

2016/17

a year in review

**CISI**   
CHARTERED INSTITUTE FOR  
SECURITIES & INVESTMENT

**25**  
YEARS

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## Chairman's message

Every year I say that this Institute would not be what it is without the selfless determination of a great number of our members who give their time for free. This is our differentiating feature; we are owned and run by members for the benefit of the sector, and we look to our members to share their experiences with those who are just starting out. This could not be more relevant than it is today, as the young now recognise the importance of using their electoral franchise to make sure they are not left out of the decisions made on the direction this country is taking.

As I write, we 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 in which we believe.

We are delighted to be working very closely with our colleagues in Spain and hope to do much more with them in the next few years. It is a strange irony that as the UK is gearing up to leave Europe, we are beginning to do more business within it.

Thanks to the determination and boundless energy of CISI CEO Simon Culhane, Chartered FCSI and his management team, we are continuing to increase our global footprint and I commend everybody to read his statement.

We continue to broaden our exams suite to remain relevant, taking into account issues far wider than those which directly affect wealth management, for example, Combating Financial Crime. These exams should appeal to anybody who is involved in handling money. As we know, technology does not stand still, nor does the criminal element, and we must ensure that not only our members, but others in financial services are able to keep up to date through appropriate continuing professional development.

If any senior manager is reading this report, I urge them also to take a look at Professional Refresher, which has helped me out of sticky spots when somebody has perhaps mentioned Dodd-Frank or CASS and I felt I wanted to go somewhere to remind me of the legislation – it is a good 30-minute investment.

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 in financial services, both at home and abroad.

Sir Alan Yarrow, Chartered FCSI(Hon)  
Chairman

“As a CISI member for almost ten years, I feel proud to be part of this well recognised and esteemed body. There are so many benefits I have enjoyed as a member and I find the annual CPD log requirement very useful for my personal development.”

“I feel a lot of pride in using my CISI designation. People know what it means and they appreciate how hard I must have worked to achieve Chartered status.”



## Chief Executive's report 2016/17

Just twenty-five years ago, in February 1992, the Securities Institute was formed from the London Stock Exchange, taking up its first office near the Monument with 19 staff and 4,358 new members. It was a time of politically important events, including the declaration by Presidents George Bush and Boris Yeltsin that the Cold War was over, and an unexpected result in a general election vote which saw Sir John Major elected as the UK's Prime Minister.

This year, as the Institute celebrates its silver anniversary, historians will record 2016/17 as being a year of even greater significant global political changes which saw the UK electorate unexpectedly vote to leave the EU, and unanticipated election results in the US, Europe and the UK.

For the Institute, now with over 42,000 members, of whom a record 22,896 are fully qualified, and its staff, 2016/17 has also been the most financially testing year for over a decade.

Some of this is due to the continued depression in the UK capital markets caused, in part, by their continued retrenchment in the face of new regulation. Our core international growth temporarily slowed down, mainly due to several significant projects taking longer than expected to come to fruition.

Overall, we are more positive for 2017/18. The markets and UK economy have performed better than many feared, although still weak. Growth is coming from many of our international developments which are advancing towards completion, especially in Africa, Russia and China, although not without their own challenges.

### Finances

Financially, this was a challenging year for the Institute, which is both a charity and a professional body. Our income from the UK market fell more than predicted, while our expenses rose due to our lease expiring at 8 Eastcheap and the subsequent move to 20 Fenchurch Street, so incurring a higher rental charge.

Therefore, we took early action to reduce costs, including not replacing vacant posts and curtailing some of our other discretionary spending. As a result, the Institute ended the year at break-even on a reduced turnover of £14.6m, although due to a technical accounting requirement relating to advance rent of our Eastcheap property, the Institute recorded an overall loss for the year of £187k. Nevertheless, net assets remain healthy at £11.05m.

### Purpose

The Institute's purpose today remains just as it was 25 years ago, but our scope has widened far beyond UK shores. We see ourselves as a global organisation with a UK head and an international body.

The goal of our 160 staff, now with physical offices in seven countries, is to help the public by providing professionals working in the securities, wealth and financial planning world with a combination of the right knowledge, skills and behaviours. In short, help them become professionals and maintain their professionalism.

### Qualifications

The first requirement is knowledge. One of the Institute's key strategic goals is for its qualifications, the ones taken today by wealth managers, financial planners, capital market, compliance or operations professionals, to be recognised as the global benchmark in their field. This year the total exams booked was 36,153 and we anticipate a small increase for next year. However, it is more of a concern that the number of exams taken in the UK fell to the lowest level since 1990 at 23,146 with the largest fall occurring in the UK capital markets sector.

Therefore, as part of our long-term strategy since 2005, the Institute has been expanding overseas and working with international regulators as they seek to raise the skill levels and become financial centres. Growth overseas is a key part of the Institute's strategy. As at 31 March 2017, over 40 authorities recognise some or many CISI qualifications, and the Institute's 2020 vision is to expand further, aiming for 60 jurisdictions within the next four years.

We see significant growth for the Institute internationally, initially through examinations, followed by membership, with growth anticipated at around 15–20% a year. The UK market is less buoyant, but the significant structural changes in pension legislation resulting in a transfer of risk and responsibility back to the individual, combined with global low interest rates, adds to demand for wealth and financial planning.

With the number of UK exams almost halving from the 2007 peak, from over 40,000, well over half the shortfall has been replaced by international demand. The future for the Institute, like the UK, lies in exporting globally.

### Longevity

Part of the driver for international growth is the dramatic increase in longevity. A child born in 1960 in either the Gulf or most of Asia would have a life expectancy of 57. Today, 57 years later, a child born in those parts of the world has a life expectancy about 20 years longer. Some countries, such as Singapore, do even better – their citizens can expect an increased lifespan of over 25 years.

The reasons are three-fold: better diet, better exercise and fewer smokers.

The result is that as people live longer, they and their governments are realising the critical need for people to prepare for, and manage, their personal finances for much longer. There is a much greater demand for wealth management and financial planning, and advanced economies. Singapore, for example, has already shifted its financial sector away from operations jobs towards these two areas.

The demographic change in the UK is not as dramatic because its advances were made earlier, but nevertheless, UK citizens today will live around 12 years longer than their grandparents, and we are seeing an increased demand for wealth management and especially financial planning, hence the logic of our merger in November 2016 with the Institute of Financial Planning.

We see a significant trend towards traditional wealth firms now providing or increasing their provision of financial planning and advice as individuals look for a single adviser.





Financial services specialists at a CISI event



MoU Signing ceremony with the Autorregulador del Mercado de Valores (Securities Regulator of Panama) on 1 June 2016



The launch of the Chartered Body Alliance on 28 February 2017



## Membership

For real professionals, having a qualification from a Chartered body is just the start. 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 their knowledge and skills are up to date and they uphold the highest standards of integrity.

