



**MINUTES OF THE HYBRID ANNUAL GENERAL MEETING  
OF THE CHARTERED INSURANCE INSTITUTE  
HELD AT 15:00 (GMT) ON THURSDAY 24 OCTOBER 2024**

**1 WELCOME**

- 1.1 The meeting being quorate, THE CHAIR, Dr Helen Phillips, welcomed members to the 2024 Annual General Meeting (AGM) of the Chartered Insurance Institute (CII) and declared the meeting open.

**1.2 HM KING CHARLES III**

- 1.2.1 THE CHAIR was delighted to report that the CII had received correspondence from Buckingham Palace offering His Majesty's warmest good wishes for a successful AGM.
- 1.2.2 THE CHAIR outlined the order of proceedings and explained the process for voting or submitting questions. The AGM followed a hybrid format, with both in-person attendance in the Insurance Hall and members participating virtually from around the world. It had been possible to pre-submit votes or questions via the independent scrutineer's platform since 26 September 2024, the date at which AGM notifications had been circulated. The meeting was given instructions on the electronic poll voting procedures.

**2 MINUTES OF THE CII AGM HELD ON 4 OCTOBER 2022**

- 2.1 No comments had been received, and the minutes of the 2023 AGM were approved as a true and accurate record of proceedings.

**3 SPECIAL BUSINESS (BYE-LAW 45)**

**3.1 a) To receive a report from the President**

- 3.1.1 THE PRESIDENT's report reflected on the previous 12 months whilst offering a personal perspective and experience of progressing through the CII system. There was an emphasis on the theme of the year being focus on members and the work being done by members both across the UK, and internationally, recognising their value to the Institute.
- 3.1.2 The President brought focus on the various events the CII arranged, and the invaluable help provided by the network of volunteers who allowed the Local Institutes to continue their role as hubs for professionals to meet, communicate, guide, and support one another. Thanks were extended to all those volunteers who had contributed to the Institutes thriving. In attending the over 40 events across 2024, the President was able to regularly speak with members understanding how the CII could serve them better, what challenges they faced and how the CII may seek to alleviate some of those challenges. Members had spoken positively of how they valued the support the CII offered at both a National and local level and in relation to continuing professional development.
- 3.1.3 The President thanked the volunteers and the CII Group staff from all over the world for their contribution in helping to realise the events for the membership bodies, PFS, and CII. The events were highlighted as key to attracting more young and diverse talent to become engaged in the profession. During his term, the President had increased engagement with the FCA, ABI, BIBA, and other leading organisations, with much progress being made to improve contributions of professional communities, shaping

how insurance and financial services professionals' work and using the CII's position as a thought leader to feed into the learning and CPD that the CII offered its members.

3.1.4 The President concluded his remarks by wishing the incoming president for 2025 (Nicola Stacey) every success in their tenure and thanked the panel for their support.

3.1.5 THE CHAIR, on behalf of the CII Board and the membership, thanked the President both for his report and for serving with such distinction undertaking a great many events on behalf of the CII and its members. The President would be leaving with great thanks and appreciation from the Chair and the Institute.

### 3.2 **b) To receive a report from the Chief Executive Officer**

3.2.1 THE CEO provided the annual financial report and spoke about the CII's performance in 2023, current position, and plans for the future. Key points were:

#### 3.2.2 **Finance**

- The Group's consolidated financial statements for 2023, alongside the Annual Report for that year, were published on 26 September. The financial statements had been prepared in accordance with IFRS 102, the Financial Reporting Standard applicable in the UK and Ireland, and signed off by independent auditors, who once again issued an unqualified audit report.
- To provide further clarity to members, the 2023 financial statements included the main entities that comprise the Group's results and summarised the income statement for each.
- As at 31 December 2023, the Group's total number of professional members was 119,609, a net decrease of 2,508 on the previous year, 10% of the total membership were international members, and just under 40,000 were also members of the Personal Finance Society. The reduction was noted as being as a result of a comprehensive review of the CII membership database ahead of transitioning to a new Customer Relationship Management system in March 2023. That exercise had identified around 2% of CII's membership entries which were either duplicate or where the member could not be reached and, accordingly, the data was rightly removed. The CII continued to welcome new members, such that its overall membership level had now broadly returned to its end-2022 level.
- The Group's consolidated operating income in 2023 was £42.5m, £1.9m - or 5% - higher than the previous year. Pre-pandemic, the Group's operating income reached £45.1m, a level that the Group was seeking to achieve again during the period of the current Strategic Plan, which ran to 2027. The CEO explained there was continued demand for the CII qualifications in the international markets and this increase had helped the operating income of the Institute to improve by 11%, to £27.7 million. The gains were partially offset by an increase in total group costs and a reduction in income from event sponsorships. The contribution of the personal finance profession to the Group's operating income had fallen by 5 percentage points, to 40% in 2023.
- The CEO explained the figures presented at the meeting which showed the organisation's first operating surplus since 2020 and provided examples of the initiatives provided to members and students that had delivered value in 2023. This included the launch of the CII Consumer Duty toolkit to help members meet FCA's regulatory requirements and the establishment of a sustainable financial advice forum that provided thought leadership, alongside continued support for CII's Local institutes and support for schools and young people through professional career development. Other initiatives included My Personal Finance Skills and CII's New

