



2025
Annual
Report

ISC2[™]



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James Packer, CISSP, CCSP
2025 ISC2 Board of Directors
Chair



Scott Beale, CC
ISC2 CEO

Together, we lead.

Dear ISC2 Community,

On behalf of the ISC2 Board of Directors, I would like to thank all members and associates for your resilience, dedication and tenacity over the past year.

2025 brought significant change, marked by rapid advances in technology, increasingly complex threats and economic pressures that reshaped how organizations invest in cybersecurity.

Even as resources tightened, demands continued to grow, underscoring the essential role cybersecurity professionals play in safeguarding our digital world.

Throughout this period, the community continued to protect organizations, share knowledge and innovate despite ongoing uncertainty.

The Board recognizes that this commitment—both to the field and to one another—remains central to ISC2's vision of creating a safe and secure cyber world.

From our perspective, the organization's purpose as a member association is clear: to support the profession through the certifications it delivers, the programs it builds and the global community it serves.

In 2025, efforts focused on strengthening this foundation and increasing the value of membership for more than 270,000 certified professionals and associates worldwide.

While there is more work ahead, we are confident in the meaningful progress made in areas that matter most to the community and the wider profession:

- The quality, accessibility and global recognition of certifications were enhanced. Notably, all nine online self-paced courses achieved accreditation under the ANSI/ASTM global standard for certificate programs, reinforcing their rigor and credibility in a competitive training landscape.
- The continuing education portfolio expanded, introducing new learning opportunities in critical areas such as AI, threat handling and cloud security.
- Member perspectives were represented among cybersecurity leaders worldwide, helping inform policy and shape industry direction.

- Engagement with hundreds of thousands of professionals grew through events, chapters and advocacy efforts, alongside strengthened international partnerships.
- Pathways into the field were broadened through the Center for Cyber Safety and Education, including the funding of 196 scholarships and the launch of the Global 50x50 Initiative, an ambitious effort to achieve 50% representation of women in the cybersecurity workforce by 2050.

This progress reflects deliberate, sustained effort to advance organizational priorities during a period of leadership transition.

In late 2025, Scott Beale was announced as ISC2's CEO to lead the organization into its next chapter. The Board looks forward to working together to seize new opportunities and further strengthen impact.

We also extend our sincere appreciation to Debra Taylor, CC, who served as Acting CEO alongside her role as Chief Financial Officer. Her leadership, dedication and care for members, staff and the mission have left a lasting and positive impact.

On behalf of the ISC2 Board, thank you for your membership, your volunteer contributions and your ongoing commitment to creating a safe and secure cyber world for all.

With appreciation,



James Packer, CISSP, CCSP
2025 ISC2 Board of Directors Chair



Scott Beale, CC
ISC2 CEO

“ Thank you for your membership,
your volunteer contributions and
your ongoing commitment. ”



Leadership Moving Forward

After a thorough CEO search conducted by the ISC2 Board of Directors, Scott Beale, CC, was appointed at the end of 2025 as ISC2's new CEO and began his tenure in January 2026. Scott brings more than 30 years of experience in global leadership, workforce development and mission-driven organizations. He is passionate about building innovative programs that strengthen talent pipelines and create opportunities for professionals worldwide. We are certain that his vision and energy will propel our mission forward.

We extend our sincere gratitude to Acting CEO, Debra Taylor, CC. Debra stepped into the role during a period of transition and guided ISC2 with steadiness, clarity and vision, while simultaneously maintaining her role as ISC2's Chief Financial Officer. Her leadership ensured continuity and sharpened organizational focus, positioning ISC2 for its next chapter of growth.

Together, their contributions mark an important turning point for our association. Debra laid the groundwork for strengthening ISC2 as a member-driven, member-valued organization. Scott will build on this foundation, continuing to advance our focus on serving and supporting our global membership.

Under Scott's leadership, ISC2 will reaffirm its mission-driven purpose. The association is committed to advancing a more safe and secure cyber world and to strengthening the cybersecurity workforce to pursue that goal. ISC2 will continue to innovate and pursue new products to equip members with the professional development, certifications and community to build your skills and resilience so you can navigate the changes that come with AI, quantum and emerging tech.

You are invited to become more active in the association by volunteering, joining a chapter, engaging in the online **ISC2 Chapter Community** and connecting with ISC2 and other members on LinkedIn.

Scott's appointment is just the beginning. Together, we all have a role: to lead boldly. Take the next step by getting involved, sharing your ideas and building what comes next.

Association Governance

ISC2 is a United States 501(c)(6) nonprofit professional association. Our organization is the world's leading member association for cybersecurity professionals, driven by our vision of a safe and secure cyber world. Our more than 270,000 members and associates lead the profession with the same shared vision.

Our award-winning certifications, including cybersecurity's premier certification, the CISSP, enable professionals to demonstrate their knowledge, skills and abilities at every stage of their careers. ISC2 strengthens the influence, diversity and vitality of the cybersecurity profession through advocacy, expertise and workforce empowerment to accelerate cyber safety and security in an interconnected world.

Our charitable arm, The Center for Cyber Safety and Education, is a 501(c)(3) nonprofit. The Center is independently incorporated, closely affiliated with ISC2 and serves as its charitable foundation dedicated to advancing cybersecurity education and access worldwide.

ISC2 programs support its members' professional development and advocate for the continued growth, ethical best practices and health of the cybersecurity profession. Association operations are managed by the ISC2 CEO and senior leadership team under the authority, direction and guidance of the ISC2 Board of Directors.



Maintaining your certification in good standing means you are part of the world's largest and most respected association of cybersecurity professionals. Members are at the heart of ISC2's mission and growth.

Contribute to the community as a volunteer, chapter leader or Board member to help shape the future of the profession. To explore opportunities for involvement, learn more [HERE](#).

ISC2 Board of Directors

Elected by ISC2 members, the Board of Directors comprises ISC2-certified cybersecurity professionals and leaders from around the world with expertise in securing and managing risk for academic institutions, government agencies and businesses of all sizes across all sectors. Our all-volunteer Board provides governance and oversight for the organization, establishes requirements for and grants certifications to qualifying candidates and enforces adherence to the ISC2 Code of Ethics. Additionally, the Board of Directors establishes the strategy, goals and objectives of ISC2 while simultaneously overseeing programs and activities and actively managing risks.

Thank you to the 2025 ISC2 Board of Directors, who guided us through this year with their unwavering dedication to the ISC2 community and the entire cybersecurity profession.



James Packer,
CISSP, CCSP

Country of Origin: U.K.
Country of Business: Switzerland
Chair



Laurie-Anne Bourdain,
CISSP

Country of Origin: France
Country of Business: Belgium
Vice Chair



Guy Ngambeket,
CISSP

Country of Origin: Cameroon
Country of Business: Qatar
Secretary



May Brooks-Kempler,
CISSP, HCISPP, MBA

Country of Origin: Israel
Country of Business: U.A.E.
Treasurer



Shannon Brewster,
CISSP

Country of Origin/Business:
U.S.



Edward Farrell,
CISSP, SSCP

Country of Origin/Business:
Australia



Darren Gallop,
CISSP

Country of Origin/Business:
Canada



Eiji Kuwana,
CISSP

Country of Origin/Business:
Japan



Samara Moore,
CISSP

Country of Origin/Business:
U.S.



Daisy Radford,
CISSP

Country of Origin: U.K.
Country of Business: Singapore



Judith Sarjeant,
CISSP

Country of Origin/Business:
Barbados



Lisa Young,
CISSP

Country of Origin/Business:
U.S.

Learn more about the ISC2 Board of Directors at: [ISC2.org/about/board-of-directors](https://www.isc2.org/about/board-of-directors).

Financial Strength, Reinvested in our Members

As a registered 501(c) (6) nonprofit organization, ISC2 reinvests its revenue back into the association, its members and the future of the cybersecurity profession. In 2025, ISC2 remained in a strong financial position, growing revenue to nearly US\$100M.

ISC2 2025 Financial Summary (US\$)

| | FY2023 | FY2024 | FY2025 |
|--|---------------|--------------|--------------|
| Revenue | \$85,750,901 | \$98,220,242 | \$98,854,168 |
| Net Increase/(Decrease) in Net Assets | (\$5,484,276) | \$5,929,395 | \$2,025,842 |
| Program Investment | \$58,667,730 | \$58,268,873 | \$63,845,755 |



“Net Increase/(Decrease) in Net Assets” represents the difference between revenue and the associated costs incurred during the reporting period.

“Program Investment” refers to the portion of ISC2’s spending that directly supports mission-related services and activities.

ISC2’s financial strength enables us to support our community, both now and in the future. Complete audited financial statements are provided after page 27.

AMF At Work

Each year, ISC2 members renew their commitment to their certifications by paying Annual Maintenance Fees (AMFs). These fees are reinvested into the association to ensure ISC2 certifications remain the most respected and sought-after cybersecurity credentials in the world.

AMFs support:

- Regular content reviews and updates across all exams and certification education
- Global exam development, administration, delivery and security
- Ongoing recognition, including ANAB ISO/IEC 17024 accreditation
- Essential member services such as endorsement, verification, digital badging, CPE reporting and certification maintenance
- Cybersecurity workforce initiatives, including advocating to governments around the world for policies aligned with workforce priorities, as well as support for The Center

AMFs also sustain the long-term strength of our association, helping us grow and support ISC2 as the world's leading member association for cybersecurity professionals. We are committed to delivering meaningful value to our members and to being transparent about how these funds are used. We are dedicated to ensuring the value of your membership grows more rapidly than the cost of supporting the association's work to advance your certification and the global cybersecurity workforce. And we are proud that since ISC2's founding in 1989, AMFs have increased only twice.





