<table>
<thead>
<tr>
<th>Page</th>
<th>Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>Message From the CEO</td>
</tr>
<tr>
<td>4</td>
<td>By the Numbers</td>
</tr>
<tr>
<td>4</td>
<td>Clubs by Country</td>
</tr>
<tr>
<td>5</td>
<td>Membership Growth</td>
</tr>
<tr>
<td>5</td>
<td>Membership Payments</td>
</tr>
<tr>
<td>6</td>
<td>Members by Country</td>
</tr>
<tr>
<td>7</td>
<td>Payments by Region</td>
</tr>
<tr>
<td>7</td>
<td>Club Growth</td>
</tr>
<tr>
<td>8</td>
<td>District Reformations</td>
</tr>
<tr>
<td>9</td>
<td>Paid Clubs</td>
</tr>
<tr>
<td>10</td>
<td>Education Awards by Country</td>
</tr>
<tr>
<td>10</td>
<td>Education Awards</td>
</tr>
<tr>
<td>12</td>
<td>Education and Product Sales</td>
</tr>
<tr>
<td>13</td>
<td>Focus on Clubs</td>
</tr>
<tr>
<td>13</td>
<td>Focus on Districts</td>
</tr>
<tr>
<td>14</td>
<td>Digital Transformation</td>
</tr>
<tr>
<td>15</td>
<td>Pathways Adoption</td>
</tr>
<tr>
<td>16</td>
<td>Marketing and Promotion</td>
</tr>
<tr>
<td>16</td>
<td>Publicity</td>
</tr>
<tr>
<td>16</td>
<td>Tradeshows</td>
</tr>
<tr>
<td>17</td>
<td>Social Media</td>
</tr>
<tr>
<td>18</td>
<td>Relocation</td>
</tr>
<tr>
<td>19</td>
<td>2017 to 2018 Milestones</td>
</tr>
</tbody>
</table>
“The only way you can stay on top is to remember to touch bottom and get back to basics.”

— Shane Black, American filmmaker
“Back to basics.”

I have a problem with this phrase, especially as it relates to Toastmasters and the role each of us fills in the Toastmasters movement. The implication is that we have drifted away from the core responsibilities of our role into other activities that are less fundamental to—and supportive of—Toastmasters’ success.

Do you recognize this statement?

*The specific and primary purpose of this corporation is to engage in charitable and educational activities … by joining its member clubs to provide educational methods, programs, materials and opportunities that enable the individual members of the clubs to learn and apply the principles and techniques of effective oral communication, leadership and related subjects, in a manner that provides no pecuniary gain or profit for the individual members of the clubs.*

*Articles of Incorporation of Toastmaster International, Article II: Purpose*

In this context, we each have a role. Let’s start at the most fundamental unit of Toastmasters, the club:

*We provide a supportive and positive learning experience in which members are empowered to develop communication and leadership skills, resulting in greater self-confidence and personal growth.*

*Club Mission*

The next level bears two responsibilities, growth and support:

*We build new clubs and support all clubs in achieving excellence.*

*District Mission*

Finally, the all-encompassing statement:

*We empower individuals to become more effective communicators and leaders.*

*Toastmasters International Mission*

If we believe we have strayed from the basics, the self-analysis process is simple and quick. Here are the questions we must ask ourselves: Does my activity directly result in:

- Providing a supportive and positive learning environment?
- Empowering members to develop communication and leadership skills?
- Building new clubs?
- Supporting all clubs in achieving excellence?
- Empowering individuals to become more effective communicators and leaders?

If the answers are no, the outcome is simple. Don’t do it, or stop doing it and get back to basics. There, I said it. Let’s just focus on the basics.

Daniel Rex
By the Numbers
Membership Growth

Membership rose during the 2017–2018 program year to 357,718, an increase of 1.4% over the previous year. This increase marks 24 consecutive years of growth. This chart reflects membership as of March 31, 2018, and includes dual memberships.

Membership Payments

As of June 30, 2018, the number of payments totaled 737,704. Membership payments remained flat compared to the previous year. Membership payments include new, charter and renewal for the entire program year.
By the Numbers

Members by Country
- 1 - 500
- 501 - 1,000
- 1,001 - 1,500
- 1,501 - 5,000
- 5,001 - 15,000
- 15,001 - 30,000
- More than 30,000
- None
Payments by Region

In the 2017–2018 program year, membership payments decreased 2.8% in regions 1 to 10, and increased 4.3% in regions 11 to 14. Regions 1 to 10 represent districts within North and South America. Regions 11 to 14 comprise districts outside North and South America. Region payments do not include undistricted.