Generation program, alongside new initiatives, like virtual work experience and virtual reality training.

- The Group's operating expenditure for the year was £41.1m, £2.9m higher than the year before. The main drivers of the increase were noted as being direct product costs associated with the increase in demand for qualifications and learning support, alongside inflationary increases and increased support costs for the new CRM system. The Group would continue to review its operating costs ensuring value to members and customers remained a key priority. The CII had delivered a third consecutive Group annual operating surplus of £1.4m, and the Institute returned its first operating surplus since 2019 in alignment with its Strategic Plan.
- Total CII Group funds increased in 2023 to £31.7m, this outcome additionally reflected the positive resolution of a historical tax matter with the tax authority and investment gains from higher interest rates. These returns were broadly offset by CII's decision to transfer the net assets of the Education and Training Trust one of the CII's charities to the Worshipful Company of Insurers Charity in the fourth quarter of 2023. The objective decision reflected the similarity in the objectives of both charitable organisations and the opportunity to enhance the resources available to the WCI to support activities within the insurance profession. The CII continued to consider the level of reserves being held, balancing the need for investment in its services and the need for prudent asset management, as well as providing for contingencies.
- Acknowledgement was given to PFS members who received a broad range of benefits from the Group, including Qualifications, Statements of Professional Standing, and the opportunity to gain Chartered Status. The PFS paid an annual recharge for those benefits, alongside receiving operational services, such as governance, marketing, communications, HR, and IT.
- A new cost-sharing model had been deployed across the Group's entities, and the Institute was on target to achieve its growth and delivery strategy on behalf of all members over the coming years. In addition, the Institute had adjusted its intercompany balance sheet by transferring a further £2.5m to the PFS. This increased the total transferred from the Institute to the PFS over the past two years to £12.5 million.

### 3.2.3 ***Year in Review and Future Plans***

- The CEO posited that the future of the organisation would rely on how it served its customers and members and encouraged others to join. The Annual Report, also published today, provided a comprehensive summary of the ways the CII leadership team sought to achieve this during 2023, and highlighted some of the key activities. The CII had undertaken an objective review of the CII's relationship with its local insurance institute network to understand how the CII could better support the work of the institute's 800 dedicated volunteers across the country and anew volunteer network management strategy had been established in addition to the local institute CPD delivery support.
- There had been a review of the CII's Corporate Chartered rules with a view to ensuring the right outcomes were being driven for firms and the public. An important element of the new approach would be how the Professional Map was embedded to ensure Chartered firms led the market in developing their employees to deliver the best outcomes for clients. The CII's review would continue, and the organisation intended to launch the new approach in the first half of 2025.
- A key commitment during 2023 had been to pilot an additional route to CII and PFS membership, for professionals with significant sector experience – but who have not previously taken CII's qualifications. The feedback received from participants and

observers during the initial pilot was sufficiently positive for the CII to choose to undertake a second pilot. This would focus on general insurance professionals, to generate additional evidence for the Board's further consideration.

