

INNOVATION MEMBER VALUE INVESTMENT

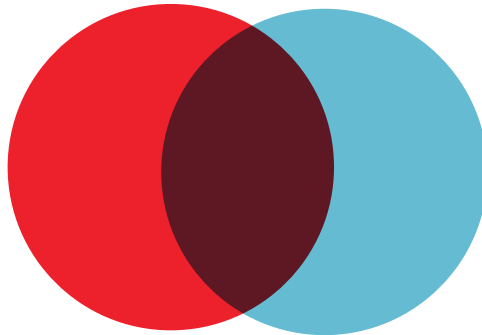
ASIS
INTERNATIONAL
Advancing Security Worldwide®

2017-2018
State of the Association

The world's largest individual membership association for security management professionals

VISION

To be the recognized leader advancing security worldwide.



MISSION

Promoting excellence and leadership within the security profession.



A 65-YEAR COMMITMENT TO EXCELLENCE

ASIS International is deeply committed to advancing and reinvesting in the security profession. Your membership and participation in ASIS activities and events—like Global Security Exchange (GSX)—directly supports the development of education, certification, and standards and guidelines. ASIS remains dedicated to expanding and enriching knowledge sharing, best practices, and peer-to-peer connections so security professionals across disciplines—and at all stages of their careers—can easily access the information and resources they need to succeed.

ASIS COUNCILS

Banking and Financial Services
Commercial Real Estate
Crime Prevention
Crisis Management and Business Continuity
Cultural Properties
Defense and Intelligence
Executive Protection
Fire and Life Safety
Food Defense and Agriculture Security
Gaming and Wagering Protection
Global Terrorism, Political Instability, & International Crime

Healthcare Security
Hospitality, Entertainment, & Tourism Security
Human Threat Management
Information Technology Security
Intellectual Property
Investigations
Law Enforcement Liaison
Military Liaison
Petrochemical, Chemical, & Extractive Industry Security
Pharmaceutical Security
Physical Security
Professional Development

Retail Asset Protection
School Safety and Security
Security Applied Sciences Ad Hoc
Security Architecture and Engineering
Supply Chain and Transportation Security
Utilities Security
Women in Security
Young Professionals
Critical Infrastructure Working Group

THE TRANSFORMATION OF AN ASSOCIATION

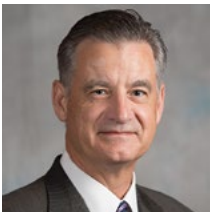
In 2018, we enhanced our member-driven focus and began to deliver on our commitment to membership ensuring transparency, inclusiveness, and globalization.

Some of the highlights from this past year include:

- **Global Security Exchange (GSX):** Rebranded the industry's flagship global event and delivered a reimagined exhibit hall, multi-faceted learning environment, and record-breaking educational lineup that attracted more than 20,000 registrants from 113 countries.
- **Digital Transformation:** Invested in digital enhancements ranging from a completely revamped, easy-to-use website to the launch of ASIS Connects, a members-only, online community designed for networking and information sharing. A new Learning Management System was also introduced, showcasing enhanced capabilities to serve professional development needs around the globe.
- **Membership:** We heard, and listened to, the call for the creation of a sustainable pipeline for talented professionals. To that end, we introduced \$20 annual dues for qualified student members with complimentary GSX registration, as well as our new emerging market dues rate structure. Additionally, we conducted ground-breaking, career mapping research and launched the Associate Protection Professional (APP) certification, designed for early-careerists or those who recently transitioned to security.
- **Enterprise Security Risk Management (ESRM):** Our Board of Directors is committed to further implementing ESRM and weaving this concept into all our materials and programs. ESRM positions the security professional as an essential contributor to organizational success as both a trusted advisor to the C-suite and a business enabler across the enterprise.

As we take ASIS to greater heights in 2019 and beyond, I'm excited about what's in store for us. I personally hope you continue with us on this journey.


Thank you,



Richard E. Chase, CPP, PCI, PSP
2018 President, ASIS International

GLOBAL SECURITY EXCHANGE (GSX)

Building on a 63-year legacy of event excellence, the Annual Seminar and Exhibits was re-branded to Global Security Exchange (GSX) in 2018. The refreshed name and brand reflect our commitment to unite the full spectrum of security—cyber and operational security professionals from all verticals across the private and public sector, allied organizations and partners, and the industry’s leading service and solution providers—for the most comprehensive security event in the world.