New and Suspended Clubs

Club Growth

The number of new clubs in the 2017–2018 program year was 1,481. This is a decrease of 3.8% from last year. Suspended clubs increased to 1,182, or 22.6%, when compared to the 2016–2017 program year.
## District Reformations

These districts reformed on July 1, 2018. As a result of sustained growth in membership and clubs, two additional districts will reform soon; districts 33 and 89 are in transition this year and will reform on July 1, 2019.

<table>
<thead>
<tr>
<th>District</th>
<th>New District</th>
<th>Region</th>
<th>Effective Date of Reformation</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>106</td>
<td>Minnesota and Southern Ontario, Canada</td>
<td>7/1/2018</td>
</tr>
<tr>
<td>20</td>
<td>116</td>
<td>Bahrain, Kuwait and Qatar</td>
<td>7/1/2018</td>
</tr>
<tr>
<td>34</td>
<td>113</td>
<td>Mexico</td>
<td>7/1/2018</td>
</tr>
<tr>
<td>72</td>
<td>112</td>
<td>New Zealand</td>
<td>7/1/2018</td>
</tr>
<tr>
<td>59, 95</td>
<td>59</td>
<td>Belgium, France, Luxembourg, Monaco and the Netherlands</td>
<td>7/1/2018</td>
</tr>
<tr>
<td></td>
<td>95</td>
<td>Denmark, Germany, Norway and Sweden</td>
<td></td>
</tr>
<tr>
<td>107</td>
<td></td>
<td>Andorra, Portugal and Spain</td>
<td></td>
</tr>
<tr>
<td>108</td>
<td></td>
<td>Estonia, Finland, Latvia, Lithuania and Poland</td>
<td></td>
</tr>
<tr>
<td>109</td>
<td></td>
<td>Austria, Bulgaria, Cyprus, Greece, Italy, Lichtenstein, Republic of Macedonia, San Marino, Switzerland and Vatican City State</td>
<td></td>
</tr>
<tr>
<td>110</td>
<td></td>
<td>Croatia, Czech Republic, Hungary, Republic of Moldova, Romania, Slovakia and Ukraine</td>
<td></td>
</tr>
</tbody>
</table>
Paid Clubs

The number of paid clubs increased in 2017–2018. Total paid clubs climbed to 16,672, a 1.2% increase over the previous program year.

Paid Clubs: Regions 1 to 10 vs. 11 to 14

In regions 1 to 10, paid clubs were flat at 10,621. For regions 11 through 14, paid clubs increased 4.6% to 5,888. Region paid clubs do not include undistricted.
By the Numbers

Education Awards

The number of education awards earned by members increased in most categories during the 2017–2018 program year. Competent Communicator awards decreased by 5.9%, due to the rollout of Pathways, and Advanced Communicator awards increased by 4.0%. All communication awards decreased to 43,737, or 2.7%, over last year. The number of Competent Leader awards increased by 2.6%, Advanced Leader awards by 3.5% and Distinguished Toastmaster awards by 8.3%. All leadership awards increased to 30,827 or 3.2%.

The Pathways rollout was completed on May 15, 2018. As of program year end, 7,619 Level 1 awards were completed followed by 1,920 Level 2, 722 Level 3, 393 Level 4 and 186 Level 5.
By the Numbers

Pathways Awards

Education and Product Sales

In the 2017–2018 program year, Toastmasters International’s product sales totaled $2,556,966, a 10.9% decrease over the previous year. Pins, as a category, had the highest sales with $435,042.
Focus on Clubs
For the 2017–2018 program year, 8,337 clubs achieved Distinguished recognition in the Distinguished Club Program (DCP). This represents 50.0% of paid clubs. The total number of clubs achieving Distinguished recognition decreased by 2.2% over last year, relative to the increase in paid clubs.

Focus on Districts
For the 2017–2018 program year, 20 districts achieved Distinguished status or better in the District Recognition Program (DRP). Compared to the last program year, this is a decrease of 33.3%. This represents 18.9% of eligible districts.
Digital Transformation

To support the accomplishment of Toastmasters’ envisioned future through the next decade and beyond, a fundamental change in Toastmasters International’s digital platform is needed. Since 2016, the transformation to a true Enterprise Resource Planning (ERP) platform and the transition from the legacy system to the new one have been underway. The new ERP offers a stronger and more complete digital strategy to support the organization’s business needs. It will save time when developing new initiatives, enable more efficient communication and speed delivery of services.

While building this digital foundation, many of the digital tools and services to enhance the user experience will be optimized. A primary area of focus will be the Pathways Digital Experience and enhanced support of members’ experiential learning journey.