Therefore, the Institute continues to actively promote membership and is finding increasing receptivity amongst firms to support their staff becoming members, often financially. Despite a lapse rate of 8% this year, overall net qualified membership is growing, and 22,896 individuals are now fully qualified in addition to another 19,454 student members.

The Institute continues to invest in technology to deliver elearning and webcasts, but we haven't forgotten the importance of people relationships, which is why our UK branch network has expanded from 18 to 24 branches and the number of local events and dinners has commensurately increased.

The Institute's secret ingredient is the 750 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 local branch networks. We owe them a huge debt of gratitude, because, without our volunteers, we wouldn't have an Institute.

## Integrity

The third leg of being a professional is integrity, and here the Institute continues to lead.

We are still the only professional body that requires its members to take and pass an integrity test before being accepted for membership – and over 45,000 people have now done so since we introduced this four years ago.

During the year, we have completed upgrades to our IntegrityMatters online test platform. We also have seen strong demand for our Speak Up principles, especially following the UK regulator's policy statement on whistleblowing.

## Looking ahead

In the past few months, the Board has been reviewing our membership requirements for continuing professional development (CPD) and has decided that, in line with many other leading professional bodies, from April 2017 it is a requirement for all members (excluding students) to complete their own CPD.

The Board also recognises the importance of integrity in our professionals, so an additional membership requirement is to ensure that 10% of total CPD hours is focused on integrity and ethics.

## Chartered Body Alliance

The Institute was formed to help the public by ensuring that those who give advice are fully qualified to give it and do so with the utmost integrity. It has succeeded in raising standards and, like other professional bodies, is a force for good.

This has made us appreciate that there is considerable common ground between professional bodies in the financial services sector, despite the different niches they service.

We all have similar high-level objectives, particularly around the tenets of professionalism; our governance models are similar, our range of qualifications are at the same level and we have clear codes of conduct.

In short there is far more that unites than divides us.

Therefore, three forward-thinking Chartered professional bodies, the CISI, the Chartered Insurance Institute and the Chartered Bankers, have formed a loose alliance under the umbrella of the Chartered Body Alliance. This grouping is perhaps best viewed as being similar to an airline marketing alliance, where we still compete in certain areas, but recognise each others' qualifications, make some events open to each other's members and work on common goals and themes.

In June 2017 we embark on the first single common advertising campaign which will promote the benefits of belonging to a Chartered professional body, a body which resonates quality and says to the public that this is a professional person at the pinnacle of their career.

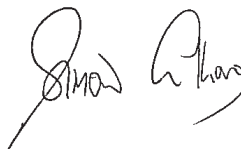
We have already agreed common positions on the introduction of MiFID II requirements regarding training and competence and will develop other positions during the year.

## Conclusion

Despite the economic difficulties during the year, the Institute's staff has risen to the challenge, demonstrating commitment and innovation to the public and members alike, against a tight financial environment.

It is a great tribute to our team that our customer service scores, which are now benchmarked against other financial providers, place us in the top quintile.

2017/18 provides cause for optimism, tinged with an element of caution, and I am proud to be leading such a talented and enthusiastic team.



Simon Culhane, Chartered FCSI  
Chief Executive

42,350

CISI members  
2016/17

36,153

exams booked  
2016/17



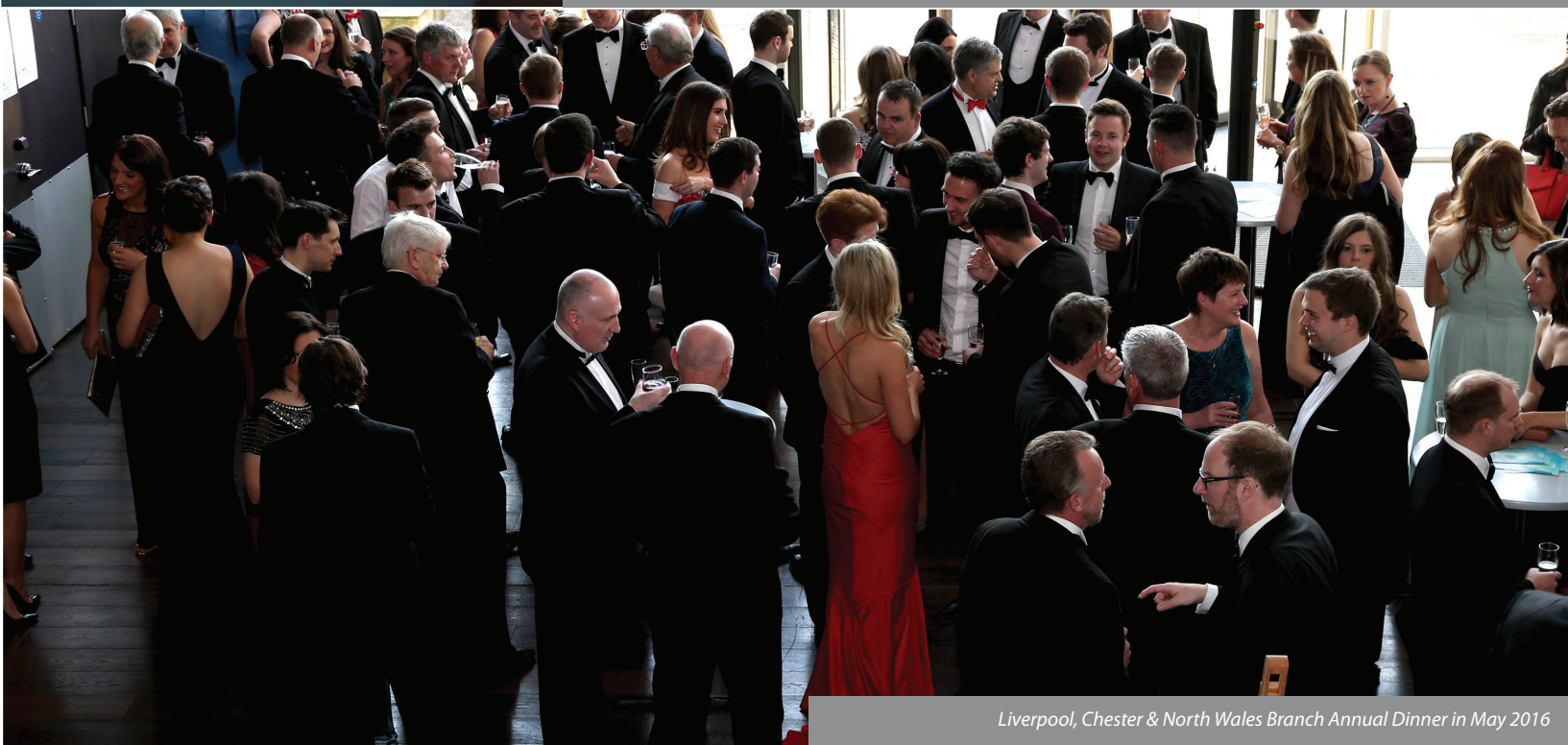


*Mel Holman CFP™ Chartered MCSI, Compliance and Training Solutions, speaking at The Accredited Financial Planning Firms™ Conference*

# 战略合作签约仪式 暨财富管理国际资格认证项目新闻发布会



*Simon Culhane, Chartered FCSI, CISI and Diang Hui, Executive Dean, Shanghai University of Finance & Economics*



*Liverpool, Chester & North Wales Branch Annual Dinner in May 2016*





*Sir Alan Yarrow, Chartered FCSI(Hon) speaking at the 25th Anniversary Dinner, February 2017*

## 25th Anniversary

Founded 25 years ago, we are proud of the impact we've had on our members' lives, through the strength of our qualifications, innovation, training, branch networks and volunteers.

