISI TV
views on last year



Your CISI
Communications
Dashboard

We like to keep you up to date with the latest news and information you need to know about to help you progress your career – that's just how much we care.

Your CISI Communications Dashboard lets you tell us exactly what you want from us, putting you in complete control.

Tell us what you want
cisi.org/dashboard



91

firms offering free surgeries for the public for Financial Planning Week

933,000

#hashtag impressions for our Financial Planning Week campaign

Jacqueline Lockie CFP™ Chartered FCSI, CISI head of financial planning; Charles McCready, strategic policy officer, TISA; Philippa Hann, partner, Clarke Willmott; Robin Keyte CFP™ Chartered MCSI, director, Keyte Chartered Financial Planners and member of FCA Financial Advisory Panel; Paul Grimes, CEO, FPSB Ireland; Gretchen Betts CFP™ Chartered MCSI, Magenta Financial Planning and Wales branch president, at the Financial Planning Conference 2018

Financial planning

We are very pleased to report that our Financial Planning Forum membership doubled in the past year to around 4,500. 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.

Our Board is fully committed to helping individuals and firms develop their financial planning skills. We have financial planning representatives in most of our network, with some taking roles as presidents in

branches. We are working together to help support the development of relevant content and sessions in the regions.

We held a successful Paraplanner conference in Hinckley and Financial Planning Conference and Awards in Birmingham. Financial Planning Week and World Financial Planning Day in October 2018 were both great successes, showcasing how financial planners give good quality advice. Our members supported 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 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 new development is the level 7 Diploma in Advanced Financial Planning which leads to becoming a globally recognised CERTIFIED FINANCIAL PLANNER™ professional. We are committed to the rollout of a new level six examination and level seven financial planning case study process in 2019, along with good quality training materials and courses to ensure the certification is achievable and is

seen as a worthwhile route to offer a robust financial planning service to clients.

Globally, we support the Financial Planning Standards Board in its expansion of financial planning and the CFP™ mark across the world. We have contributed to the global discussions and papers on best practice of financial planning across the world.



Bob Malloney, business coach, Malloney Associates speaking at the Paraplanner Conference 2018



Andy Hanselman, business improvement expert, author and consultant speaking at the Accredited Financial Planning Firms Conference 2018



CISI annual dinner hosted at Mansion



Manchester Insight event for prospective students



Praneet Shivaprasad, CISI senior international manager speaking to delegates at a CISI I



26 Young Professionals Network personal branding event kindly hosted by UBS



Chartered Body Alliance event kindly hosted



House in London



CISI Ireland awards ceremony 2018



Integrity at Work event in Ghana



Young Professionals Network personal branding event



Hosted by Barrons at News UK in London



Young Professionals Network event



F

Chris Allen MCSI
Head of Global Private Banking EMEA, HSBC Bank



I,J

Fionnuala Carvill, Chartered FCSI, FCIB
Non-Executive Director, Investec Bank (CI)



E

Richard Charnock, Chartered FCSI
Chief Executive, Aberdeen Standard Capital



A

Debbie Clarke, Chartered MCSI
Director, New Clarke Ventures



A,E,F,H,I,J

Michael Cole-Fontayn MCSI
Chair, CISI



F

Danny Corrigan MCSI
Head of International Development, ED&F Man Capital Markets



E

Philippa Foster Back CBE*
Director, Institute of Business Ethics



B,G

Claire Perryman, Chartered MCSI
Head of SPDR UK, State Street Global Advisors



I,J

Joanna Place*
Chief Operating Officer, Bank of England



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



A,E,I,J

Alan Ramsay FCSI(Hon)
Deputy Chair, CISI / Chief Executive, International Property Securities Exchange



Martin Ruskin CFP™ Chartered MCSI
Head of Business Development, Paradigm Norton Financial Planning



A,D

Clive Shelton, Chartered FCSI
Non-Executive Chair, Tax Incentivised Savings Association



C,G,H

Nick Swales, Chartered FCSI
Regional Director, Rathbone Investment Management Ltd



H

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



H

Gary Teper, Chartered MCSI
Director, Charles Stanley



A

Andrew Westenberger MCSI
Formerly, Finance Director, Brewin Dolphin Holdings

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.

David Kane MCSI Resigned 10 October 2018
Richard Westcoat Resigned 10 October 2018*
Martin Watkins, Chartered FCSI Resigned 10 October 2018
Sir Alan Yarrow, Chartered FCSI(Hon) (chair) Resigned 10 October 2018

Chris Allen MCSI Appointed 10 October 2018
Michael Cole-Fontayn MCSI (chair) Appointed 10 October 2018
Martin Ruskin, Chartered MCSI Appointed 10 October 2018

* denotes a co-opted Trustee

OUR BOARD OF TRUSTEES

as at 31 March 2019

CISI

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SECURITIES & INVESTMENT



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