20,000+
registered attendees
representing **113** countries

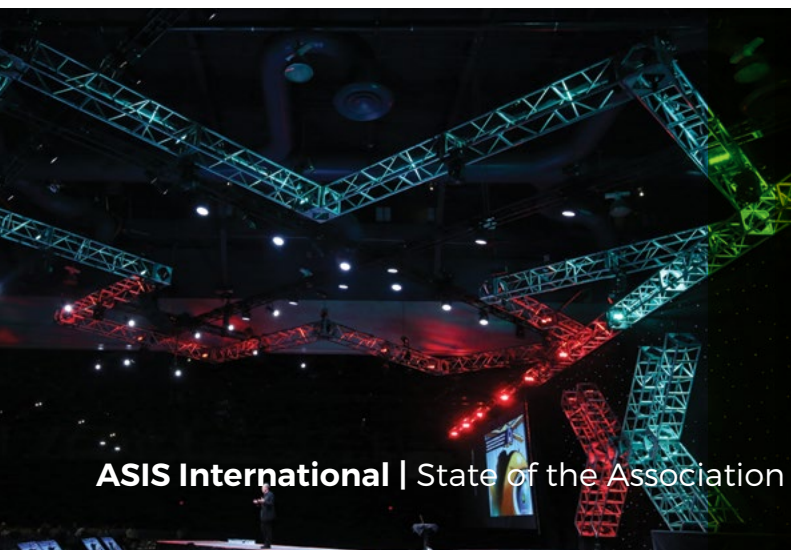


15.2%
year-over-year growth
in paid registration



350+
peer-driven education
and programming sessions
including many led by CSOs from
some of the world’s most innovative
companies

Source: GSX Post-Show Registration Report, 2018
and GSX Post-Show Survey, 2018



GLOBAL SECURITY EXCHANGE (GSX)



Expanded
live streaming
of top sessions via
Global Access LIVE!

enabling security professionals to experience what GSX has to offer, even if they couldn't attend in-person; participants could earn CPEs, ask the presenters questions, and network and share best practices through chat

Experiential
X-Learning
on the show floor

focused on technologically driven paradigm shifts reshaping the risks, strategies, and solutions across the security profession



Source: GSX Post-Show Registration Report, 2018 and GSX Post-Show Survey, 2018



ASIS MEMBERSHIP

ASIS is a member-driven organization dedicated to further developing the profession and offers a variety of membership options to ensure accessibility for everyone, regardless of income level and/or location:

New in 2018

Adjusted Rates for Emerging Markets

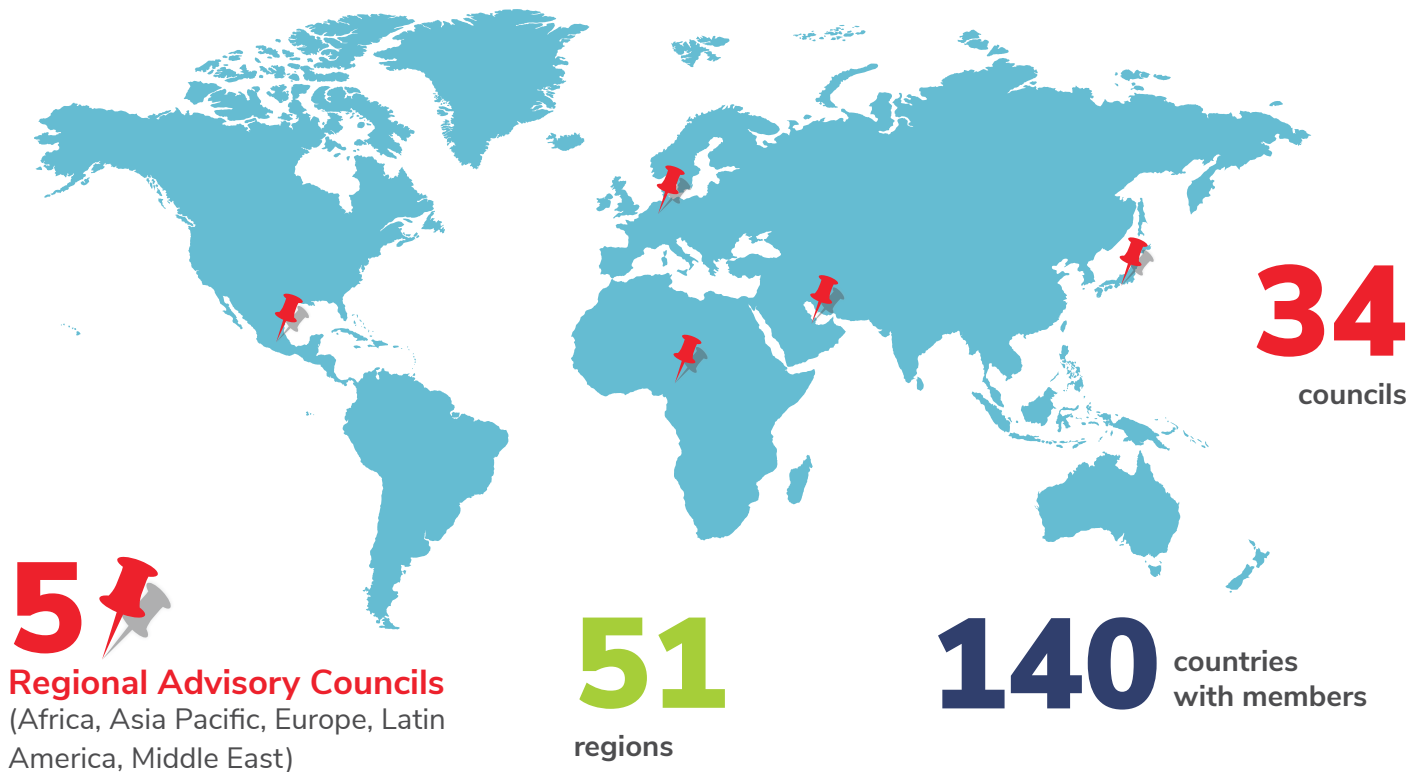
Available for qualified individuals living in countries classified as upper-middle, lower-middle, and lower-income by the World Bank