For over 25 years, we have supported our members in standing tall throughout their professional journey, as they uphold the highest standards of integrity and professionalism. In 2017 we marked this significant milestone of a quarter of a century, celebrating our history.

In 2016 the CISI's head office relocated to 20 Fenchurch Street in London, also known as the Walkie Talkie building. This investment in a brand new office space equipped with the very latest in video conferencing, event facilities and open plan office environment is further evidence of our commitment to providing support to candidates and members all over the world.

Today, we are proud to support over 40,000 members in 104 countries as they progress and excel throughout their career.

Our practitioner-designed qualification pathways, CPD and networking events, publications and elearning tools ensure that our members possess the most up-to-date knowledge and skills they need to reach the very pinnacle of their profession. We connect members around the world, setting international standards for integrity and professional excellence.

Our ambition is to inspire and equip a new generation of young people to take up the opportunities that a career in finance provides. We are looking forward to the next twenty-five years supporting the financial services sector. Thank you for being part of our journey.





CISI 25th Anniversary Dinner at London's Guildhall



SECURITIES INSTITUTE

10 Years Old  
200 Years Experience

SECURITIES & INVESTMENT INSTITUTE

WHAT THE FUTURE HOLDS  
CISI  
CHARTERED INSTITUTE FOR SECURITIES & INVESTMENT

CISI 25 YEARS  
CHARTERED INSTITUTE FOR SECURITIES & INVESTMENT



131

Candidates achieved the Chartered Wealth Manager qualification

11,894

Investment Operations Certificate examinations taken

50,000+

Professional Refresher modules taken online

75,000+

CISI TV videos watched in 12 months

13,000+

Attendees at events in 2016/17

5

New exams released

A snapshot of the year in which our head office moved to new premises at 20 Fenchurch Street, also known as the 'Walkie Talkie' building.

36,153

Exams booked 2016/17

10%

International growth in 2016/17

22,896

Affiliates / Associates / Members / Fellows and Chartered Members as of 31 March 2017

19,454

Student members joined CISI in 2016/17

272

Review articles published online

244

Pages of cutting-edge *Review* content printed

45,000+

IntegrityMatters tests taken





7,266

Revision Express  
modules purchased

77

CISI award winners

104

Countries in which  
CISI exams are  
taken

24

UK branches

11

National Advisory  
Councils worldwide

97

New CISI TV  
seminars produced

6,895

Statements of  
Professional  
Standing issued

30,040

Workbooks  
purchased

68

Integrity at Work  
workshops held  
across 15 countries

15

Speak up  
workshops  
presented

3,239

Speak Up / Integrity  
Professional  
Refresher modules  
passed

1,850

Mentions in the  
media

388

Events organised  
for CISI members  
and guests





# Our global presence







Russia

Sweden  
Finland  
Estonia  
Latvia  
Lithuania

Poland  
Slovakia  
Czech Republic  
Ukraine  
Austria  
Hungary  
Slovenia  
Romania  
Serbia  
Bulgaria

Italy  
Greece  
Turkey  
Malta  
Cyprus  
Lebanon  
Palestine  
Israel  
Egypt  
Jordan

Azerbaijan  
Kazakhstan  
Kyrgyzstan  
Saudi Arabia  
Oman  
Kuwait  
Bahrain  
Qatar  
United Arab Emirates  
Pakistan

Nepal  
Bangladesh  
India  
Myanmar

South Korea  
Japan

Taiwan  
Hong Kong

Thailand  
Vietnam  
Philippines

Sri Lanka  
Maldives  
Malaysia  
Brunei Darussalam  
Singapore

Indonesia

Uganda  
Kenya  
Tanzania  
Angola  
Zambia  
Zimbabwe  
Namibia  
Botswana  
South Africa

Seychelles

Mauritius

Australia

New Zealand





Simon Culhane, Chartered FCSI, CISI and Matt Cowan, Chartered MCS1, CISI with Dr Nassier, CEO, Kuwait CMA

## International developments

The CISI global presence allows our members and partners worldwide to access the extensive benefits of the wider Institute, including globally portable 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 the Philippines. We sustain that growth with new offices where appropriate, which this year includes formalising our presence in Spain and appointing a representative in Kenya to cover East Africa. This complements our offices in Ireland, the UAE, India, Philippines, Singapore, and Sri Lanka, and our international representatives in Nigeria, Hong Kong, Colombia and Malaysia, demonstrating the global nature of our activities.

We are increasingly working in the education sector internationally, with students taking our exams in Christ University Bangalore and the University of Johannesburg, amongst others. There is detail about our work on the International Baccalaureate covered in the education section of this report.

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

## Europe

We have continued to build on our work in Europe, with a particular focus in Spain and Cyprus. In the past year, practitioners in Cyprus have taken over 1,000 Cypriot regulatory exams built by the CISI. The recent transformation of the Cypriot financial markets, as well as the efficiency of the new exam certification process, was commended by the CISI's Chief Executive and CySEC's Chairwoman Demetra Kalogerou at the CISI's inaugural annual dinner in February 2017, which was attended by over 100 senior figures in the financial services sector.

We have explored new opportunities in Europe, visiting Romania where our Global Business Development Director spoke on Integrity at Work and CPD as part of a panel on trends in financial markets at the Institute of Financial Studies International Conference. We also strengthened some of our long-standing relationships in Europe this year, renewing our agreement with the IFS Malta and further consolidating ties to promote qualifications, membership and career progression in the global financial services jobs market.



Ben Cranwell ACS1, CISI addresses the Bahrain Cyber Security Forum & Expo 2017





George Littlejohn MCSI, CISI and Dr Laurie Bristow CMG, UK Ambassador, Russian Federation, with the dual language Introduction workbook

The global portability of CISI qualifications continues to grow, with the Institute of Bankers, Ireland, recognising our Investment Advice Diploma in the past year. UK-based professionals who hold a specific unit of CISI's Investment Advice Diploma (IAD) will gain part exemption from the IOB's benchmark qualification for provision of financial advice in the Irish market.