- There were encouraging signs of positive response from employers and members to CII's new Apprenticeship Awards, and from schools to the CII's Virtual Work Experience offer. And the CII had built on the many existing activities that were undertaken each year to help the sector identify and nurture new talent. To date more than 3,800 children have had the opportunity to take part, bringing to their attention the possibility of a career in insurance or financial advice.
- The CEO acknowledged the departures in the Executive Leadership Team including his predecessor which had resulted in a new Leadership Team structure. This would ensure the CII were best placed to deliver on the ambitions contained in the next year's Strategic Plan and it was noted there was an expectation that the final vacant positions would be completed before the end of the year.
- The PFS Board continued its evolution. Four members of the CII Executive now sat on the PFS Board, including the CEO. These changes re-established a structure that combined both external and internal knowledge and expertise, to ensure the Group's strategic ambitions for the PFS were best achieved. There was an acknowledgment of the voices of some PFS members who had asked questions about these appointments and the best way of answering those questions was through actions. It would be for the CII leadership and colleagues on the PFS Board to demonstrate to members that the PFS and the CII were beginning to make progress and that these changes ensured both bodies could be best in class.
- Looking ahead to 2025, the CII would continue to support its members by:
  - Raising its thought leadership activity, helping to shape the national debate on financial services.
  - Overhauling its learning offer so it can be more relevant, attractive, and ahead of the curve of national and global events; and
  - Continuing to build CII's membership offer so it is much more effective in creating networks of committed professionals.
- In conclusion, when the Strategic Plan launched, the CII's focus in its first year – 2023 – had been on addressing legacy systems issues, returning the CII to a surplus position after the pandemic, and building strong foundations for the future. The CEO noted on behalf of the CII Group Board that all three had been achieved, and CII now looked forward to delivering the goals set out in the Strategic Plan across the next three years.

#### **4 ORDINARY BUSINESS (BYE-LAW 44)**

4.1 THE CHAIR noted that voting had closed. Each vote required a simple majority to pass, and the CHAIR would confirm whether each resolution had carried.

**a) To receive and consider the Annual Report and Accounts for the year ended 31 December 2023.**

THE CHAIR reported that the motion that the Report and Accounts for the year ended 31 December 2023 be received and considered had been carried.

**b) To report on the admission of Fellows and Associates.**

In 2023, 247 Members had been elected to Fellowship and 874 Members elected to Associateship.

**c) To elect the President and Deputy President for the year 2024/2025.**

THE CHAIR reported that:

- (i) The motion that Nicola Stacey ACII be elected as President for the forthcoming year had been carried.
- (ii) The motion that Callum Beaton FCII be elected as Deputy President for the forthcoming year had been carried.

**d) To approve the proposed appointments of Vice Presidents:**

THE CHAIR confirmed that the motions for the following reappointments had been carried:

- (1). Brian Caruth Cert PFS as Vice President, Local Institutes.
- (2). Enas Asiri FCII as Vice President, International.
- (3). Suresh Nair FCII as Vice President, International.

**e) To approve the appointment of any members of the Board appointed by the Board since the conclusion of the last Annual General Meeting:**

THE CHAIR confirmed that the motion ratifying the following appointments of Board members who had been appointed to the Board since the last AGM had been carried:

- 1) Desmond Bermingham PhD (Chair of Education and Learning).
- 2) Jonathan Graham, BA(Hons), FCA, CIPFA (Chair of the Audit and Risk Committee).
- 3) Roger Jackson APFS (Engagement Board member (Financial Planning)).
- 4) Susan Middleton FCII, (Engagement Board member (Personal Lines)).
- 5) Ben Rose ACII, (Engagement Board member (London Markets)).
- 6) Yassir Albaharna FCII, (Engagement Board member (International)).

**f) To reappoint Crowe U.K. LLP as Auditors for the year ending 31 December 2024 and authorise the Board to fix their remuneration as the Board thinks fit.**

THE CHAIR confirmed that the motion that Crowe U.K. LLP be appointed as the Institute's auditors for the year ending 31 December 2024, and that the Board be authorised to fix their remuneration as it thinks fit, had been carried.

**g) To decide the rate or rates of annual ordinary grant contributions to Local Institutes.**

THE CHAIR confirmed that the motion to decide the rate or rates of ordinary grant contributions to Local Institutes had been carried as follows:

*That the Ordinary Grants to Local Institutes will total up to 14% of the aggregate subscriptions for Local Institutes' membership and will be allotted to each institute through measurement against an agreed set of performance criteria. No Local Institute will receive a grant of less than £1,000. At the Board's discretion, a Special Grant may be granted to Local Institutes, upon application, for special requirements, provided payment of a Special Grant is justified by a budget produced by the Local Institute and*



*further the objects of the CII. Any grants paid are subject to such payments not increasing the reasonable working capital of that Institute.*

## **5 QUESTION AND ANSWER SESSION**

5.1 The panel answered a mixture of questions, both pre-submitted and raised during the meeting. A summary of points discussed is as follows:

- The CEO was asked about his experiences so far after joining the CII. The CEO thanked the members for making him feel welcome to the Institute, his time at CII had been very positive, with recognition for the vast network of volunteers who did amazing things for no financial benefit. There was recognition by the CEO of the high regard in which the Institute was held in the UK and around the world. It had been a “long road back” from challenges from the pandemic and there was now positive thinking about the future with exciting opportunities to regain a place on the international stage. The CII and PFS could begin to be seen as the source of insight, and advice on professionalism on insurance and financial planning.
- The same question was extended to new members of the Board sitting on the panel and Roger Jackson noted the importance of engagement with members and all stakeholders across the group in producing positive outcomes for customers and members. The incoming President, Nicola Stacey pledged support to the CEO and management for the work to be done through her upcoming tenure and gave her thanks to Ian Callaghan for his achievements during 2024. It was noted there would be a focus on youth membership and recognition for listening to members and understanding that learning styles change over time. The need for agility and adaptability to meet member needs was acknowledged and with forward planning, professionalism and a strong governance framework, standards would be upheld and consumers protected, which was core to the Institute.
- There was a question on explaining the voting requirements, noting there were no alternatives. The Chair noted that the Board takes great care to appoint individuals who it believes can make bring the greatest benefit to the Institute and membership body. Appointments to the Board were made according to the Bye-laws of the Institute, in this case, section 39. “The Board may fill any casual vacancy among the appointed members of the Board subject to the appointment being ratified in accordance with Bye-law 44(d).” The voting process was certified by independent scrutineers and provided the CII’s 120,000 members with an opportunity to exercise appropriate checks and balances over the process.
- The panel were asked what it considered the biggest challenges facing the industry are in the next five years. The panel considered the key issues to be Geopolitical tensions around the world, the need to adapt to digitalisation and Artificial Intelligence, and Climate Change. In these areas, the CII could be a repository for dialogue and thought leadership.
- In response to a question about how the younger generation could make progress in their insurance career and how the CII could assist, the President brought attention to the New Generation programme for general insurance. This had successfully provided exposure to political parties and parliamentary procedures and, in 2025, would be extended to include a PFS cohort. Local Institutes had also been useful as they went into colleges and advocated for the profession as an active career choice. The President had attended the Young Achievers Awards which recognised young people actively pursuing an insurance profession.
- The panel were asked about the necessity of placing CII executives on the PFS board. Roger Jackson highlighted the benefits for the PFS flowing from the CII and recognised the significant advantage to having members of the Executive Team directly on the PFS board in providing a cross-over of expertise that would help

enhance the value proposition. Matthew Hill further provided an example of communication with a PFS member showing how progress could be demonstrated in assuaging doubts and uncertainties and gave assurances that the collaboration between PFS and CII was working together for the benefit of the consumer and members.

- In response to a question about fiduciary duties for Directors, it was clarified that at the heart of fiduciary duties was an obligation to ensure that the best interest of the members was acted upon. It was clarified that there was expected to be minimal conflict when addressing the interests of the PFS and CII, but this would be appropriately managed. Further to this, the PFS Board Members would take up seats on the CII Group Standing Committees further lending their knowledge and expertise.
- The panel were asked about expanding its physical presence internationally. The Board had been having productive discussions around international possibilities, reviewing the current international model and challenges associated with this. A number of possibilities for overcoming those challenges were being investigated including the potential to form partnerships with local authorities. The Board was considering various archetypes of approach for different regions to match their specific cultural, economic, and developmental frameworks. International was a part of the Board's consideration and the international aim was about maintaining the quality while being sustainable.
- The panel were asked about exams and the possibility of further digitalisation of the CII's applications. Members were informed that a significant program for strategic IT development was underway to bring the fixed cost of day-to-day IT operations in line with other membership bodies and enable the Institute to better utilise its funds. These measures would improve the CII member experience.
- A member in attendance enquired about historical matters on compliance with the Chartered Company Status (CCS) and Code of Ethics, seeking assurances on how improvements could mitigate future concerns. The panel gave assurances to address the member's queries and highlighted the CCS review which would be consulted during Q1 2025, and which would look at evolving the quality control and public awareness as well as addressing key points of distress raised. The aim was to establish public trust and there would be ample efforts to restore pride in the profession in doing so.

5.2 The panel thanked members for raising their concerns and their questions.

## 6. CLOSE

6.1 There being no further business, the Chair thanked everyone for attending the CII's Annual General Meeting 2024 and closed the meeting at 16:00.

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Chair's Signature

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Date