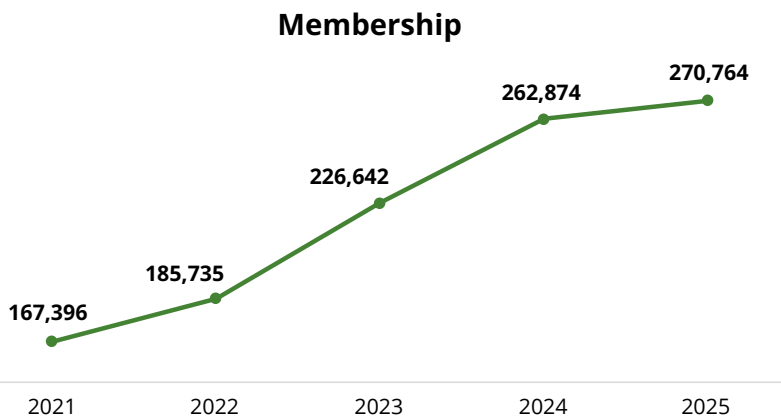
Supporting a Growing Community

As a mission-driven organization, ISC2 serves more than 270,000¹ members and associates worldwide. We are committed to continually strengthening our education, networking, career and certification offerings. We do this by employing a strong global team that works to deliver on our vision and mission.

2025 ISC2 Members and Associates of ISC2

ISC2 Members and Associates of ISC2 are spread across the globe, with the largest concentrations of members in the United States, the United Kingdom, Canada and India.

In 2025, our global community continued to expand, with membership increasing 3% year-over-year. While growth has moderated compared to prior years, it reflects continued demand for professionals holding ISC2 certifications despite economic uncertainty and the emerging impact of AI in the workplace.



21% of ISC2 employees hold ISC2 certifications, making them invested in the success of the association and better able to understand the challenges and opportunities facing our members.

¹As of December 31, 2025

ISC2 Members and Associates

As of December 31, 2025



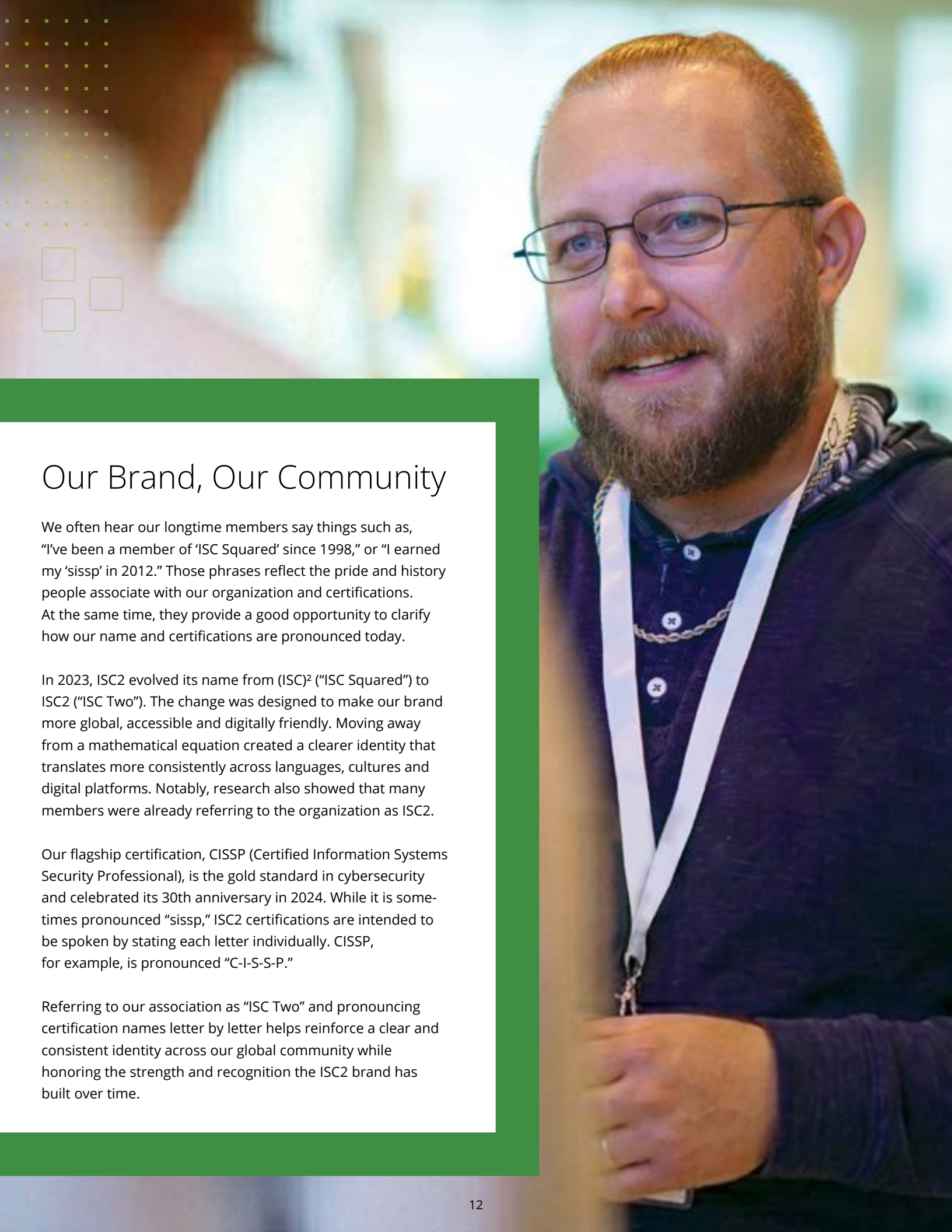
| Region | Members | Associates | TOTAL |
|---|---------|------------|---------|
| ■ The Americas | 161,379 | 3,736 | 165,115 |
| ■ Europe, Middle East, Africa | 54,974 | 760 | 55,734 |
| ■ Asia-Pacific | 48,960 | 955 | 49,915 |
| TOTAL | 265,313 | 5,451 | 270,764 |

ISC2 members are at the core of everything we do. You are not only part of our global community, but also active contributors who help shape the future of the cybersecurity profession. Through volunteering time and expertise, members play a critical role in advancing our exams, professional development programs and research, ensuring you remain on the leading edge of cybersecurity practices and standards. From serving on task forces and contributing to Domain Content Outline (DCO) updates to sharing insights, speaking at events, mentoring peers and engaging in local chapters, our members continuously give back to strengthen the profession.

ISC2 provides members with significant benefits:

- Access to a worldwide network of cybersecurity professionals, broadening perspectives and sharing varying experiences
- Global insights and resources that help members navigate evolving regulations, workforce trends and economic conditions
- Enhanced professional credibility and influence through affiliation with a globally recognized association

This extensive reach ensures that ISC2 can serve as a global voice for the cybersecurity workforce and that our certifications are recognized in high standing around the world.



Our Brand, Our Community

We often hear our longtime members say things such as, “I’ve been a member of ‘ISC Squared’ since 1998,” or “I earned my ‘sisssp’ in 2012.” Those phrases reflect the pride and history people associate with our organization and certifications. At the same time, they provide a good opportunity to clarify how our name and certifications are pronounced today.

In 2023, ISC2 evolved its name from (ISC)² (“ISC Squared”) to ISC2 (“ISC Two”). The change was designed to make our brand more global, accessible and digitally friendly. Moving away from a mathematical equation created a clearer identity that translates more consistently across languages, cultures and digital platforms. Notably, research also showed that many members were already referring to the organization as ISC2.

Our flagship certification, CISSP (Certified Information Systems Security Professional), is the gold standard in cybersecurity and celebrated its 30th anniversary in 2024. While it is sometimes pronounced “sisssp,” ISC2 certifications are intended to be spoken by stating each letter individually. CISSP, for example, is pronounced “C-I-S-S-P.”

Referring to our association as “ISC Two” and pronouncing certification names letter by letter helps reinforce a clear and consistent identity across our global community while honoring the strength and recognition the ISC2 brand has built over time.

Our Success Frameworks

ISC2's vision is to create a safe and secure cyber world. Our global team advances this vision by strengthening the influence, diversity and vitality of the cybersecurity profession. This progress is made possible by our values-driven culture.

Our values are Integrity, Advocacy, Excellence, Inclusion and Commitment. You can see these values in evidence across our organization and in the way we work with members, every day. They unite the ISC2 team, inspire our activities and help us accelerate cyber safety and security in an interconnected world.

Four strategic priorities—Amplify the Core, Promote Global Competence, Advocate for Members and the Profession and Enhance the Experience—provide a framework for our activities, keeping us focused on what's most important for ISC2 and our members.

These priorities guide our focus:



Amplify the Core

Strengthen business model and certifications to ensure ISC2 expertise meets global marketplace and individual demands.



Promote Global Competence

Deliver comprehensive and innovative products, services and experiences to help stakeholders stay relevant and engage in lifelong learning.



Advocate for Members and the Profession

Advance ISC2 as the leading global cyber and information security professional association.



Enhance the Experience

Enhance the ISC2 experience for members, the greater cybersecurity community and stakeholders.



Amplify the Core

Strengthen business model and certifications to ensure ISC2 expertise meets global marketplace and individual demands.

Certifications and Exams

ISC2 continues to strengthen the credibility and global recognition of our certifications, ensuring credential holders are trusted as leading cybersecurity professionals worldwide.

Anchored by the CISSP, our most recognized and widely held credential, the ISC2 certification portfolio reflects the growing demand for trusted cybersecurity expertise worldwide.

2025 marked the 25th anniversary of the SSCP, a certification that's ideal for hands-on practitioners who monitor, administer and defend systems in active security operations roles.

2025 Certification Counts As of December 31, 2025



“The CC provided a structured view of how cybersecurity professionals contribute across the full security lifecycle, from identifying threats and vulnerabilities to implementing preventive and detective controls to supporting incident response and recovery.”