Work persists on our project with the Central Bank of Russia to make CISI qualifications available to the Central Bank and others. Working in cooperation with the UK Foreign & Commonwealth Office, we translated our Introduction to Securities & Investment and Fundamentals of Financial Services exams into dual-language programmes, which we launched in Moscow in March 2017. The exams will be deployed through a network of training providers covering Russia, Kazakhstan, and other central Asian and east European countries.

Our European Presidents Day in October 2016 was a success, seeing branch presidents share successes and recommendations for improvement to help advance our branch activities. We have also seen increased interest in our ESMA-compliant offering as firms prepare for the implementation of MiFID II in January 2017, and we held a highly successful MiFID II conference in Madrid in April 2016, with over 200 attendees. We anticipate significant growth in this in the coming year and look forward to expanding our offering in the area of ESMA compliancy.

## Middle East

We launched two level 3 qualifications in Dubai in April 2016 to tackle the increased threats of cyber enabled crime and financial crime. These awards provide a good grounding of the threats posed by these two areas, and were complemented by our attendance at a major cyber crime event held at the Qatar Finance and Business Academy in October 2016. We were also delighted to announce our first partnership with an educational institution in the UAE, partnering with the University of Dubai and its Center of Executive Development to provide internationally recognised finance qualifications to students.

Following our previous work with the Kuwait Capital Markets Authority (CMA) we signed a contract with the CMA in November to establish an 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, meaning in 2016/17 the CISI was able to offer learning products in a total of six languages: English, Spanish, Arabic, Greek, Russian and French.



The CISI at Banca Privada event in Madrid in February 2017





*Simon Culhane, Chartered FCSI, CISI speaking at FGA Global Awards ceremony in Sri Lanka*

## India

We have seen major success in our work in the education sector this year, with exams taken in Christ University and Jain University in Bangalore, ITM Business School in Mumbai, and other institutes elsewhere in India. In January 2017, Richard Stockdale, Chartered FCSI, CISI Board member and President of the CISI's UAE Advisory Board, spoke at the National Institute of Securities Markets campus in Maharashtra as part of a panel on capacity building in financial markets, emphasising the importance of integrity and professionalism in the financial services sector.

Our India office also celebrated its ten-year anniversary in May 2016, marking a decade of growth in the region, which saw it hold nearly 2,000 exams this year.

## Asia Pacific

This year has seen real interest in the CISI's integrity offering in Asia Pacific and, in partnership with SIDC, the CISI presented an Integrity at Work seminar in Kuala Lumpur in July 2016. This gave students, corporates and regulators the opportunity to partake in an ethical dilemma decision-making exercise during the workshop held at the Securities Commission.

We celebrated the achievement of 25 of the brightest rising stars in global financial services in Singapore in January 2017, recognising their outstanding exam success with prizes awarded in 12 categories, including Islamic banking and finance, combating financial crime, derivatives operations and others.

In the Philippines, where our main focus largely remains the BPO sector, we held a train-the-trainer event which engaged over 150 faculty staff from 19 universities across five locations in the region. We have also seen increasing interest in our qualifications elsewhere in the Asia Pacific region, and Myanmar in particular is expected to be an area of growth in the coming year.



*Kevin Moore, Chartered MCSI, CISI, with students from Santo Tomas University, Philippines in London*





Helena Green, Chartered MCSI, CISI, signing MoU with the Minister of Finance and Economic Planning, Ambassador Claver Gatete and Executive Director of CMA, Mr Robert Mathu in Rwanda

## Sri Lanka

The CISI has seen some excellent developments in the education sector in Sri Lanka where we have confirmed a partnership deal with the University of Sri Jayawardenapura (USJP), one of Sri Lanka's largest state-owned universities, to promote recognised professional qualifications.

## Africa and Latin America

Africa has seen very strong growth with an increased appetite for our qualifications across the continent, and the CISI now has regulatory agreement in Kenya, Rwanda, Tanzania and Zambia. In November 2016, we signed a Memorandum of Understanding with the African Securities Exchanges Association (ASEA) to provide an effective framework to develop a common certification programme across the 26 ASEA Member Exchanges. This is a partnership which aims to promote professionalism and develop channels for capacity building and knowledge sharing, ultimately supporting the growth of capital markets in Africa.

There has also been increased interest in our integrity and ethics offering, with our Global Business Development Director presenting an Integrity at Work presentation to our growing membership in Nigeria in October 2016. We continue to work closely with two important professional bodies in Nigeria – the Chartered Institute of Stockbrokers and the Chartered Institute of Bankers in Nigeria.

We were delighted to receive funding from Financial Sector Deepening Africa (FSD Africa) to develop a curriculum and examination for a Kenya-specific Introduction to Securities and Investment exam. This was in partnership with the launch by the Capital Markets Association, Kenya (CMA) of international certification standards for practitioners in capital markets.

In Latin America we have continued with our development work and signed an education cooperation agreement with the Panama Securities Regulator - The Superintendencia del Mercado de Valores (SMV) - in the presence of Her Majesty's Ambassador to the Republic of Panama, Ian Collard. The agreement means that we will support SMV with the organisation of events and the promotion of the value of professionalism in the securities market, and we are excited by the opportunities this brings in relation to qualifications, CPD, and integrity.



John Osuoha, CISI representative in Nigeria, and Kevin Moore, Chartered MCSI, CISI at ASEA signing MoU with Oscar Onyema, President, ASEA and CEO, Nigerian Stock Exchange



## Our 2016/17 award winners

Our awards ceremony, now in its 24th year, celebrates exceptional achievement amongst our students worldwide. We are delighted to celebrate the achievement of our award winners, as well as the achievement of those who have passed CISI qualifications within the past year, at our annual flagship ceremony.

In 2016/17 there were 77 award winners with an almost even split between male and female candidates.

We are delighted to showcase our truly international membership with awards won by winners from the following countries:

India	Republic of Ireland
Israel	Singapore
Kenya	Spain
Kuwait	United Arab Emirates
Lebanon	United Kingdom
Malta	
Poland	

“The qualification and the use of the designatory letters are essential to enable me to continue with my role in servicing clients with their investments.”

Quote from 2017 Membership Survey



Kirkland, Chartered (MC31)

Private Client Investment Advice and Management winner

“The one piece of advice I’d give to anybody broadly in any sector is to network. Events, conferences, dinners, wherever you can introduce yourself to somebody. I think it’s particularly important. You never know when that person will open the door to you further down the line.”





25  
YEARS



Our award winners 2017

Hannah Holley, Hautlieu School  
(pictured with Clare Gore Langton,  
Chartered FCSI(Hon))

CISI Certificate for Introduction to  
Securities & Investment winner

"My new employers were pleased  
that I'd taken the exam because it's  
something they push you to do at  
the start, so I feel like I have an advantage  
in that I've already completed one  
exam. I would definitely like to do  
more in the future."