Reduced Student Rates

\$20 student dues for full-time students pursuing a security related degree (includes all-access registration to GSX)

34,000

members worldwide



244

chapters in **83** countries

Newest Chapters in 2018



Source: ASIS membership data as of 31 December 2018



“I was previously responsible for maintaining secure supply chains in Brazil and Mexico, areas rife with theft and violence. I had to be clever, keep the budget as low as possible and reduce risk. To do that, I read Security Management and turned to my CSO Center and ASIS memberships and colleagues for knowledge.”

– Hector Grynberg, CPP; Regional Security Director at Time Warner

“On April 15, 2013 terrorists bombed the Boston Marathon. As executive director of police, security and outside services at Massachusetts General Hospital, I immediately went into crisis mode. My first thoughts were, ‘How bad will this be? Do we have enough resources? Is this the start of more explosions?’ I used my experience, preparation, and education from many places and sources from over the years, but ASIS was – and has been – the most helpful influence in my career.”

– Bonnie Michelman, CPP; Executive Director, Police, Security and Outside Services at Massachusetts General Hospital



“By trade, I was a police officer. I recognized my law enforcement skill set was not fully aligned to what I needed to build a comprehensive physical security program, so I joined ASIS. Through ASIS, I met so many great security professionals who at one time were in the same situation as me and became mentors that I reached out to frequently when I needed help.”

– Brian Reich, CPP; SVP-Head of Global Security and Investigations, TD Bank

ASIS STANDARDS AND GUIDELINES



Standards development is currently transitioning and merging from two programs (national and international) into one global standards strategy, further emphasizing our commitment as a global Society.

To further support standardization efforts, ASIS continues to participate on two ISO technical committees:

ISO/TC 262: Risk Management

ISO/TC 292: Security and Resilience

As we build out our content strategy, certification programs, standards and guidelines (S&G)—and as we integrate ESRM and career mapping strategies—a closer alliance between Certification, S&G, and Learning will enhance several initiatives including launching a new Preferred Provider Program and expanding standards implementation tools. This partnership also will be instrumental in helping to achieve greater recognition for the profession worldwide, and our ability to meet member needs.

Susan Carioti, vice president of certification, standards and guidelines at ASIS, was named to a three-year term as a director-at-large on the ANSI board of directors.



ASIS CERTIFICATIONS

ASIS offers four internationally renowned certifications that provide the opportunity for security professionals to gain a competitive edge in the marketplace and enhance career and earnings potential. Our four certifications validate security management expertise—at all career levels—and are globally recognized and valued by both peers and industry executives alike.

ASIS Board Certifications

6,072
CPP

710
PCI

1,814
PSP

APP

The Associate Protection Professional (APP), our newest certification, is designed for those with one to four years' security management experience and is ideal for young professionals or those transitioning into security.

