

Changes to the 2025 syllabus

Below is list of changes from the 2024 to the 2025 IFoA syllabi.

Subject	Change	Rationale for change
CB1	No changes	N/A
CB2	Removal of objectives: 3.8.6 Basic principles on which Islamic finance is based 3.8.7 Evaluation of the features of an Islamic finance product against the principles of Islamic finance/	Limited coverage in the core reading on Islamic finances now moved into 'financial systems' for broader coverage. Syllabus objectives therefore no longer required.
CM1	3.1.1 Added: Deferred benefits (annuity & assurance) Return of premiums annuity Joint life and variable versions of all products	Concept clarification
CM2	Removal of: 3.6.5 Generalisation of the two state model: to the Jarrow Lando Turnbull model for credit ratings To incorporate a stochastic transition intensity Bullet under 5.2.5: What is meant by risk neutral pricing and the equivalent martingales measure 5.2.6 Use the martingale approach to pricing and hedging using the binominal model Add: 4.1.5 The adjustment of coefficient and Lundburg's inequality 4.1.7 Maximisation of the adjustment coefficient under proportional reinsurance and excess of loss reinsurance 5.3.1 The martingale representation theorem	Removed as not required in this topic area. Removed as no longer required. Removed from Objective 5.2 and reworded to sit in 5.3 as below. Included to expand upon particular model. Added to expand upon coefficient insurance measures. Re-worded from 5.2 (as above)
CP1	Edited wording: 1.1.2 The business roles that actuaries advise. Added: 3.4.4 The methods of measuring and reporting risk that can be used by the main providers of financial products. Deleted: 4.3.5 Methods for quantifying the risk of investing in different classes and sub-classes of investment. Deleted: 5.3.3 Issues facing the main providers of financial products relating to reporting of risk. Added: 5.3.3 Issues which need to be taken into account on the insolvency or closure of a provider of financial products.	Edited wording: 1.1.2 The additional text was removed from the core reading last year Added: 3.4.4 Wording change due to covering the methods in the core reading but not really covering the relative advantages / disadvantages. Deleted: 4.3.5 Core Reading content that covered this on investment risk measures was removed for the 2024 exams. Deleted:

		5.3.3 5.3.3 This objective re-included after being removed from the syllabus a couple of years ago due to overlap with what is now syllabus objective 5.3.2 and due to not having any additional robust Core Reading to support it.
CP2	No change	N/A
CP3	No change	N/A
CS1	No change	N/A
CS2	No change	N/A
SA1	Add in bullet 'data regulation' to 2.1 Add in bullet 'Environmental, social and governance (ESG) considerations to 3.1.1	To include detail on data regulation and ESG.
SA2	Removal of unit pricing bullet point from 2.2 Removed 4.3.2 Different methods of distributing bonuses under the 'additions to benefits' method.	Removed as not required. Removed as not required.
SA3	No change	N/A
SA4	No change	N/A
SA7	No change	N/A
SP1	No change	N/A
SP2	Add in bullet 'climate risks' to 3.1	To include detail on climate risk
SP4	No change	N/A
SP5	No change	N/A
SP6	No change	N/A
SP7	No change	N/A
SP8	No Change	N/A
SP9	Re wording to 1.4, 1.4.1, 1.4.2, 4.5, 5.2, 5.4 Remove: 1.4.3 Outline the requirements and underlying principles of Sarbanes–Oxley and other regulatory risk frameworks 1.4.4 Demonstrate awareness of how different parts of an organisation and different parts of a portfolio may be subject to different capital adequacy standards 1.5 Demonstrate an understanding of the perspectives of credit rating agencies 1.5.1 Describe the role of credit rating agencies in the evaluation of risk management functions, including the risk management grading criteria used 1.5.2 Assess the relevance of these criteria 5.1.2 Determine risk exposures and tolerances using these measures	Rewording to make objectives clearer and in line with CERA. Removal of objectives to compliment updated CERA syllabus.

<p>5.2 Describe how to choose a suitable time horizon and risk discount rate</p> <p>5.6 Assess credit risk</p> <p>5.6.1 Describe what is meant by a credit spread and its components</p> <p>5.6.2 Discuss different approaches to modelling credit risk</p> <p>5.7 Assess operational, liquidity and insurance risks</p> <p>Add:</p> <p>2.7 Describe the characteristics of effective risk communication appropriate for the target audience.</p> <p>3.2.2 Identify emerging risks</p> <p>5.5 Determine the implication of risks on an organisation's financial statements.</p> <p>6.6 Explain how to manage the impact of significant events after they have occurred (e.g. customer remediation)</p> <p>Combined 5.1 and 5.1.1</p>	<p>Additional objectives to compliment updated CERA syllabus.</p> <p>Combined these objectives as they fit well together.</p>
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