Khushal Wadhawan (pictured with  
Robert Barnes, Chartered FCSI)

International Introduction to  
Investment winner

"It's been very widely said, that the  
moment you stop accepting challenges  
is the moment you stop learning and  
stop developing yourself. In the fast-  
moving and ever-changing world of  
finance, success is never guaranteed.  
But a qualification with the CISI does  
help you to excel in the sector."





Insight Day at the CISI with students from Tower Hamlets in July 2016

## Our Educational Trust

The Educational Trust is a charity established and funded/supported 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 purpose and aim of the Trust is to focus on developing transferable skills in students at schools, colleges and further education institutions within the financial services sector, as well as working with young adults at apprenticeship and university levels.

The Trust is most grateful to its trustees' commitment and practical assistance.

The Trust is currently supporting initiatives in partnership with schools and colleges delivering CISI qualifications and CISI University Centres of Excellence.

## Education at the heart of what we do

Educating and attracting the future talent of the financial services sector sits at the core of the work that our education development team undertakes each year.

We work with 32 schools and 20 universities, with CISI qualifications being taken by over 600 school and university students. All educational activities are supported by the Trust, which employs three professional teachers to deliver course programmes. The CISI education programme offers students the opportunity to take an exam recognised within the financial services sector, alongside their core programme of study. The programme enables the students to stand out from the crowd as they not only gain exposure to a sector-recognised qualification but also get the opportunity to engage with practitioners through career insight events and work experience.

The International Baccalaureate (IB) Career-Related Programme in Finance and Investment began its pilot in three UK schools in September 2016. The relationship has also permitted initial access to the international education space, with our first two international schools having signed up to take the programme from September 2017. CISI representatives presented and exhibited at IB events in UAE, Spain, Indonesia and Malaysia in 2016 and 2017.

## Educational Trust Awards

The annual Educational Trust Awards recognise high achieving undergraduate and postgraduate students from the CISI's partner universities and centres of excellence, who are undertaking CISI qualifications alongside their academic programmes. The standard of students was very high, with Adedji Ajadi (University of Exeter), Nihit Joshi (Queen Mary's University) and Daniel Morgans (Aston University) taking the top three spots.

Students were nominated by their university on the basis of excellence in an item of work or examination. In addition to their nomination, each winner was invited to submit an essay of 400 words for the opportunity to attend an interview with the Educational Trust and chance to achieve a further financial award based on interview performance, general knowledge test, and knowledge of the CISI. The essay title for 2017 was 'From the customer's perspective what are the advantages and disadvantages between using a robo-advisor and a human advisor?'

We are delighted to widen the awards for 2017 to include international students. Our partner universities have been invited to nominate students showing excellence across knowledge, behaviour and skills. Results are due later in 2017 and available on our website.

## Other education initiatives

The Educational Trust has also continued to sponsor the Liverpool Project, where 32 sixth form students from nine schools have participated in the programme. Students have taken the Certificate in Introduction to Securities & Investment as well as benefited from regular engagement with the members of the CISI Liverpool, Chester & North Wales branch, who provide mentoring and support.

The Trust also awards the 2016/17 Hoare Nairne Scholarship to one UK resident per year studying the CISI's premier qualification, the Chartered Wealth Manager Qualification. The winner of the scholarship receives £2,500 towards the costs of tuition and exam entry fees for the qualification. The winner of the scholarship in 2016 was Shih Yen from Coutts.

Shih said: "I was delighted to hear that I have won this prestigious award. The opportunity to study this advanced level qualification will enable me to develop my existing knowledge and gain a greater understanding of the products and services I deal with on a day-to-day basis so that I can provide a better service to clients. I very much look forward to studying for the Chartered Wealth Manager Qualification."

600

school and university students taking CISI qualifications





Kevin Moore, Chartered MCS1 and Shamaila Shah, CISI, with Paula Wilcock, Chief Assessment Officer and Peter Fidczuk, UK Development Manager, International Baccalaureate



CISI Educational Trust winners at the CISI London office



Insight Day in Liverpool in July 2016





CISI qualification pathways

## Exams were taken in

- Australia
- Bahrain
- Belgium
- Botswana
- Brazil
- Bulgaria
- Canada
- China
- Colombia
- Cyprus
- Czech Republic
- Egypt
- France
- Germany
- Ghana
- Gibraltar
- Greece
- Hong Kong
- Hungary
- India
- Indonesia
- Italy
- Japan
- Jordan
- Kenya
- Kuwait
- Lebanon
- Lithuania
- Luxembourg
- Malaysia
- Malta
- Mauritius
- Myanmar
- The Netherlands
- New Zealand
- Oman
- Pakistan
- Palestine
- Philippines
- Poland
- Portugal
- Qatar
- Republic of Ireland
- Romania
- Russia
- Saudi Arabia
- Seychelles
- Singapore
- Slovakia
- South Africa
- Spain
- Sri Lanka
- Switzerland
- Tanzania
- Thailand
- Tunisia
- Turkey
- Uganda
- United Arab Emirates
- United Kingdom
- United States of America
- Vietnam
- Zambia

## Qualifications

Our 80 qualifications, many of which are available in other languages including Russian, Spanish, Chinese and Arabic, are developed by practitioners for practitioners. We aim to equip financial service professionals, around the world, with the practical and specialist knowledge they need to do their job.

Our qualifications are recognised internationally in over 40 jurisdictions and we work towards offering every learner opportunities to add to their core knowledge with relevant and cutting-edge information to enable them to progress in their careers.

We work with stakeholders across the world to promote our exams and pathways and to ensure that those working in financial services can equip themselves with the knowledge they need especially in times of increased regulatory supervision.

This work is underpinned by the tireless work of our examination board, 44 syllabus panels and over 300 practitioners who assist us to develop these cutting-edge qualifications and study materials.

2016/17 saw the appointment of our new CISI Global Director of Learning, James Stockdale, whose priority is to maintain and enhance our professional examination, qualification and learning standards.

We continually work to meet the demands of the sector and regulatory requirements, for example with the forthcoming requirements of MiFID II, we have updated our appropriate qualifications to ensure that they are ESMA compliant.

We recognise that accessible learning support is vital for candidates, therefore our learning material is available globally through elearning platforms and online revision materials.

Professional Refresher, our online learning tool for members, has grown exponentially with over 100 modules available and is now accounting for the highest proportion of our web traffic. More than 30,000 workbooks and 7,000 Revision Express modules were purchased in 2016/17

Our 'My Study' area for members, accessible through the MyCISI platform on our website has increased functionality, offering advice to learners on their exam, tips and techniques for studying, and candidate information for before, during and after the exam.

New qualifications developed in 2016/17 were:

- Financial Planning & Advice
- Islamic Finance Qualification (French)
- Regulations & Market Practice (Kenya).