Earning the APP will show mastery of four areas:

- Security Fundamentals
- Business Operations
- Risk Management
- Response Management

The certification is tentatively scheduled for official launch in May/June 2019.

Source: ASIS certification data as of 31 December 2018



ASIS FOUNDATION



The ASIS Foundation makes a difference in the security industry and communities we serve through research, grants, and scholarships for security professionals.

The Foundation is supported by generous donations from ASIS members, chapters, and private corporations and has two main components:

- Education: Dozens of scholarships awarded to those pursuing security and cybersecurity careers
- Research: Timely, relevant security research on contemporary threats, best practices, and regulations providing valuable and actionable knowledge for the profession and industry

In 2017/2018, the Foundation accomplished the following milestones:

- Created and launched the new CPP Accelerator program resulting in 105 chapters awarding CPP scholarships (39 outside the US)
- Awarded 30 certification scholarships to ASIS members (valued at more than \$20,000 total)
- Awarded two grants to support chapter education and P-3 partnerships (valued at \$14,000 total)
- Partnered with Building Officers and Managers Association (BOMA) and the Security Industry Association (SIA) to release a new research study on Intelligent Building Management Systems
- Completed and released new Scouting the Future report identifying key change drivers
- Conducted the first-ever matching gift campaign raising more than \$65,000 over three months, plus a generous matching gift of \$20,000 from Frank Argenbright of SecurAmerica



THE CSO CENTER



Members of the ASIS International CSO Center community from across the globe gathered for two days in Minneapolis, Minnesota (USA) for the 11th Annual CSO Summit. The event, sponsored by Target and hosted at Target Plaza Commons, provided a singular venue for networking, executive leadership education, and interactive breakout sessions.

Futurist Scott Klososky was on hand throughout the event to discuss the top trends and change drivers affecting the profession and explored the implications for security and business. Executive Coach Angela Scalpello provided research-based leadership insights and business coaching. Attendees also enjoyed an exclusive tour of U.S. Bank Stadium—home of the Minnesota Vikings and Super Bowl LII.

The CSO Summit highlighted the importance of understanding risk and threats—both now and in the future—through the lens of Enterprise Security Risk Management. It also underscored the need for executive leadership “soft skills,” including emotional intelligence as well as how to be a trusted adviser and how to communicate value to the C-Suite while aligning security goals with corporate strategy.

New in 2018, the CSO Center launched a series of breakfasts worldwide where members and prospects discussed trends and issues across security, business, and leadership. The series kicked off in London in April, with events throughout the year in Chicago, Atlanta, San Francisco, Seattle, Philadelphia, and Madrid. The breakfast series will continue in 2019, with events slated for Toronto, Singapore, and Houston, among others.

The CSO Center grew in membership by ten members in 2018 and boasted nearly a 90% retention rate. In 2019, we will be maximizing face-to-face opportunities and showcasing the value of being a CSO Center member to continue that momentum and grow this exclusive community even more.



PREMIUM YEAR-ROUND EDUCATION & ENGAGEMENT

From executive education to global exchanges, our robust calendar of dynamic events is designed to support your professional growth and advance your career.

New programs and webinars are added throughout the year. Please [check the ASIS website](#) for more details on 2019 events.

| | |
|-----------------------|--|
| 25–26 FEB | CPP Review Savannah, Georgia, USA |
| 25–26 FEB | PSP Review Savannah, Georgia, USA |
| 25–28 FEB | Assets Protection Course™: Principles of Security (APC I) Savannah, Georgia, USA |
| 5 MAR | ASIS Asia Pacific Regional Conference 2019 Tokyo, Japan |
| 27–29 MAR | ASIS Europe 2019 Rotterdam, The Netherlands |
| 5–7 MAY | 12th Annual CSO Summit Washington, District of Columbia, USA |
| 24–25 JUN | Enterprise Security Risk Management (ESRM) Atlanta, Georgia, USA |
| 24–25 JUN | Executive Protection Atlanta, Georgia, USA |
| 24–26 JUN | Risk, Threat, and Vulnerability Assessment Atlanta, Georgia, USA |
| 24–26 JUN | Assets Protection Course™: Practical Applications (APC II) Atlanta, Georgia, USA |
| 2–5 JUL | IE Business School/ASIS Program: Effective Management for Security Professionals Madrid, Spain |
| 11–14 AUG | SecurityXchange Park City, Utah USA |
| 7–8 SEP | CPP Review Chicago, Illinois USA |
| 7–8 SEP | PCI Review Chicago, Illinois USA |
| 7–8 SEP | PSP Review Chicago, Illinois USA |
| 8–12 SEP | Global Security Exchange (GSX) Chicago, Illinois USA |
| 29 SEP – 4 OCT | Wharton/ASIS Program for Security Executives Philadelphia, PA USA |
| 15–16 OCT | ASIS Latin America 2019 Mexico City, Mexico |
| 4–5 NOV | Crisis Management Seattle, Washington, USA |
| 4–5 NOV | Active Assailant Seattle, Washington, USA |
| 4–6 NOV | Violence Assessment and Intervention Seattle, Washington, USA |
| 4–6 NOV | ASIS Middle East 2019 Manama, Bahrain |
| 4–7 NOV | Facility Security Design Seattle, Washington, USA |