— Giuseppe Tartaglia, CC

Global Recognition and Accreditation

ISC2's impact and leadership in cybersecurity were recognized globally in 2025, with honors spanning professional education, certification and industry leadership, including:

- Named **International Association of the Year at the Association Excellence Awards**, recognizing ISC2's global impact and influence
- Awarded **Best Professional Training or Certification Programme at the SC Awards Europe** for the Certified in Cybersecurity (CC) credential
- Recognized by the **Cybersecurity Excellence Awards** as a top cybersecurity education provider
- ISC2's One Million Certified in Cybersecurity program earned top honors at the **Cyber Security Awards**
- CyberSecurity Breakthrough honored ISC2 with the **Cybersecurity Certification Innovation Award**



ANSI National Accreditation Board

All nine ISC2 online self-paced certification courses are accredited by the **ANSI National Accreditation Board** under the ANSI/ASTM global standard for certificate programs.

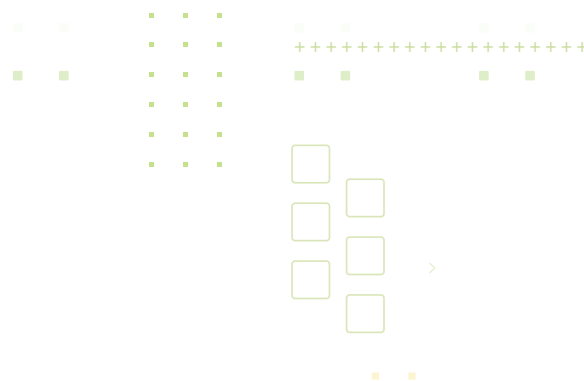


American Council on Education

The **American Council on Education (ACE) Learning Evaluations**

has reviewed and recommended six ISC2 cybersecurity examinations and six official certification courses for college credit hours. Upon successfully passing or completing the designated exams or courses, U.S.-based ISC2 members and candidates earn college credits toward their degrees.

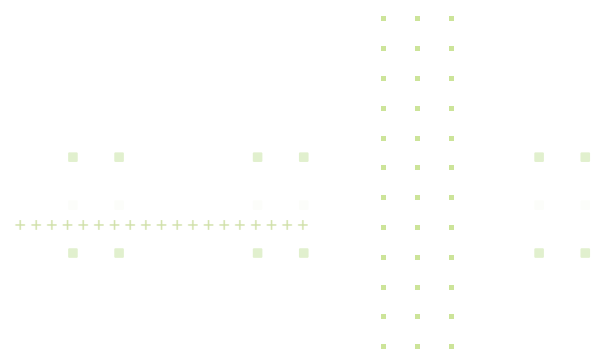
The ISC2 official certification courses and examinations eligible for college credit are CISSP, CCSP, CSSLP, CGRC, SSCP and CC.



Exam Development

Thank you to all exam development volunteers who ensure our exams reflect the latest practices in the field. By taking part in activities like Job Task Analyses (JTAs), which define the real-world roles and responsibilities cybersecurity professionals perform, along with item development workshops, you as volunteers help keep our certifications relevant, rigorous and aligned to industry needs.

- 120+ Item Development Workshops
- 1,800+ Volunteers
- 10,000+ Exam items created or improved



ISC2 Research

ISC2 research provides insights into workforce trends and challenges, informing our certifications, training and advocacy efforts.



Cybersecurity Workforce Study

The 2025 ISC2 Cybersecurity Workforce Study captures insights from 16,029 global cybersecurity professionals around trends affecting the workforce.



ISC2 Supply Chain Risk Survey

For the 2025 ISC2 Supply Chain Risk Survey, we gathered responses from 1,062 cybersecurity professionals to understand the escalating importance of supply chain cybersecurity.



AI Security Tools Adoption

For our market research on AI Security Tools Adoption, we surveyed 436 cybersecurity professionals to understand the global impact of AI on the workforce and operations.



Hiring Trends in Cybersecurity

For the 2025 Cybersecurity Hiring Trends Report, we reviewed survey responses from 929 hiring managers across Canada, Germany, India, Japan, the U.K. and the U.S. to understand how cybersecurity hiring managers are finding success investing in entry- and junior-level roles.

Learn more at [ISC2.org/research](https://www.isc2.org/research).



Promote Global Competence

Deliver comprehensive and innovative products, services and experiences to help stakeholders stay relevant and engaged in lifelong learning.

Our continuing education portfolio equips members to stay ahead of emerging threats, adapt to new technologies and apply best practices in their organizations.

New Professional Development Offerings

To address emerging technology and the skills needed, ISC2 launched new offerings in 2025, including:

- **Building AI Strategy Certificate** - Equips professionals to help organizations adopt AI responsibly, ethically and securely
- **Threat Handling Foundations Certificate** - Builds digital forensics and incident response (DFIR) skills
- **Cloud Security Architecture Strategy Certificate** - Develops expertise in designing and managing secure cloud environments
- **20 Express Courses** - Focuses on emerging topics and designed for busy professionals as short, self-paced courses (1-2 hours)

Focused Learning. Exam Success.



ISC2 Updates Advanced Certifications

ISC2 updated the exam outlines for its advanced certifications — ISSAP, ISSEP and ISSMP — ensuring alignment with current cybersecurity practices and leadership expectations. These certifications are designed for experienced professionals seeking to demonstrate deep expertise in architecture, engineering and management, and to take the next step into specialized and leadership roles. Developed through a rigorous Job Task Analysis (JTA) and informed by global subject matter experts, these updates reflect the evolving roles of senior-level professionals and provide a modernized framework for advanced specialization. This marks a significant milestone, as these outlines had not been updated in several years.

To support these updates, ISC2 also introduced AI-driven, adaptive self-paced training for all three certifications, delivering personalized learning paths, real-time feedback and more targeted preparation for experienced professionals.

ISC2 Advances Exam Precision, Security and Experience

In 2025, ISC2 transitioned the CC, SSCP and CCSP examinations to Computerized Adaptive Testing (CAT), marking a significant advancement in exam delivery. Building on the successful adoption of CAT for the CISSP in 2017 and the expansion of CAT to non-English exam versions in 2024, this transition reflects ISC2's continued investment in modernizing its certification programs.

CAT provides a more precise and efficient evaluation of a candidate's abilities while maintaining the same rigorous exam standards. By dynamically adjusting to each candidate's performance, the format enhances exam security and delivers a fair, valid and reliable testing experience. This shift also streamlines the exam process, enabling candidates to demonstrate their knowledge more efficiently while upholding the integrity of ISC2 certifications.

Event Participation

In 2025, ISC2 events, webinars and workshops generated more than 920,000 live and on-demand views, reflecting strong global engagement.

Events included:



Security Congress – ISC2's flagship event, held in Nashville, Tennessee (U.S.), and online, brought together more than 3,500 attendees to connect, share insights and explore key trends shaping the profession.



SECURE events – Regional event series that explores the latest advances and challenges in safeguarding digital assets against cyberthreats as industry experts gathered to share insights and expertise. In 2025, ISC2 hosted SECURE D.C., SECURE London and SECURE Japan.



ISC2 Spotlight Events – Virtual events free to members, associates and candidates that are hosted quarterly. In 2025, we hosted Spotlights on GRC, AI, cloud and supply chain security.



ISC2 Workshops – One- or two-day in-person or virtual interactive sessions on a specific topic. In 2025, we hosted workshops on AI and leadership.



2025 Women's Summit – A half-day virtual event that brought together thousands of women and allies worldwide to share insights, address barriers and advance a more equitable and welcome cybersecurity field.



2025 Chapter Leaders Summit – A two-day virtual event bringing together ISC2 Chapter leaders and members worldwide to share knowledge, collaborate and strengthen chapter operations.



Webinars – Informative, free webinars on a wide array of topics for members and the security industry to learn about the latest best practices, solutions and strategies. In 2025, ISC2 held more than 120 webinars.

Learn more at [ISC2.org/events](https://www.isc2.org/events).



Advocate for Members and the Profession

Advance ISC2 as the leading global cyber and information security professional association.

Global Advocacy Impact

ISC2 continues to advocate on behalf of our members worldwide, ensuring your voice is represented in the policies shaping the cybersecurity profession. In 2025, we engaged with more than 500 policymakers and stakeholders globally, influencing legislation, advancing workforce development and strengthening cyber resilience.



The Americas

In the United States, ISC2 engaged 200+ federal leaders—including the Office of the National Cyber Director, Department of War, National Institute of Standards and Technology and Cybersecurity and Infrastructure Security Agency—alongside 100+ state and local officials. These efforts helped shape major initiatives, including workforce frameworks, cyber incident reporting and hiring modernization.

In Canada, ISC2 engaged 100+ federal and provincial stakeholders and testified before Parliament, reinforcing our role as a trusted voice in national cybersecurity policy.



United Kingdom

ISC2 engaged 70 policymakers and influencers, delivered three thought leadership events, and responded to 10 policy consultations on issues ranging from AI security to national resilience. ISC2 also convened a parliamentary roundtable and was invited to serve as an ambassador for the U.K.'s Software Security Code of Practice, creating direct pathways for member input.



European Union

ISC2 engaged 50+ E.U. institutional stakeholders, contributed to 14 policy consultations and spoke at 13 policy events across the region. In partnership with the European Union Agency for Cybersecurity, we advanced the Cybersecurity Skills Framework and ensured member perspectives shaped E.U.-wide strategies.

We also supported the implementation of the NIS2 Directive, including targeted engagement in Germany, where ISC2 convened policymakers and industry leaders to address national adoption and strengthen critical infrastructure resilience.



Asia-Pacific

ISC2 launched its advocacy strategy in India in 2025, engaging 50+ government stakeholders and activating member engagement across major cities. We advanced thought leadership on regulatory harmonization and workforce development, helping reduce compliance burdens and strengthen the profession across the region. Additionally, ISC2 is engaged with government and regulatory bodies supporting professionalization initiatives in Singapore and Australia.