New responsive designs for Leadership Central and My Profile have improved members’ experience on any device or screen size. At each development phase, members and leaders are consulted and their feedback informs and influences the final product. This year, the first phase of automating the processing of new clubs online will launch. These strategies will result in an improved level of member satisfaction.
Pathways Adoption

All members now have access to the Pathways learning experience. The program rollout, which began as a pilot with District 57 in February 2017, culminated in May 2018 with the final rollout to Regions 8 and 9, plus undistricted clubs.

Adoption of Pathways has surpassed projections. As of July 31, 2018, the global adoption rate exceeds 40.0% and more than 133,000 members have enrolled in more than 145,000 paths.

Of the 10 paths available today, the most popular is Innovative Planning (26.2% of members). Projects on this path focus on developing skills for connecting with people, presenting proposals and managing projects. The second most popular path is Presentation Mastery (14.5% of members) followed by Dynamic Leadership (14.0% of members).

More than 7.7% of Pathways participants have completed Level 1 of their paths, which equates to almost 50,000 Ice Breaker speeches since Pathways launched.

Individual achievements as of July 31, 2018 include:

- 10,298 Level 1 awards
- 2,526 Level 2 awards
- 965 Level 3 awards
- 518 Level 4 awards
- 245 members have completed an entire path
- Four Pathways Distinguished Toastmaster awards

The demand for taking Pathways online has far outweighed print adoption. Less than 1.0% of members have opted for the print version of Pathways.

After English, Simplified Chinese is the most widely used language with 2.2% of members followed by Spanish at 1.6% and then French at 1.0%.

Two new Pathways paths are in development; one will focus on humor and the other on advanced leadership. Both are expected to be available to members next year.

The Pathways launch was a success because of the tremendous efforts of members around the world. More than 2,600 Pathways Guides trained and aided club officers in starting the program, and more than 1,500 Ambassadors and Chief Ambassadors promoted, educated and explained the program through years of development and launch.

The Pathways learning experience furthers Toastmasters’ position as a leading provider of leadership and communication skills. With the emphasis on mobile access, individualized learning and real-world applicability, it meets the goals set by the Board of Directors in 2010 and the needs of our evolving membership.
Marketing and Promotion

Publicity

In the last six months, Toastmasters International has received positive media coverage in broadcast, print and online. That coverage has resulted in more than 11,000 Toastmasters feature stories and mentions that have reached millions of people since February. Prominent examples of publicity for the organization include feature stories by Business Insider, Fast Company, Forbes, MSN, The New York Times, Reader's Digest, USA Today, Bangkok Post in Thailand, Saudi Gazette in Saudi Arabia and The Daily Telegraph in the United Kingdom. Our widespread media coverage is repurposed on Toastmasters’ social networks, helping to drive overall exposure and awareness of the organization.

Most notably, the Pathways launch was announced to the media at the Society for Human Resource Management (SHRM) Conference 2018 in Chicago on June 18, 2018, garnering immediate interest from the international, national and trade media in attendance. Subsequently, the announcement resulted in prominent publicity in dozens of national, regional and local news outlets and was covered in business, education, human resources and non-profit trade publications.

Tradeshows

To create awareness of the Toastmasters brand and generate interest in membership and club creation, Toastmasters exhibited at the Association of Training and Development (ATD) and SHRM conferences in May and June, respectively.
Social Media

Toastmasters International maintains a presence on a number of social media platforms to increase brand awareness and facilitate conversations among members worldwide. Participation on the Facebook fan page grew by 15.0% to more than 150,000 fans. This can be attributed to more consistent and tailored communication. The number of Twitter, Instagram and YouTube followers continues to grow steadily and engagement has increased on these platforms. The Toastmasters LinkedIn company page has experienced exceptional growth to over 95,000 followers.
Relocation

The World Headquarters’ relocation from Rancho Santa Margarita, California, to Englewood, Colorado, is complete. Fifty-nine employees transferred from California to Colorado, seven employees will work remotely indefinitely and 23 California employees are working remotely on a temporary basis. Fifty-two new employees have been hired to fill the open positions after the move, with 14 positions yet to be filled. The move was executed in waves to minimize disruption to service. The first move occurred in November 2017 and the last was completed in June 2018.
2017 to 2018 Milestones

16,672 Paid Clubs

357,718 Memberships

143 Countries

15,070 Advanced Communicator Awards

28,667 Competent Communicator Awards

20 Distinguished Districts

8,337 Distinguished Clubs

30,827 Leadership Awards
Notes