As a result of the new financial planning exam, this then completes the pathway for these qualifications:

- Certificate in Paraplanning
- Diploma in Financial Planning.





New look 'My Study' on CISI website



Financial Services Specialists at a CISI event



CISI MiFID II conference in Spain





## Professional Forums and Interest Groups

Our Professional Forums are our anchor into the specialist areas that we cover. Acting as a key link between the CISI and professionals, the Forums provide guidance on event topics, trends, education and policy. The views of these professional groups contribute to the direction of the Institute.

In addition to our Professional Forums, we also have two Interest Groups - the Paraplanner and Training & Competence Interest Groups. The committees for these groups run events for both members and non-members,

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

## 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.

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. These global benefits are unrivalled in the securities and investment sector and the opportunity to connect with global colleagues will be further reinforced with an online directory of members being developed on our website for 2017.

Our specialist areas are:

Bond

Compliance

Corporate Finance

European Regulation







Our core membership  
grew 3% to

22,896

The number of students  
studying with us

19,454

Simon Culhane, Chartered FCSI speaking to CISI Branch Presidents

## National Advisory Councils and UK branch network

Membership has many benefits, but our CPD offering is valued highly. In early 2017, the Board recognised its importance and has made CPD mandatory for all members.

Our new CPD policy, which became effective 1 April 2017, now applies to all CISI members, working across every financial services specialism and will be phased in over two years.

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 have 11 National Advisory Councils that help and guide our international team, through their local knowledge and expertise. We are most grateful for the active support and guidance.

In the UK we are fortunate to have a network of 24 effective branch committees whose primary role is to support the provision of learning opportunities through speakers, seminars and meetings held locally. These meetings are highly valued for both the content of the meeting and networking. During 2016/17, 285 events were held in the branches and in London, attended by nearly 10,000 members and guests.

Financial Planning

Financial Technology

Operations

Risk

Wealth Management



Corporate Finance Forum discussing 'Africa - the future of growth?'



## Accredited Training Partners

Our 71 Accredited Training Partners (ATPs) across the world provide first-class training for candidates taking our qualifications. These ATPs have demonstrated their rigorous approach and expertise in preparing candidates for professional exams. The status is only given once we are confident that they have met our stringent criteria and provide high quality training.



Gaurav Pal, Chief Executive, Intelivisto Consulting India Private Limited, India (right)

"Financial markets have made significant progress over the past decade, spanning several dimensions of development, such as accessibility, regulatory framework, market infrastructure and transparency. With the evolution of the technological era, India has become a preferred destination for software development and recently moved up the value chain to handle client servicing and operational processes for global players. High demand for skilled professionals in the areas of trading, risk management, compliance, operations and other ancillary services confirm this transition. This has created a requirement to train and educate the local workforce in some of the global systems, regulations and process.

The CISI offers relevant qualifications to meet these growing requirements in India and we take pride in being their ATP to deliver these programs."

Ganesh Iyer, India country head, CISI presenting an award for 2016 winner Natasha Virmani with Gaurav Pal



Andreas Karaiskos, Chief Executive officer, Fitch Learning (left)

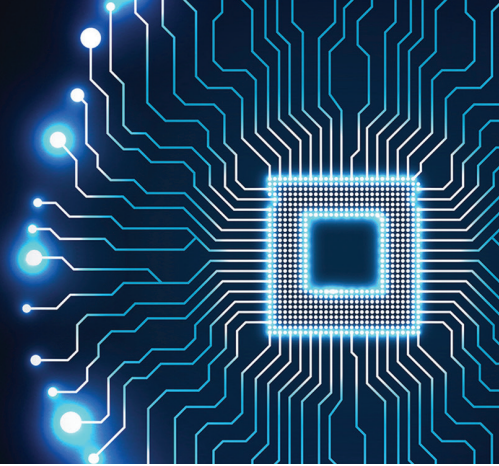
"Part of Fitch Group, Fitch Learning partners with clients to elevate knowledge and skills and enhance conduct. As a global training provider with offices in London, New York, Singapore, Dubai and Hong Kong, we are committed to developing learning standards and solutions across global financial markets. As the first learning institution to be awarded Premier Training Partner status by the CISI, our credibility and recognised expertise in financial learning is second to none. We are continually investing in solutions that deliver an exceptional learning experience, both in the classroom and online, and our partnership with CISI is key to our offering."

A full list of these partner organisations from 2016/17 can be found in the back of this report.

Andreas Karaiskos, Chief Executive Officer, Fitch Learning



# Key CISI Platforms and Initiatives



## Integrity remains at our core

Integrity is one of the cornerstones of our Institute. We seek to maintain our reputation as a thought leader in the field of ethical standards and behaviour within the financial services professions. The CISI remains the only membership body to require all members to complete and pass an IntegrityMatters test before becoming a CISI member, and we remain committed to ensuring that our members demonstrate tangible evidence of their commitment to the standards expected of them. We are proud that over 45,000 tests have now been taken by professionals globally and that this continues to provoke thought and debate around real-life examples of ethical dilemmas faced by practitioners.

We continue to hold our members to account for their behaviour. During 2016/17 two members were invited to appear before our disciplinary panel, resulting in one individual being suspended from membership and barred from using the CERTIFIED FINANCIAL PLANNER™ designation for a period of one year; and a second individual's Chartered membership status being suspended for a set period.

With our new mandatory CPD requirements for members, our portfolio of ethics and integrity CPD now has even greater importance. Our Speak Up initiative, where we present an interactive learning workshop has proved popular following the UK Financial Conduct Authority (FCA) and Prudential Regulation Authority's (PRA) whistleblowing rules which came into force in September 2016.

Similarly, our Integrity at Work seminar continues to be delivered to diverse audiences – covering a wide range of practitioners operating at chief executive level through to the future talent of the financial service professions. This is supported by our printed *Integrity at Work* book available in our bookshop and our Grey Matters articles published in our quarterly members' magazine *The Review*.

## Certificate of Professionalism

In September 2016 we launched a new initiative and mark of professionalism with the Chartered Banker Institute – the Certificate of Professionalism – to support the FCA/PRA Senior Managers and Certification Regimes, and inspire individuals and employers to go beyond the minimum to enhance and sustain a culture of responsible, ethical professionalism in the financial services sector.

Members of both bodies, totalling more than 70,000 individuals, can apply and will be awarded a Certificate should they meet the required standards. With this new programme we seek to further reassure the public that the banking and financial services professions are supported by professional bodies dedicated to raising and maintaining the highest standards of integrity and ethics.

This new Certificate will provide a third-party verification service, allowing firms to demonstrate annually to the FCA/PRA that their staff have maintained their professional expertise and competence whilst upholding the highest standards of professional ethics.