Promoting Pathways into the Profession

Launched in 2022, the One Million Certified in Cybersecurity program provides free training and certification opportunities to expand access to the profession and strengthen the global talent pipeline.

In less than four years, more than one million people enrolled in the program, gaining free access to the CC Online Self-Paced certification course and a free CC exam. More than 570,000 participants completed the course to learn foundational cybersecurity concepts and explore cybersecurity as a potential career path. More than 65,000 participants went on to earn their CC certification, and nearly 9,000 earned a second, more advanced ISC2 certification.

With a strong foundation established, the program will conclude in 2026 as ISC2 evolves its broader efforts to support the next generation of cybersecurity professionals.



The Center for Cyber Safety and Education

The Center, the charitable arm of ISC2, aims to grow the cybersecurity profession by fostering a diverse pipeline of cybersecurity professionals to build a global cyber community for good. Center activities include:

- Educating the public on how to stay cyber safe
- Supporting the next generation of cybersecurity professionals
- Helping small businesses and nonprofits manage their cyber risk

Cybersecurity Scholarships

In 2025, the number of scholarships awarded nearly doubled, from 101 to 196! Of these, 159 were for career development and 37 were for academics.

Volunteers and Program Impact

- Total number of volunteers: 1,066
- Countries represented: 56
- Total people impacted: 15,682

Safe and Secure Online

More than 2,600 people from 28 countries attended Safe and Secure Online presentations, delivered by 645 volunteers and 9 program partners.

Cybersecurity Merit Badge

The Center participated in an ISC2 member-led committee to create the requirements for the new Scouting America Cybersecurity merit badge.

Global 50x50 Initiative Launched

At the 2025 ISC2 Security Congress, the Center launched the **Global 50x50 Initiative**, a cyber ecosystem movement with the goal of achieving 50% representation of women in the cybersecurity workforce by 2050. The initiative brings together global partners from industry, government, nonprofits and educational institutions to promote programs that close the gender gap and expand pathways into the cybersecurity profession, ensuring that women have equal access and opportunity in the field.

The Center welcomes ISC2 Members to join our global cyber community for good, contributing financially and through volunteerism to ensure that we can collectively achieve our vision of a safe and secure cyber world. You can make your contribution or learn more at iamcybersafe.org.

“ This scholarship serves as a recognition of my efforts to bridge the gender gap in technology. It motivates me to continue my work in securing automotive systems and software supply chains, as well as my advocacy for more female participation in cybersecurity. I am truly grateful for this opportunity and the chance to continue contributing to the field. ”

— Iwinosa Aideyan

“ Receiving this scholarship is both an honor and a source of motivation. It represents recognition of my commitment to the field of cybersecurity and provides vital support as I work toward certification and advancing my career. This opportunity not only eases the financial burden of pursuing professional credentials but also reinforces my determination to grow as a skilled and ethical cybersecurity professional. ”

— Humberto Rodriguez



Enhance the Experience

Enhance the ISC2 experience for members, the greater cybersecurity community and stakeholders.

Elevating Member Voices

ISC2 Insights serves as our editorial hub, featuring expert perspectives, research and member-driven content on cybersecurity trends, workforce challenges and emerging technologies.

In 2025, members actively contributed articles across a wide range of topics, reflecting the diversity and expertise of the global ISC2 community.

Highlighted topics included:



The Evolving Threat of Social Engineering

“Many organizations rely on a robust set of technological defenses — firewalls, email security solutions, endpoint detection and response (EDR) systems — to protect against cyberattacks. While these tools are essential, they cannot fully address the human element that social engineering exploits.” — Aksher Sheriff, CISSP



Leadership Journeys and Career Growth In Cybersecurity

“As cybersecurity has become an essential business requirement...the CISO role has expanded beyond its original preventative security focus toward a more strategic and business leadership position involved with identifying and managing risk.” — Gail Coury, CISSP



The Importance of Inclusivity, Including Neurodiversity, in the Profession

“If you’ve ever felt like you don’t belong — because you think too much, question too often or process differently — please hear this: You’re not the problem. You may be the solution we’ve been waiting for.” — Sari Lindroos-Valimaki, MBA, CISSP



Emerging Risks Such As Non-Human Identities In Production

“The organization realized that traditional IAM approaches were never designed for identities that operate independently of users, persist indefinitely and — often — have elevated access.”

— Ravi Karthick, CC, and Kanna Sekar, CISSP, CCSP

ISC2 Chapters and Community

ISC2 Chapters continue to strengthen local communities and reinforce ISC2's global engagement. By the end of 2025, there were 175 ISC2 Chapters globally, a 9% increase from 2024.

Chapters support members through events, partnerships and volunteer initiatives, including collaboration with the Center for Cyber Safety and Education.

In 2025, ISC2 delivered a series of projects as part of the current and ongoing Board-approved strategy, Chapters2gether, strengthening connections between ISC2 and our chapters. This includes:

- Creating nine ISC2 Chapter Regional Management Committees
- Completing the Chapter member management system pilot phase, with an anticipated full rollout in 2026
- Developing two new chapter resources, the Chapter Playbook and Chapter Mentor Guide
- Revamping our chapter recognition program

To help strengthen chapter leadership, ISC2 held the virtual Chapter Leaders Summit in 2025 for those interested in chapters to learn how to make a meaningful impact. The event brought together more than 2,500 attendees.



50,000+
Chapter Members
Around the
World

175 Chapters

The Americas: 97

APAC: 33

EMEA: 45

Recognizing Excellence

ISC2's Global Achievement Awards program recognizes individuals whose excellence, leadership and volunteer efforts have significantly advanced the cybersecurity industry and contributed to our vision of inspiring a safe and secure cyber world.

- 208 nominations were submitted by the community
- 17 individuals and four chapters were honored at ISC2 Security Congress 2025
- Additional awards were presented recognizing a partner and a Center for Cyber Safety and Education volunteer.



Giving Back

ISC2 relies on the commitment of our volunteers, who help us by writing exams and blogs, leading chapters, representing ISC2 in their communities and beyond, serving on the ISC2 Board of Directors and advisory councils and more. Their efforts are essential in advancing the cybersecurity profession.

59,635 Member Volunteer Hours
Thank You!

Digital Community and Engagement

ISC2 continues to expand its digital reach, connecting with members worldwide through online platforms and content.

- The ISC2 Up2Date LinkedIn newsletter, launched in 2024, grew to 132,368 subscribers
- Social media audiences increased across key platforms:



LinkedIn:
529,033 followers
across 10 pages (+17%)



X:
106,289 followers (+4%)



Facebook:
33,733 followers (+4%)

This growing digital presence helps members stay informed and strengthens transparency and engagement across the global community.





Audited Financial Statements

Consolidated Financial Statements and
Report of Independent Certified Public
Accountants

**International Information System Security
Certification Consortium, Inc. and Subsidiaries**

December 31, 2025 and 2024

Contents

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors of the
International Information System Security Certification Consortium, Inc. and
Subsidiaries

Opinion

We have audited the consolidated financial statements of International Information System Security Certification Consortium, Inc. and Subsidiaries (the "Consortium"), which comprise the consolidated statements of financial position as of December 31, 2025 and 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Consortium as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for opinion

We conducted our audits of the consolidated financial statements in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Consortium and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Consortium's ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consortium's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Consortium's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary information

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating schedule of activities for the year ended December 31, 2025 is presented for purposes of additional analysis, rather than to present the changes in net assets of the individual entities, and is not a required part of the consolidated financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures. These additional procedures included comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with

US GAAS. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Grant Thornton LLP

Arlington, Virginia
April 21, 2026

**International Information System Security
Certification Consortium, Inc. and Subsidiaries**

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

December 31,

| | <u>2025</u> | <u>2024</u> |
|--|-----------------------|-----------------------|
| ASSETS | | |
| Current assets | | |
| Cash and cash equivalents | \$ 20,981,049 | \$ 28,384,143 |
| Accounts receivable | 2,010,859 | 3,744,793 |
| Certification receivables, less allowance for doubtful accounts of \$4,876,505 and \$3,465,468 in 2025 and 2024, respectively | 1,249,263 | 1,153,010 |
| Other receivables | 674,989 | 689,892 |
| Prepaid expenses | 4,534,953 | 4,152,840 |
| Total current assets | <u>29,451,113</u> | <u>38,124,677</u> |
| Property and equipment, net | 6,415,024 | 6,500,960 |
| Operating lease right-of-use assets | 1,882,833 | 1,989,752 |
| Investments | 80,316,126 | 69,710,767 |
| Examination question pool, net of amortization of \$5,878,925 and \$4,857,0039 in 2025 and 2024, respectively | 8,351,351 | 7,558,766 |
| Other | 1,252,954 | 545,067 |
| Total assets | <u>\$ 127,669,401</u> | <u>\$ 124,429,990</u> |
| LIABILITIES AND NET ASSETS | | |
| Current liabilities | | |
| Accounts payable and accrued liabilities | \$ 8,757,492 | \$ 9,235,737 |
| Deferred revenue | 36,427,150 | 34,766,040 |
| Foreign tax accrual | 1,968,816 | 1,862,880 |
| Operating lease liabilities - current | 532,658 | 519,666 |
| Total current liabilities | <u>47,686,116</u> | <u>46,384,324</u> |
| Accrued scholarships - non-current | 1,078 | 1,078 |
| Deferred compensation | 1,149,954 | 935,503 |
| Operating lease liabilities - non-current | 3,593,945 | 3,896,619 |
| Total liabilities | <u>52,431,093</u> | <u>51,217,524</u> |
| Net assets | | |
| Without donor restrictions | | |
| Undesignated | 10,238,308 | 12,212,466 |
| Board designated operating reserves | 65,000,000 | 61,000,000 |
| Total net assets | <u>75,238,308</u> | <u>73,212,466</u> |
| Total liabilities and net assets | <u>\$ 127,669,401</u> | <u>\$ 124,429,990</u> |

The accompanying notes are an integral part of these consolidated financial statements.