EXPANSIVE NETWORK OF STRATEGIC PARTNERSHIPS

Through a series of MOUs and strategic partner agreements, ASIS is collaborating with global organizations allied to security to enhance member value and advance security worldwide.

- Building Industry Consulting Service International (BICSI)
- Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
- Business Continuity Institute (BCI)
- Canadian Security Association (CANASA)
- Coalition of UAS Professionals
- Department of Homeland Security Science and Technology Directorate (DHS)
- Document Security Alliance (DSA)
- Federal Bureau of Investigation (FBI) Office of the Private Sector (OPS)
- Fraternal Order of Investigators (FOI)
- Global Business Travel Association (GBTA)
- Hostage US
- International Association of Campus Law Enforcement Administrators (IACLEA)
- International Association of Chiefs of Police (IACP)
- International Association for Healthcare Safety and Security (IAHSS)
- International Association of Financial Crime Investigators (IAFCI)
- International Association of Security Awareness Professionals (IASAP)
- International Association of Professional Security Consultants (IAPSC)
- International Association of Venue Management (IAVM)
- International Critical Incident Stress Foundation (ICISF)
- International Facility Management Association (IFMA)
- International Foundation for Protection Officers (IFPO)
- International Information Systems Security Certification Consortium (ISC2)
- International Organization of Black Security Executives (IOBSE)
- Information System Security Association (ISSA)
- ISACA
- Loss Prevention Foundation
- Military Police Regimental Association (MPRA)
- National Association of School Resource Officers (NASRO)
- National Association of Security Companies (NASCO)
- National Center for Missing and Exploited Children (NCMEC)
- National Sheriff's Association (NSA)
- NCMS: The Society for Industrial Security Professionals
- ONVIF
- Overseas Security Advisory Council (OSAC)
- Physical Security Interoperability Alliance (PSIA)
- PSA Security Network
- RIMS, the risk management society
- Security Industry Association (SIA)
- Secure Technology Alliance



ASIS ADMINISTRATION/BUDGET

Fiscal Year Change

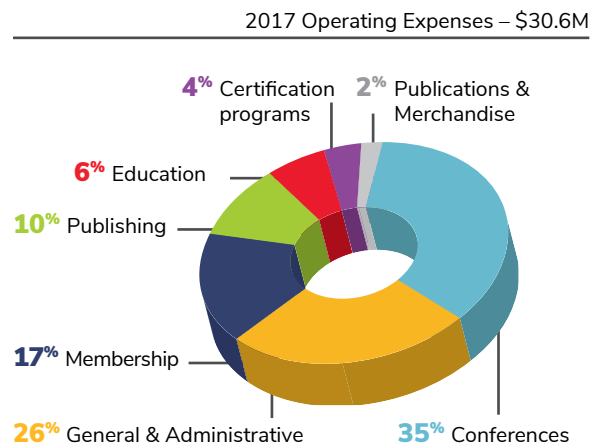
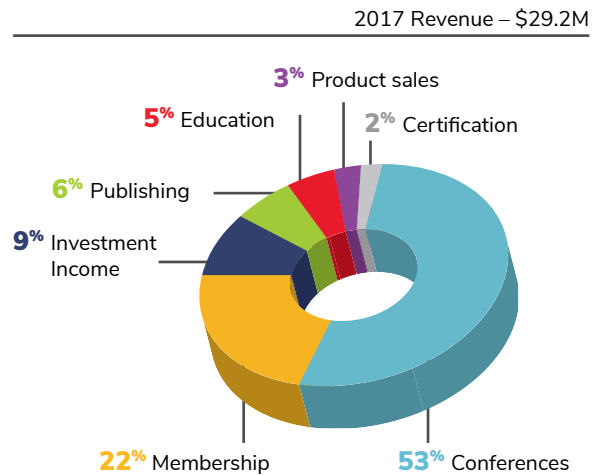
For financial reporting purposes, ASIS shifted from a calendar year to a July-June fiscal year starting in 2018. This shift better aligns with our overall programming and new rhythm of strategic and financial planning. This shift does not impact the annual membership dues year, as that remains on a calendar year basis.