45,000+

IntegrityMatters tests taken

68

Integrity at Work interactive workshops presented in 15 countries

3,239

Speak Up / Integrity elearning modules passed by our members this year

15

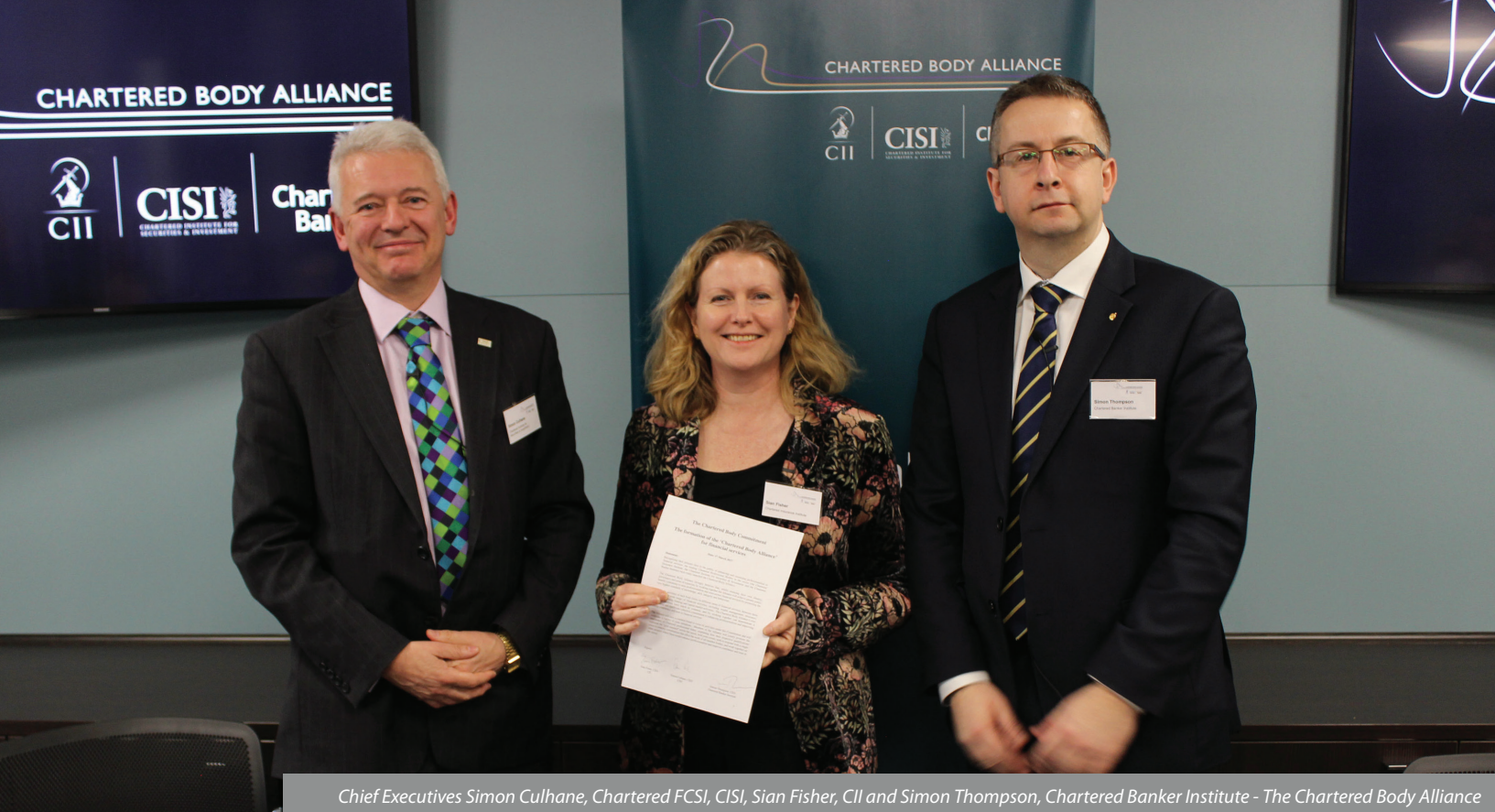
Speak Up sessions presented globally

210

Members attended our flagship Integrity Debate and 300 streamed it online







Chief Executives Simon Culhane, Chartered FCSI, CII, Sian Fisher, CII and Simon Thompson, Chartered Banker Institute - The Chartered Body Alliance

## Chartered Body Alliance

In March 2017, we joined forces with the Chartered Insurance Institute (CII) and the Chartered Banker Institute (CBI) to enhance and sustain the level of professionalism and trust in the financial services sector, resulting in the launch of the Chartered Body Alliance at the CISI's headquarters in London. We, along with the two other founding bodies, seek to help consumers recognise the benefits of engaging with qualified sector professionals.

We will be working with the CII and the CBI to achieve greater public benefit by raising professionalism and trust across financial services and promoting high standards across the sector.

With a joint website and social media channels we hope to represent the 'gold standard' across the sector, hosting joint events, and seeking to respond with a united voice to sector consultations that affect members across all three professional bodies.

While the activities of each body focus on different areas of financial services, between us we cover a wide range of activities including wealth management, insurance, financial planning, banking and capital market activities and cover over 200,000 financial service professionals.

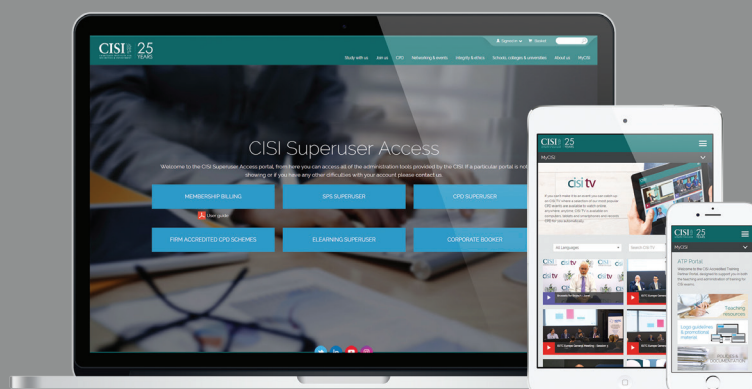
## How we stay in touch

Our stakeholders and members inform us that they like to receive their information from us across a variety of platforms. In 2016/17 we changed the format of our online communications, with a fresh new design and clearly identifiable sections for the information we know you value most from us.

We continue to invest in our website and ecommerce portals, with the launch of our 'Super user' platform in 2016 for accredited training partners and firms, and significant investment in the development of our new online shop due to go live in Q3 2017. Extensively tested and designed to make the process of interacting with us as easy, our new web shop will mean purchasing workbooks, events, elearning, revision programmes, integrity materials and booking exams will be a smooth process.

MyCISI is our online membership platform that offers a wide variety of learning, guidance and access to membership benefits including events for a member's branch, news, insights and CISI TV videos.