**International Information System Security
Certification Consortium, Inc. and Subsidiaries**

CONSOLIDATED STATEMENTS OF ACTIVITIES

Years ended December 31,

| | 2025 | 2024 |
|---|----------------------|----------------------|
| Changes in net assets without donor restrictions | | |
| Operating support and revenue | | |
| Educational services | \$ 25,496,785 | \$ 26,275,063 |
| Professional examinations | 35,471,834 | 38,566,194 |
| Certification renewal fees | 33,153,529 | 28,690,157 |
| In-kind contributions | 1,977,779 | 2,284,750 |
| Contributions | 318,922 | 328,872 |
| Investment return designated for current operations | 2,173,015 | 2,107,726 |
| Other revenue | 188,246 | 35,254 |
| Foreign currency exchange gain (loss) | 74,058 | (130,212) |
| Net assets released from restriction | - | 62,438 |
| | 98,854,168 | 98,220,242 |
| Operating expenses | | |
| Program services | 59,836,291 | 53,012,213 |
| Supporting services | | |
| Administrative | 44,987,322 | 41,675,107 |
| Fundraising | 186,667 | 88,117 |
| | 105,010,280 | 94,775,437 |
| Change in net assets without donor restrictions from operations | (6,156,112) | 3,444,805 |
| Other changes | | |
| Investment return in excess of amounts designated for current operations | 8,181,954 | 2,547,028 |
| Change in net assets without donor restrictions | 2,025,842 | 5,991,833 |
| Change in net assets with donor restrictions | | |
| Net assets released from restriction | - | (62,438) |
| Change in net assets with donor restrictions | - | (62,438) |
| CHANGE IN NET ASSETS | 2,025,842 | 5,929,395 |
| Net assets at beginning of year | 73,212,466 | 67,283,071 |
| Net assets at end of year | \$ 75,238,308 | \$ 73,212,466 |

The accompanying notes are an integral part of these consolidated financial statements.

**International Information System Security
Certification Consortium, Inc. and Subsidiaries**

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year ended December 31, 2025

| | Program Services | Supporting Services | | Total |
|---|----------------------|----------------------|-------------------|-----------------------|
| | | Administrative | Fundraising | |
| Employee salaries and wages | \$ 19,683,749 | \$ 14,738,782 | \$ 56,953 | \$ 34,479,484 |
| Employee benefits and taxes | 3,491,694 | 3,678,642 | 9,430 | 7,179,766 |
| Total personnel costs | 23,175,443 | 18,417,424 | 66,383 | 41,659,250 |
| Educational services | 10,573,471 | 53 | 19,467 | 10,592,991 |
| Professional examinations | 13,605,917 | - | - | 13,605,917 |
| Marketing and communications | 1,362,782 | 3,380,926 | - | 4,743,708 |
| Bad debt expense | 285 | 2,692,989 | - | 2,693,274 |
| Bank fees | 2,346,090 | 70,207 | 413 | 2,416,710 |
| Computer licenses and support | 11,419 | 7,137,776 | 1,200 | 7,150,395 |
| Contract labor | 226,140 | 272,013 | - | 498,153 |
| Impairment of intangible assets | 93,731 | - | - | 93,731 |
| Membership development | 138,935 | - | - | 138,935 |
| Other | 52,740 | 590,584 | 306 | 643,630 |
| Professional fees | 2,933,167 | 6,028,644 | 97,335 | 9,059,146 |
| Rent | 22,294 | 371,239 | - | 393,533 |
| Scholarships | 100,197 | - | - | 100,197 |
| Supplies | 51,205 | 161,984 | - | 213,189 |
| Telephone and internet | 28,368 | 146,253 | - | 174,621 |
| Training | 37,235 | 130,997 | 80 | 168,312 |
| Travel | 905,047 | 2,729,451 | 1,339 | 3,635,837 |
| Total operating expenses before depreciation, amortization and taxes | 55,664,466 | 42,130,540 | 186,523 | 97,981,529 |
| Amortization | 4,170,738 | - | - | 4,170,738 |
| Depreciation | 1,087 | 1,956,289 | 144 | 1,957,520 |
| Taxes | - | 900,493 | - | 900,493 |
| Total operating expenses | \$ 59,836,291 | \$ 44,987,322 | \$ 186,667 | \$ 105,010,280 |

The accompanying notes are an integral part of this consolidated financial statement.

**International Information System Security
Certification Consortium, Inc. and Subsidiaries**

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year ended December 31, 2024

| | Program Services | Supporting Services | | Total |
|---|----------------------|----------------------|------------------|----------------------|
| | | Administrative | Fundraising | |
| Employee salaries and wages | \$ 17,680,943 | \$ 14,916,260 | \$ 33,075 | \$ 32,630,278 |
| Employee benefits and taxes | 3,487,421 | 2,227,435 | 6,301 | 5,721,157 |
| Total personnel costs | 21,168,364 | 17,143,695 | 39,376 | 38,351,435 |
| Educational services | 9,266,282 | 17,412 | 22,621 | 9,306,315 |
| Professional examinations | 11,096,435 | - | - | 11,096,435 |
| Marketing and communications | 983,931 | 4,283,084 | 1,540 | 5,268,555 |
| Bad debt expense | 925 | 1,692,608 | - | 1,693,533 |
| Bank fees | 2,423,125 | 13,081 | 2,035 | 2,438,241 |
| Computer licenses and support | 4,722 | 6,983,591 | 1,200 | 6,989,513 |
| Contract labor | 442,505 | 483,590 | - | 926,095 |
| Impairment of intangible assets | 50,965 | 121 | - | 51,086 |
| Membership development | 80,728 | - | - | 80,728 |
| Other | 129,842 | 433,821 | 683 | 564,346 |
| Professional fees | 3,356,552 | 6,892,820 | 18,578 | 10,267,950 |
| Rent | 34,732 | 333,210 | - | 367,942 |
| Scholarships | 123,843 | - | - | 123,843 |
| Supplies | 60,243 | 116,854 | 212 | 177,309 |
| Telephone and internet | 2,883 | 82,551 | - | 85,434 |
| Training | 31,489 | 70,256 | 671 | 102,416 |
| Travel | 683,149 | 1,344,846 | 1,040 | 2,029,035 |
| Total operating expenses before depreciation, amortization and taxes | 49,940,715 | 39,891,540 | 87,956 | 89,920,211 |
| Amortization | 3,069,475 | - | - | 3,069,475 |
| Depreciation | 2,023 | 1,296,882 | 161 | 1,299,066 |
| Taxes | - | 486,685 | - | 486,685 |
| Total operating expenses | \$ 53,012,213 | \$ 41,675,107 | \$ 88,117 | \$ 94,775,437 |

The accompanying notes are an integral part of this consolidated financial statement.

**International Information System Security
Certification Consortium, Inc. and Subsidiaries**

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended December 31,

| | 2025 | 2024 |
|--|---------------|---------------|
| Cash flows from operating activities: | | |
| Change in net assets | \$ 2,025,842 | \$ 5,929,395 |
| Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities: | | |
| Depreciation and amortization | 6,128,258 | 4,368,541 |
| Amortization of operating lease right-of-use assets | 106,919 | 95,022 |
| Provision for bad debts | 2,693,274 | 1,693,533 |
| Impairment of intangibles | 93,731 | 51,086 |
| Loss on disposal of assets | 1,072 | 1,072 |
| Realized and unrealized gains on investments | (8,181,954) | (2,547,028) |
| In-kind contributions | (1,977,779) | (2,284,750) |
| Decrease (increase) in operating assets: | | |
| Accounts, certifications, and other receivables | (1,040,689) | (2,358,261) |
| Prepaid expenses | (382,114) | (1,132,485) |
| Other assets | (707,888) | 232,264 |
| Increase (decrease) in operating liabilities: | | |
| Accounts payable and accrued liabilities | (478,246) | (1,603,800) |
| Deferred revenue | 1,661,110 | 3,908,903 |
| Foreign tax accrual | 105,936 | 474,291 |
| Accrued scholarships | - | (8,462) |
| Deferred compensation | 214,452 | (62,758) |
| Operating lease liability | (289,682) | 267,684 |
| Net cash (used in) provided by operating activities | (27,758) | 7,024,247 |
| Cash flows from investing activities: | | |
| Purchases of property and equipment | (1,872,655) | (2,648,788) |
| Question pool development costs | (3,079,275) | (2,850,312) |
| Purchase of investments | (18,792,836) | (39,132,980) |
| Proceeds from sale of investments | 16,369,430 | 27,522,640 |
| Net cash used in investing activities | (7,375,336) | (17,109,440) |
| NET CHANGE IN CASH AND CASH EQUIVALENTS | (7,403,094) | (10,085,193) |
| Cash and cash equivalents at beginning of year | 28,384,143 | 38,469,336 |
| Cash and cash equivalents at end of year | \$ 20,981,049 | \$ 28,384,143 |
| Supplementary information: | | |
| In-kind contribution of examination questions | \$ 1,977,779 | \$ 2,284,750 |

The accompanying notes are an integral part of these consolidated financial statements.

**International Information System Security
Certification Consortium, Inc. and Subsidiaries**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2025 and 2024

NOTE 1 - ORGANIZATION

International Information System Security Certification Consortium, Inc. and Subsidiaries (collectively, the "Consortium") is a nonprofit organization organized in the state of Massachusetts. The Consortium establishes international standards of excellence within the field of information systems security and provides certifications to individuals in the profession. The Consortium also provides education and professional development services through in-person and online events, certificate programs, courses, seminars, workshops and more to provide cybersecurity professionals and their employers with the insights needed to stay ahead of the latest issues, trends, threats and best practices.