Financial Governance and Oversight

Safeguarding the assets, reputation, and financial integrity of ASIS is a top priority. We have two separate Board Committees who work closely with the CEO and CFO in ensuring an adequate level of oversight of our financial resources. The Budget, Finance, and Audit Committee oversees the annual external audit, Internal Revenue Service filings (IRS form 990), and annual budget. The annual budget is approved by the full Board prior to the start of the fiscal year. The Investment Committee also works closely with the CEO, CFO, and team of investment advisors to set the investment policy, strategy and monitoring of ASIS' investment fund. As of 30 June 2018, our investment portfolio totaled \$21 million.

As a result of the 2018 fiscal year change, a combined audit was performed covering January 2017 through June 2018. ASIS received a clean audit opinion for this 18-month period.

| | June 30, 2018 |
|--|----------------------|
| Assets | |
| Cash and cash equivalents | \$ 1,749,817 |
| Investments | 21,066,370 |
| Accounts Receivable | 201,722 |
| Prepaid Expenses | 1,750,337 |
| Inventory and other assets | 654,014 |
| Investments held for deferred compensation | 1,310,551 |
| Property and equipment | 6,662,241 |
| Total Assets | \$ 33,395,052 |
| Liabilities and Net Assets | |
| Liabilities: | |
| Accounts payable and accrued expenses | \$ 2,323,578 |
| Deferred revenue | 11,596,288 |
| Due to affiliate | 115,232 |
| Deferred compensation | 1,310,551 |
| Post-retirement benefit obligation | 144,339 |
| Total Liabilities | 15,489,988 |
| Net Assets: | |
| Unrestricted | 17,905,064 |
| Total Net Assets | 17,905,064 |
| Total Liabilities and Net Assets | \$ 33,395,052 |



JohnsonLambert, LLP performed the consolidated audit for ASIS International and Affiliates for the 18 months ended June 30, 2018. The above Statement of Financial position is an excerpt taken from that report in order to show the balances for ASIS International, without the affiliates. The charts for 2017 are not part of the audit report and reflect the 2017 ASIS internal statements to present a full 12 month period.

LOOKING AHEAD TO AN EXCITING FUTURE

I'm excited to serve our Society as your 2019 Board President. Our story has been one of change over the past few years, and in the coming year (and years), ASIS will continue its transformative journey.

Investing in our members is critical to the long-lasting success of our association. Members will see even more innovative, hands-on learning at GSX and technological enhancements woven into all our education, programming, and resources. This is part of our “global” approach (where global meets local)—bringing access and information to our members wherever they are located worldwide and across multiple channels to suit distinct business needs.

Moving forward, the Society will emphasize areas of growth and enhancement:

- **Global Governance:** In our increasingly global and digital world, unifying members has never been as important as it is today. ASIS is committed to working more collaboratively and transparently with councils and chapters worldwide. This is a serious undertaking for us and will take several years to fully implement.
- **Chapter/Council Support:** In addition to our “glocal” approach, we will bring chapters online to the new community platform (ASIS Connects) and build toolkits and resources to enhance chapter efforts, while offering a higher level of support than ever before.
- **Enhanced Content Strategy:** To meet member needs and advance strategic priorities defined by the Board, ASIS is working with Councils and staff partners to create, aggregate, and deliver useful and appropriate content in a thoughtful, more efficient, and organized way. The data-driven strategy considers the most appropriate delivery channel to reach its intended audience.
- **2020-2024 Strategic Plan:** These four pillars form the basis of our strategic plan, guiding everything that we plan to tackle in the future:
 - Accelerating Digital Transformation
 - Achieving Recognition for the Profession
 - Elevating the Security Function to Influence Organizational Success
 - Serving Global Needs

Finally, I challenge all global security professionals to think like ASIS and focus on the future. Mentorship is an area of personal passion and reaching the next generation of leaders worldwide is critical for our organization’s success. Become mentors and help advance our profession.

Thank you,



A handwritten signature in black ink that reads "Christina Duffey".

Christina Duffey, CPP
2019 President, ASIS International

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