The portal allows our members to see their live CPD record, to access cutting-edge elearning (our Professional Refresher modules) that can be filtered and tailored to a member's needs. MyCISI, which was redesigned in April 2016, is a first-class interactive portal and also contains all the study materials purchased, information about a candidate's exam (what to do before, during and after), a whole suite of integrity products and a jobs board for those looking for their next opportunity.





# The Review magazine

Incorporating news, insights, thought leadership and opinions in a selection of features, interviews and articles, *The Review* magazine continues to be the main source of sector-specific content for our stakeholders.

2016/17 brought a number of high profile interviews, thought-provoking discussions, ethical dilemmas and sharing of best practice directly to the inbox and postbox of our members. We couldn't provide content without the dedication of *The Review* Editorial Panel who provide the ideas and suggestions, along with our publishing partners, Wardour Communications.

In addition to the main magazine, we also published four print editions of the *Investment Management Review* which were sent to over 1,500 stakeholders, providing comprehensive coverage and analysis of the latest key global developments across the asset management sector.

4

Editions

244

Pages

102,000

Review article views online



Our social media channels now total 40, through which we keep financial services professionals informed about the latest developments in the sector, and through which we share best practice, thought leadership and event information. The platforms we use include LinkedIn, Facebook, Instagram and Twitter. Future developments will include having a presence on international channels to ensure we communicate to all our global candidates on their platform of choice.

Our CISI TV channel allows us to profile experts in a wide variety of subjects and there were over 75,000 videos viewed in 2016/17. We are continuing to invest in bringing our stakeholders, students and members learning direct to their device with our responsive platform and further investment into our new equipped recording studio at the CISI head office in London.



@the\_cisi



@CISI



cisi.org/linkedin



cisi.org/youtube



An example Professional Refresher on Information Security and Data Protection

## Financial planning

Following the merger with the Institute of Financial Planning in 2015, the activities this year were focussed around integrating the CERTIFIED FINANCIAL PLANNER™ professionals and financial planners into the newly formed branch network, consolidating the creation of five new groups in early 2016. We launched a brand new level 4 exam, Financial Planning and Advice, in August 2016, which now enables candidates to complete their journey to becoming CFP professionals accredited with the CISI.

We held a successful annual conference in October 2016, held at the prestigious Celtic Manor with over 400 attendees over three days, followed by the Scottish conference in December 2016 and bespoke event for the Paraplanner Interest Group in March 2017. This contributed to a wide variety of CPD and learning for the financial planners including new Professional Refresher modules, CISI TV videos and now the ability for financial planners to automatically log their CPD through their MyCISI portal.

## Financial Planning Week 2016

In the spring of 2016 we launched Financial Planning Week with our Financial Planning Forum and Accredited Financial Planning Firms™. Contributing to our overall role as a charity and our charitable objectives, we worked with over 50 firms and CFP professionals to promote the benefits of their advice to consumers. A big public relations campaign generated great results and coverage in the national media.



Phillip Paige, UK Early Years Lead, J.P. Morgan

“Apprentices bring a fresh approach to roles, they’re exceptionally keen and have a very positive attitude to starting in the workplace.”

## Professional Refresher platform

Members have provided strong positive feedback about our Professional Refresher platform which contains over 100 elearning modules accessible to all members through MyCISI. Ranging and searchable across eight categories, these programmes can be completed in anything from 30 minutes to 40 minutes, which is easily achievable in a lunch hour or on a commute. We aim to give our members the very latest in information and 2016/17 modules have included updates on Government budget statements and the very latest guidance on MiFID II. Our most popular subjects, which are updated regularly are on Anti-Money Laundering, Client Assets and Client Money, Conflicts of Interest, Financial Crime and Integrity and Ethics.

## Apprenticeships

We have been working with City & Guilds, employers and training providers on the forthcoming apprenticeship programme led by the Government to raise skills and employability in the UK. Apprenticeships provide an alternative route for those wishing to enter the professional sphere without a degree, with many of the top banks offering competitive apprenticeship programmes. It also provides those already employed with an opportunity to propel themselves to the next level.

We have contributed expertise and knowledge to ensure there are now more opportunities available for young people (16+) wishing to enter financial services through an apprenticeship than ever before. We have helped shape nine standards but the three we have directly led on are:

- Level 2 Investment Operations Administrator
- Level 3 Investment Operations Technician
- Level 4 Investment Operations Specialists

In March 2017, we also lent our support along with five other leading professional bodies in the banking and financial services sector to a new apprenticeship standard, the Financial Services Professional.





*Clive Shelton, Chartered FCSI speaking at 2017 Awards Ceremony*

“The CISI brings value to me because it is a professional and highly regarded financial services body that provides an internationally recognised high level of professional education and training in financial services.”

“CISI membership is an invaluable tool for career progression. The resources are there, you just need to seize them and then opportunities should follow.”

Quotes from our 2017 Membership Survey





The CISI Financial Planning Conference bringing together over 400 attendees over three days



The CISI 25th Anniversary Dinner



Award winners at the UAE Awards Ceremony in January 2017





Kevin Moore, Chartered MCSI presenting Umairah Syofiyyah Bte Mohd Khair an award in Singapore



The CISI Annual Integrity Debate in January 2017



The City Debate discussing the impact of Brexit



Petros Florides, Chartered FCSI, Demetra Kalogerou, CySEC and Simon Culhane, Chartered FCSI at the Cyprus Annual Dinner



# THE BOARD OF TRUSTEES AS AT 31 MARCH 2017



I,J

*Fionnuala Carvill, Chartered FCSI, Company Secretary & Head of Projects, The International Stock Exchange Group*



E

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



E

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



A

*David Kane MCSI, Non-Executive Director, Bournemouth University*



A,H,I,J

*Frank Moxon CF, Chartered FCSI, Managing Director, Hoyt Moxon*



B,G

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



*Joanna Place\*, Chief Operating Officer, Human Resources, Bank of England*



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



A,E,I,J

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



D

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



F

*Richard Stockdale, Chartered FCSI, Corporate Consultant (Dubai / India)*



C,G,H

*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*



H

*Martin Watkins, Chartered FCSI, Director, Financial Services, Ernst & Young*



A

*Andrew Westenberger MCSI, Finance Director, Brewin Dolphin Holdings*



B,F,H,I,J

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

*Robert Barnes, Chartered FCSI*

*Resigned 6 October 2016*

*Chris Harris-Deans, Chartered FCSI*

*Resigned 6 October 2016*

*Nick Parkes, Chartered FCSI*

*Resigned 6 October 2016*

*Joanne Place\**

*Appointed 15 December 2016*

*Ravikumar Puranam FCSI(Hon)*

*Appointed 6 October 2016*

*Gary Teper, Chartered MCSI*

*Appointed 6 October 2016*

*\* denotes a co-opted Trustee*

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.