The accompanying consolidated financial statements include the accounts of International Information System Security Certification Consortium, Inc. ("ISC2") and its wholly-owned subsidiaries: International Information Systems Security Certification Consortium Limited, Hong Kong ("Hong Kong Company") and International Information Systems Security Certification Consortium Limited, United Kingdom ("UK Company"), as well as the Center for Cyber Safety and Education (the "Center"), International Information System Security Certification Consortium GmbH, Germany ("Germany Company") and International Information System Security Certification Consortium Pte Ltd. All intercompany transactions have been eliminated. The Hong Kong, UK, Germany and Singapore Companies were organized to enable business transactions in Hong Kong, the United Kingdom, Germany and Singapore, respectively. The Center was established exclusively for charitable purposes.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying consolidated financial statements have been prepared on the accrual basis and in accordance with accounting principles generally accepted in the United States of America, which require the Consortium report information regarding its consolidated financial position and activities based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net Assets Without Donor Restrictions - Net assets available for general use and not subject to donor restrictions. The Board of Directors (the "Board") has designated a portion of net assets without donor restrictions as an operating reserve to fund future capital investments and other long-term needs.

Net Assets With Donor Restrictions - Net assets subject to donor-imposed restrictions. Donor-imposed restrictions are temporary in nature and will be met either by the passage of time or the accomplishment of a purpose restriction. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, the net assets are reclassified as net assets without donor restrictions and reported in the accompanying consolidated statement of activities as net assets released from restrictions. At December 31, 2025 and 2024, there were no net assets with donor restrictions.

Cash and Cash Equivalents

The Consortium considers all short-term investments with original maturities of three months or less to be cash equivalents.

**International Information System Security
Certification Consortium, Inc. and Subsidiaries**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2025 and 2024

Certification and Accounts Receivable

Certification and accounts receivable are recorded at realizable value net of an allowance for credit losses. The allowance is estimated from historical performance and projection of trends. Accounts that are more than 120 days past due are put on credit hold. Certification and accounts receivable are written off when deemed uncollectible. Certification and accounts receivable may be charged a fee for interest if the account remains in a delinquent status. Interest income is recorded upon billing.

Changes in the allowance for credit losses during the years were as follows:

| | 2025 | 2024 |
|----------------------------|--------------|--------------|
| Balance, beginning of year | \$ 3,465,468 | \$ 4,090,811 |
| Bad debt expense | 2,693,274 | 1,693,533 |
| Write-offs | (1,282,237) | (2,318,876) |
| Balance, end of year | \$ 4,876,505 | \$ 3,465,468 |

Prepaid Expenses

Prepaid expenses consist primarily of insurance premiums, software license agreements, and software maintenance. These items are expensed pro rata over the contract period in which the Consortium receives the benefits.

Property and Equipment

Property and equipment with an estimated life greater than one year are recorded at cost and depreciated using the straight-line method of depreciation over the estimated useful lives of the underlying assets. Acquisitions of property and equipment equal to or in excess of \$1,000 are capitalized.

Leases

The Consortium determines if an arrangement is a lease at inception. All of the Consortium's leases meet the criteria for classification as operating leases. Operating leases are included in operating lease right-of-use ("ROU") assets, and operating lease liabilities in the consolidated statement of financial position.

ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the Consortium's obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at lease commencement date based on the present value of lease payments over the lease term. As most of the Consortium's leases do not provide an implicit rate, the Consortium has used the incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments. The Consortium uses the implicit rate when readily determinable. The operating lease ROU asset excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Consortium will exercise that option. Rent expense for lease payments is recognized on a straight-line basis over the lease term.

Assets Limited as to Use

As of December 31, 2025 and 2024, investments include assets limited as to use representing assets held by trustees for the Consortium's 457(b) and 457(f) deferred compensation plans as more fully described in Note 9.

**International Information System Security
Certification Consortium, Inc. and Subsidiaries**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2025 and 2024

Investments

Investments consisting primarily of mutual funds and money market funds are measured at fair value based on quoted market prices. Investments also include corporate and government bonds which are measured at fair value based on quoted market prices in markets that may not be active. Gains and losses on fair value adjustments are recognized on the specific identification basis, net of investment expenses.

The Consortium's deferred compensation plan investments are measured at fair value on a recurring basis and consist primarily of mutual funds, corporate and government bonds, and money market funds.

Examination Question Pool

The examination question pool consists of costs for developing exam questions that are the basis for certification exams. Questions are used on a statistically determined rotating basis and are updated periodically to provide exams that are statistically unique. The question pool is being amortized on a straight-line basis over an estimated life of three years.

Impairment or Disposal of Long-Lived Assets

The Consortium reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The Consortium assesses the recoverability of the cost of the asset based on a review of projected undiscounted cash flows. In the event an impairment loss is identified, it is recognized based on the amount by which the carrying value exceeds the estimated fair value of the long-lived asset. The Consortium recorded a loss from impairment of exam questions of \$93,731 and \$51,086 for the years ended December 31, 2025 and 2024, respectively.

Revenue Recognition and Operations

The Consortium derives revenue from educational services, professional examinations ("examinations" or "exams"), and certification renewal fees ("certification").

Educational services include revenues from seminar attendance fees, annual event attendance fees, and kit sales. The Consortium recognizes revenue for seminar attendance fees and annual event attendance fees when the service is provided to the customer, generally over the time period of the seminar or annual event. The Consortium has determined that overtime recognition is appropriate because the customer receives and consumes the benefit of the services ratably over the days the seminar or annual event is held. The Consortium recognizes revenue for kit sales when the control of products has been transferred to the customer. The Consortium has determined that a point in time recognition is appropriate because the customer receives and consumes the benefit of the goods once control of the kit has been transferred to the customer.

Examination revenues include examinations and exam rescheduling fees. The Consortium recognizes examination revenue and exam rescheduling fees at a point in time when the examination has been completed by the applicant. The Consortium has determined that a point in time recognition is appropriate because the customer receives and consumes the benefit of the examination when the examination has been taken by the applicant.

Certification revenue includes fees earned from renewals of memberships and professional certifications. The Consortium recognizes certification revenue over the term of the membership. The Consortium has determined that overtime recognition is appropriate because the customer receives and consumes the benefit of the certification over the term of the membership.

**International Information System Security
Certification Consortium, Inc. and Subsidiaries**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2025 and 2024

Deferred Revenue

Education service fees received in advance are deferred and recognized over the course of the training program. Professional examination fees and rescheduling fees received from certification applicants are deferred for revenue recognition purposes until the examination has been completed by the applicants. Certification renewal fees covering future periods, for which payment has been received, are deferred and recognized as revenue over the period of membership.

Contributions

All contributions are reflected in net assets without donor restrictions or in net assets with donor restrictions based on the existence or absence of donor restrictions. Amounts received with donor-imposed restrictions that are recorded as revenues in net assets with donor restrictions are reclassified to net assets without donor restrictions when the time or purpose restriction has been satisfied.

Donated Services

Donated services (in-kind contributions) are recognized if the services received (a) create or enhance an asset or (b) require specialized skills, are provided by individuals possessing those skills, and typically need to be purchased if not provided by donation. Unless otherwise noted, contributed services do not have donor-imposed restrictions.

For the years ended December 31, 2025 and 2024, the Consortium recognized contributed services provided by subject matter experts for the development of exam questions totaling \$1,977,779 and \$2,284,750, respectively. The value of the services and relating examination question pool assets is based on current rates for similar services.

Advertising

The Consortium uses external advertising resources. External advertising consists of promotions, publications, and internet advertising. The Consortium expenses advertising costs when incurred. Advertising costs incurred during 2025 and 2024 were \$3,953,282 and \$4,357,760, respectively, and are included in marketing and communications expense.

Income Taxes

The Consortium follows guidance that clarifies the accounting for uncertainty in tax positions taken or expected to be taken in a tax return, including issues relating to financial statement recognition and measurement. This guidance provides that the tax effects from an uncertain tax position can only be recognized in the financial statements if the position is “more-likely-than-not” to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged.

ISC2 is exempt from federal income tax under IRC section 501(c)(6) and the Center under IRC section 501(c)(3), though the Consortium is subject to tax on income unrelated to its exempt purposes, unless that income is otherwise excluded by the Code. The Consortium has processes presently in place to ensure the maintenance of its tax-exempt status; to identify and report unrelated income; to determine its filing and tax obligations in jurisdictions for which it has nexus; and to identify and evaluate other matters that may be considered tax positions. The Consortium has determined that there are no material uncertain tax positions that require recognition or disclosure in the financial statements.

**International Information System Security
Certification Consortium, Inc. and Subsidiaries**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2025 and 2024

Some foreign operations of the Consortium are subject to foreign income taxes. Foreign taxes are expensed when incurred. All income tax for the United Kingdom, Singapore, and German foreign operations has been estimated and accrued for fiscal years ended December 31, 2025 and 2024. The Consortium has net operating loss carryforwards of approximately \$5,713,219 in Hong Kong taxing jurisdictions as of December 31, 2025. The Consortium operates in countries where foreign taxes are not paid, so there may be additional foreign tax jurisdictions that may assess income taxes to the Consortium.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The most significant estimates include those used in determining the carrying value of the allowance for doubtful accounts, amortization life of examination question pool assets, in-kind contributions, and the foreign tax accrual. Although some variability is inherent in these estimates, management believes that the amounts presented are adequate.

Functional Allocation of Expenses

The costs of providing the various programs and activities and supporting services have been summarized on a functional basis in the consolidated statements of activities. The consolidated statements of functional expenses present the natural classification detail of expenses by function. Expenses directly attributable to a specific functional area of the Consortium are reported as direct expenses of those functional areas while indirect costs that benefit multiple functional areas have been allocated among the functional areas based on either time spent by employees on each functional area or based on the Consortium's square footage analysis for all indirect occupancy-related indirect costs.

Reclassification

Certain amounts from the 2024 consolidated financial statements have been reclassified to conform to the 2025 presentation. However, there was no impact on total assets, liabilities, net assets, or changes in net assets as a result of these reclassifications.

Subsequent Events

The Consortium has evaluated subsequent events through April 21, 2026, the date the consolidated financial statements were available to be issued. The Consortium is not aware of any subsequent events which would require recognition or disclosure in the accompanying consolidated financial statements.

NOTE 3 - LIQUIDITY AND AVAILABILITY OF RESOURCES

The Consortium regularly monitors liquidity to meet its operating needs and other contractual commitments while also striving to maximize the investment of its available funds. The Consortium has various sources of liquidity at its disposal, including cash and cash equivalents and marketable debt and equity securities.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Consortium considers all expenditures related to its ongoing program activities as well as activities conducted to support those programs to be general expenditures. In addition to the financial assets available to meet general expenditures over the next 12 months, the Consortium operates with a balanced

**International Information System Security
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2025 and 2024

budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources. Refer to the accompanying consolidated statements of cash flows which identify sources and uses of the Consortium's cash and cash equivalents.

As of December 31, 2025 and 2024, the Consortium's financial assets available to meet cash needs for general expenditures for the next 12 months were as follows:

| | <u>2025</u> | <u>2024</u> |
|--|--------------------------|--------------------------|
| Financial assets | | |
| Cash and cash equivalents | \$ 20,981,049 | \$ 28,384,143 |
| Accounts, certification and other receivables, net | 3,935,111 | 5,587,695 |
| Investments | <u>80,316,126</u> | <u>69,710,767</u> |
| Total financial assets | 105,232,286 | 103,682,605 |
| Less: amounts unavailable for general expenditure within the next 12 months due to: | | |
| Contractual or donor-imposed restrictions | | |
| Donor-restricted for specific purposes | - | - |
| Board-designations | | |
| Operating reserves | <u>(65,000,000)</u> | <u>(61,000,000)</u> |
| Financial assets available to meet cash needs for general expenditures over the next 12 months | <u>\$ 40,232,286</u> | <u>\$ 42,682,605</u> |

NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment and estimated useful lives consist of the following at December 31:

| | <u>2025</u> | <u>2024</u> | <u>Estimated Useful Lives</u> |
|---------------------------------|---------------------|---------------------|-------------------------------|
| Computer equipment and software | \$ 9,324,267 | \$ 4,806,401 | 3-5 years |
| Office equipment | 500,207 | 427,618 | 3 years |
| Website | 604,527 | 604,527 | 3 years |
| Furniture and fixtures | 423,250 | 423,250 | 7-10 years |
| Leasehold improvements | <u>1,512,371</u> | <u>1,512,371</u> | 7 years |
| | 12,364,622 | 7,774,168 | |
| Less accumulated depreciation | (6,027,090) | (4,279,459) | |
| Construction in process | <u>77,492</u> | <u>3,006,252</u> | |
| | <u>\$ 6,415,024</u> | <u>\$ 6,500,960</u> | |

Depreciation expense for the years ended December 31, 2025 and 2024 was \$1,957,520 and \$1,299,066, respectively.

**International Information System Security
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2025 and 2024

NOTE 5 - INVESTMENTS AND FAIR VALUE MEASUREMENTS

The Consortium records fair value measurements according to U.S. GAAP, which define fair value and specify a hierarchy of valuation techniques. The disclosure of fair value estimates in the hierarchy is based on whether the significant inputs into the valuation are observable. In determining the level of hierarchy in which the estimate is disclosed, the highest priority is given to unadjusted quoted prices in active markets and the lowest priority to unobservable inputs that reflect the Consortium's significant market assumptions. The Consortium measures investments at fair value on a recurring basis.

The following is a brief description of the types of valuation information (inputs) that qualify a financial asset for each level:

- Level 1 - Unadjusted quoted market prices for identical assets or liabilities in active markets which are accessible by the Consortium.
- Level 2 - Observable prices in active markets for similar assets or liabilities, prices for identical or similar assets or liabilities in markets that are not active, market inputs that are not directly observable but are derived from or corroborated by observable market data.
- Level 3 - Unobservable inputs based on the Consortium's own judgment as to assumptions a market participant would use, including inputs derived from extrapolation and interpolation that are not corroborated by observable market data.

Financial assets classified as Level 1 in the fair value hierarchy include mutual funds and money market funds in 2025 and 2024. These investments are traded on a daily basis in active markets and the Consortium estimates the fair value of these securities using unadjusted quoted market prices.

Corporate and government bonds are recorded as Level 2 in the hierarchy. The valuation of these bonds is based on quoted market prices in inactive markets.

A review of fair value hierarchy classification is conducted on an annual basis. Changes in the observability of valuation inputs may result in a reclassification of levels for certain securities within the fair value hierarchy.

The Consortium evaluates the various types of financial assets to determine the appropriate fair value hierarchy classification based upon trading activity and the observability of market inputs. The Consortium employs control processes to validate the reasonableness of the fair value estimates of its assets and liabilities, including those estimates based on prices and quotes obtained from independent third-party sources.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2025 and 2024

The following table sets forth by level, within the fair value hierarchy, the Consortium's assets at fair value as of December 31, 2025 and 2024:

| <u>Description</u> | <u>Fair Value Measurements at December 31, 2025</u> | | |
|--------------------|---|-----------------------------------|---|
| | Assets Measured at Fair Value | Observable Inputs (Level 1) | Significant Other Observable Inputs (Level 2) |
| Mutual funds | | | |
| Mid cap | \$ 111,193 | \$ 111,193 | \$ - |
| Small cap | 12,492 | 12,492 | - |
| Large cap | 323,227 | 323,227 | - |
| Stock index | 776,371 | 776,371 | - |
| US Equity | 7,355 | 7,355 | - |
| Emerging markets | 4,021,766 | 4,021,766 | - |
| International | 11,741,926 | 11,741,926 | - |
| Equities - ETF | 28,493,937 | 28,493,937 | - |
| Real estate | 753,888 | 753,888 | - |
| Balanced Portfolio | 23,503,832 | 23,503,832 | - |
| Corporate bonds | - | - | 4,721,584 |
| Government bonds | 3,119,176 | - | 3,119,176 |
| Money market funds | 2,729,379 | 2,729,379 | - |
| | <u>\$ 80,316,126</u> | <u>\$ 72,475,366</u> | <u>\$ 7,840,760</u> |
| | | | |
| <u>Description</u> | <u>Fair Value Measurements at December 31, 2024</u> | | |
| | Assets Measured at Fair Value | Observable Inputs (Level 1) | Significant Other Observable Inputs (Level 2) |
| Mutual funds | | | |
| Mid cap | \$ 82,579 | \$ 82,579 | \$ - |
| Small cap | 4,251 | 4,251 | - |
| Large cap | 255,985 | 255,985 | - |
| Stock index | 1,536,950 | 1,536,950 | - |
| Emerging markets | 4,076,150 | 4,076,149 | - |
| International | 7,467,864 | 7,467,864 | - |
| Equities - ETF | 45,014,836 | 45,014,836 | - |
| Real estate | 2,047,629 | 2,047,629 | - |
| Corporate bonds | 6,156,822 | - | 6,156,822 |
| Government bonds | 2,741,498 | - | 2,741,498 |
| Money market funds | 326,203 | 326,203 | - |
| | <u>\$ 69,710,767</u> | <u>\$ 60,812,447</u> | <u>\$ 8,898,320</u> |

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2025 and 2024

NOTE 6 - CONCENTRATIONS

Credit Risk

The Consortium maintains cash balances at various banking institutions. The accounts are insured by the Federal Deposit Insurance Corporation ("FDIC") up to \$250,000. Cash balances in banks in excess of FDIC insured limits were approximately \$20.7 million at December 31, 2025 and \$28.1 million at December 31, 2024. These funds could be subject to loss if the financial institutions were to fail. Management believes the financial institutions are financially stable and that the funds are secure.

The functional currency of the majority of the Consortium's operations is the U.S. dollar; however, there are a number of transactions for which the Consortium is paid in foreign currency (British pounds or Euro).

The Consortium has included the following in cash and cash equivalents and accounts receivable, respectively at December 31:

| | | 2025 | | | |
|-------------------------|---------------------|------------------|-----------------|----|-------------|
| | Foreign Currency | Exchange Rate | U.S. Dollars | | |
| Cash | | | | | |
| Funds in British pounds | £ | 511,249 | 1.35 | \$ | 689,828 |
| Funds in Euro | € | 137,184 | 1.18 | | 161,399 |
| Accounts receivable | | | | | |
| Funds in British pounds | £ | 152,839 | 1.35 | | 206,226 |
| Funds in Euro | € | 142,493 | 1.18 | | 167,643 |
| | | | | \$ | \$1,225,096 |
| | | | | | |
| | Foreign Currency | Exchange Rate | U.S. Dollars | | |
| Cash | | | | | |
| Funds in British pounds | £ | 667,202 | 1.26 | \$ | 838,473 |
| Funds in Euro | € | 461,158 | 1.04 | | 480,399 |
| Accounts receivable | | | | | |
| Funds in British pounds | £ | 395,010 | 1.26 | | 496,410 |
| Funds in Euro | € | 205,423 | 1.04 | | 213,993 |
| | | | | \$ | 2,029,275 |

Cash and receivables have been adjusted to reflect the current exchange rate of the U.S. dollar at December 31, 2025 and 2024. A risk of change in foreign currency rates will remain until the cash is converted to U.S. dollars or receivables are settled. This risk is not considered material to the Consortium's overall consolidated financial statements. Gains and losses that result from remeasurement are included in operating support and revenue within the accompanying consolidated statements of activities. The effects from foreign currency translation were gain (losses) of \$74,058 and (\$130,212) during 2025 and 2024, respectively.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2025 and 2024

Accounts receivable at December 31, 2025 and 2024 include approximately \$0 and \$1,168,790, respectively, of receivables due from one significant customer.

Vendors

During 2025 and 2024, the Consortium utilized one vendor for a significant portion of operations related to test delivery. During 2025 and 2024, the Consortium paid this vendor approximately \$16.5 million and \$15.2 million, respectively. Approximately \$1,553,688 and \$2,946,580 was payable to this vendor as of December 31, 2025 and 2024, respectively.

NOTE 7 - VALUED-ADDED TAXES

The Consortium has recorded a liability for value-added tax for services sold in foreign countries. The bulk of services are sold through independent training partners, which insulate the Consortium from value-added tax exposure. However, there is a portion of services provided that are not provided through independent training partners and an accrual has been recorded as an estimate of tax exposure in these foreign countries. There may be additional foreign tax jurisdictions that may assess taxes to the Consortium.

In areas where the Consortium collects and remits tax, revenues are recorded net of tax.

The tax accrual for value added taxes at December 31 is as follows:

| | 2025 | 2024 |
|----------------------------------|--------------|--------------|
| United Kingdom value-added tax | \$ 519,382 | \$ 337,684 |
| Other unidentified foreign taxes | 1,410,384 | 1,500,000 |
| Singapore good and services tax | 39,050 | 25,196 |
| | \$ 1,968,816 | \$ 1,862,880 |

As the Consortium continues to expand and to administer examinations and provide training in foreign countries, there will be tax exposure to the Consortium. Management is in a continual process of evaluating that exposure and has set aside a reserve of approximately \$1,350,000 and \$1,500,000 for unidentified tax liability at December 31, 2025 and 2024, respectively. While the Consortium believes that this reserve is sufficient to cover unidentified tax liabilities as of December 31, 2025 and 2024, there is the potential for additional unrecognized tax consequences.

NOTE 8 - 401(K) RETIREMENT PLAN

The Consortium sponsors a 401(k) retirement plan covering substantially all employees meeting certain service requirements. The Consortium makes discretionary safe harbor contributions which vest immediately. Contributions to the plan were \$1,147,432 and \$1,201,884 for the years ended December 31, 2025 and 2024, respectively.

NOTE 9 - 457 NON-QUALIFIED DEFERRED COMPENSATION PLANS

Effective November 15, 2015, the Consortium adopted a non-qualified Deferred Compensation Benefit Plan, as described in Section 457(b) of the Internal Revenue Code ("IRC"), for key management employees designated by the Board of Directors and Chief Executive Officer. The 457(b) plan operates on a calendar-year basis, whereby the participants are eligible to make contributions to the accounts up to a maximum

**International Information System Security
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2025 and 2024

amount mandated by the IRC. The funds set aside for the 457(b) plan remain assets of the Consortium, and are available to satisfy the claims of all general creditors of the Consortium until such time as the participant withdraws the funds in accordance with plan provisions.

Effective June 1, 2021, the Consortium adopted a non-qualified Deferred Compensation Benefit Plan, as described in Section 457(f) of the IRC, for key managerial and highly compensated employees. For the 457(f) plan, an annual discretionary contribution is made on the participants' behalf under Code Section 457(f). The amount is maintained on the Consortium's books in a designated account and will remain the sole property of the Consortium and is available to satisfy the claims of all general creditors of the Consortium. The participants shall have a fully vested, nonforfeitable interest in their deferred compensation if the Consortium dissolves or if the participant (1) dies; (2) becomes disabled; or (3) is terminated from employment for reasons other than for cause.

As of December 31, 2025, the assets and corresponding liabilities of the 457(b) and 457(f) plans in the amount of \$769,688 and \$380,266, respectively, are recorded in investments and deferred compensation in the accompanying consolidated statement of financial position. As of December 31, 2024, the assets and corresponding liabilities of the 457(b) and 457(f) plans in the amount of \$613,608 and \$321,895, respectively, are recorded in investments and deferred compensation in the accompanying consolidated statement of financial position.

NOTE 10 - OPERATING LEASES

The Consortium has one lease for office space that expires November 2034. Lease extension and termination options have not been included in the operating lease liability calculation as the Consortium does not consider it to be reasonably certain that those options will be exercised. The lease does not include any restrictions or covenants. The Consortium accounts for lease and non-lease components as a single lease component and as such, there may be variability in future lease payments as the amount of non-lease components is typically revised from one period to the next. These variable lease payments, which are primarily comprised of common area maintenance, utilities and real estate taxes that are passed on from the lessor in proportion to the space leased, are not included in the recognition of ROU assets and related lease liabilities. These variable lease payments are recognized in the period in which the obligation for those payments was incurred.

Lease expense was comprised of the following for 2025 and 2024:

| | 2025 | 2024 |
|------------------------|------------|------------|
| Lease costs | | |
| Operating lease costs | \$ 336,903 | \$ 336,904 |
| Short-term lease costs | 56,629 | 31,038 |
| | \$ 393,532 | \$ 367,942 |

As of December 31, 2025 and 2024, the weighted average remaining lease term for operating leases was 10 years. The weighted average discount rate as of December 31, 2025 and 2024 were 4.2% and 4.65%, respectively, based on the Consortium's incremental borrowing rate.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

December 31, 2025 and 2024

Maturities of operating lease liabilities are as follows:

| <u>Year Ending December 31,</u> | | | |
|--|----|-------------------------|--|
| 2026 | \$ | 532,658 | |
| 2027 | | 545,974 | |
| 2028 | | 559,624 | |
| 2029 | | 573,614 | |
| 2030 | | 587,955 | |
| Thereafter | | <u>2,448,003</u> | |
| Total lease payments | | 5,247,828 | |
| Less: imputed interest | | <u>(1,121,225)</u> | |
| Present value of operating lease liabilities | | 4,126,603 | |
| Less: current portion of operating lease liabilities | | <u>532,658</u> | |
| Operating lease liabilities, less current portion | \$ | <u><u>3,593,945</u></u> | |

Additional information about the Consortium's leases is as follows:

| | <u>2025</u> | | <u>2024</u> |
|--|-------------|----|-------------|
| Cash paid for amounts included in measurement of operating lease liabilities | \$ 487,528 | \$ | 381,765 |

The Consortium also has lease agreements for various office equipment and office space that are payable on month-to-month terms.

NOTE 11 - FUTURE AMORTIZATION OF INTANGIBLE ASSETS

Intangible assets at December 31, 2025 consist of examination question pool costs. The estimated future amortization expense for these intangible assets is as follows:

| <u>Year Ending December 31,</u> | | | |
|---------------------------------|----|-------------------------|--|
| 2026 | \$ | 4,348,055 | |
| 2027 | | 2,834,002 | |
| 2028 | | <u>1,169,294</u> | |
| | \$ | <u><u>8,351,351</u></u> | |

NOTE 12 - CONTINGENCIES

From time to time the Consortium is involved in legal matters that arise in the ordinary course of business. Management does not believe that the ultimate resolution of these matters will have a material impact on the Consortium's consolidated financial position or change in net assets.

SUPPLEMENTAL SCHEDULE

**International Information System Security
Certification Consortium, Inc. and Subsidiaries**

CONSOLIDATING SCHEDULE OF ACTIVITIES

Year ended December 31, 2025

| | <u>Consortium</u> | <u>Center</u> | <u>Eliminations</u> | <u>Total</u> |
|--|----------------------|-------------------|-----------------------|----------------------|
| Changes in net assets without donor restrictions | | | | |
| Operating support and revenue | | | | |
| Educational services | \$ 25,496,785 | \$ - | \$ - | \$ 25,496,785 |
| Professional examinations | 35,471,834 | - | - | 35,471,834 |
| Certification renewal fees | 33,153,529 | - | - | 33,153,529 |
| In-kind contributions | 1,977,779 | - | - | 1,977,779 |
| Contributions | - | 918,922 | (600,000) | 318,922 |
| Investment return designated for current operations | 2,173,015 | - | - | 2,173,015 |
| Other revenue | 188,246 | - | - | 188,246 |
| Foreign currency exchange loss | 74,058 | - | - | 74,058 |
| Net assets released from restriction | - | - | - | - |
| Total operating support and revenue | <u>98,535,246</u> | <u>918,922</u> | <u>(600,000)</u> | <u>98,854,168</u> |
| Operating expenses | | | | |
| Program services | | | | |
| Certification programs | 59,197,264 | - | - | 59,197,264 |
| Scholarship programs | - | 443,099 | - | 443,099 |
| Safe and Secure program | - | 95,510 | - | 95,510 |
| 1MCC program | - | 8,572 | - | 8,572 |
| Outreach program | - | 91,846 | - | 91,846 |
| Supporting services | | | | |
| Administrative | 44,780,842 | 206,480 | - | 44,987,322 |
| Fundraising | - | 186,667 | - | 186,667 |
| Total operating expenses | <u>103,978,106</u> | <u>1,032,174</u> | <u>-</u> | <u>105,010,280</u> |
| Change in net assets without donor restrictions from operations | (5,442,860) | (113,252) | (600,000) | (6,156,112) |
| Other changes | | | | |
| Investment return in excess of amounts designated for current operations | <u>8,181,954</u> | <u>-</u> | <u>-</u> | <u>8,181,954</u> |
| CHANGE IN NET ASSETS | 2,739,094 | (113,252) | (600,000) | 2,025,842 |
| Net assets at beginning of year | <u>74,137,238</u> | <u>275,228</u> | <u>(1,200,000)</u> | <u>73,212,466</u> |
| Net assets at end of year | <u>\$ 76,876,332</u> | <u>\$ 161,976</u> | <u>\$ (1,800,000)</u> | <u>\$ 75,238,308</u> |

This schedule should be read in conjunction with the Report of Independent Certified Public Accountants and the accompanying consolidated financial statements and notes thereto.