ASSET SERVICING TIMES
Leading the Way in Global Asset Servicing News and Commentary
ISSUE 392 10 June 2026

THE AUTOMATION PROBLEM

Broadridge's Michael Wood considers why firms are placing greater emphasis on trusted data as the foundation for scalable AI

KDPW | TR

Switch to KDPW TR+

Find out how we can support you
in fulfilling your reporting obligations
and how to get started with us.

trplus.kdpw.pl

Broadridge®

Investment stewardship. Efficiency and engagement.

Independent insights, automation, and investor communications to help meet regulatory requirements with confidence.

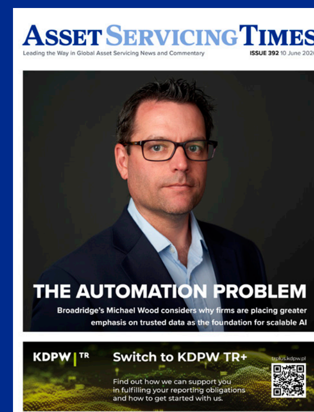
See how our solutions can help move your business forward.

To scan, simply open the camera app on your mobile device and point the camera at the QR code.

Info@Broadridge.com | Broadridge.com

© 2025 Broadridge Financial Solutions, Inc. All rights reserved. Broadridge and the Broadridge logo are registered trademarks of Broadridge Financial Solutions, Inc.

Ready for Next



Smartstream launches Smart Agents for back office operations

Smartstream, a data solutions provider for global financial institutions and enterprises, has announced the availability of Smart Agents, its agentic AI solution designed for bank operations.

The firm says the solution is proven in Tier 1 pilot deployments and natively integrated with Smart Reconciliations, enabling it to be deployed immediately.

Smart Agents targets the operational effort financial institutions spend on fragmented exception workflows across disconnected systems.

The solution surfaces the steps requiring human action and executes the remaining parts autonomously — including counterparty and internal communications, available in assistive and autonomous operating modes with human-in-the-loop oversight, full audit trail, step-by-step explainability, complete data privacy, and intelligence that compounds continuously over time.

The product is available to Smart Reconciliations clients, covering bank reconciliations, cash breaks, settlement exceptions, and post-trade investigations.

Thomas Steinborn, chief product and technology officer, Smartstream, comments: “As Smart Agents executes workflows, it continuously observes and learns from user decisions, automatically enhancing automation over time. The result is a back office where operational knowledge accumulated over years is preserved and compounded rather than lost to attrition.”

Steinborn also notes: “The pilot results demonstrate a 97 per cent reduction in investigation time per exception, from 14 minutes manually to 30 seconds.

Janey Speed, analyst, Celent, adds: “Our research highlights that financial institutions are under pressure to automate exception-heavy workflows for reconciliations, cash breaks, settlement investigations, and where manual processes are costly and error-prone. The institutions making the most progress are those deploying purpose-built solutions that preserve audit integrity and ensure human oversight is embedded in the workflow.”

Karl Loomes
Group editor
karlloomes@blackknightmedialtd.com

Carmella Haswell
Deputy editor
carmellahaswell@securitiesfinancetimes.com

Zarah Choudhary
Reporter
zarahchoudhary@assetservicingtimes.com

Tahlia Kraefft
Reporter
tahliakraefft@assetservicingtimes.com

James Hickman
Lead designer
jameshickman@blackknightmedialtd.com

David Hancock
Associate publisher
davidhancock@assetservicingtimes.com

Nicole Taylor
Associate publisher
nicoletaylor@blackknightmedialtd.com

Justin Lawson
Publisher
justinlawson@blackknightmedialtd.com

Published by Black Knight Media Ltd
copyright © 2025 All rights reserved

natee_meepian/stock.adobe.com

Contents

06 **News Focus**
BBH chosen to support AllianceBernstein's European active ETF launch

06 **News Focus**
State Street and Jadwa Investment collaborate

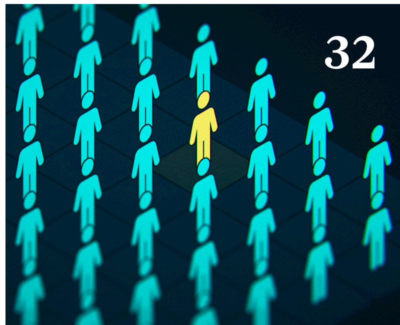
08 **News Focus**
Apex Group supports tokenised real estate fund launch

10 **News Focus**
State Street deepens partnership with Principal Financial Group

12 **News Focus**
Broadridge expands NYFIX Platform

14 **Operations**
Michael Wood talks about how rising event volumes are exposing weaknesses

28 **Deep Dive**
Borja Largo discusses what the success of private markets means for the industry



32 **Reconciliation**
Zarah Choudhary explores why reconciliation remains at the heart of operational resilience

40 **Emerging Talent**
Sean Tinney on how curiosity, exposure, and learning have shaped his early career

T-SCAPE
www.t-scape.com
Committed to improving corporate action processing through
iActs™

WTAX

Your Global Withholding Tax Partner

Recovery | Support | Reporting

IMPROVED RETURNS, LESS PAPERWORK

Don't forfeit your dividend and interest income to foreign withholding taxes.

WTax helps institutional investors maximise tax recovery yields and minimise administration. With our fully outsourced solution, you can:

Enhance your investment returns by up to **52 basis points per year.**

Receive cash 2–3 years sooner through expedited claim processing.

Eliminate **94% of your tax recovery administration** and focus on your core business activities.

Only pay for successful reclaims – **no reclaim, no fee.**

Speak to a withholding tax expert today to find out how much you could recover.

wtax.co | info@wtax.co

BBH chosen to support AllianceBernstein's European active ETF launch

Brown Brothers Harriman (BBH) has announced that it is supporting the expansion of AllianceBernstein's (AB) global ETF platform with the launch of its active UCITS ETF business in Europe.

The new ETFs are domiciled in Luxembourg and form part of the existing umbrella structure that BBH already services for AB's Luxembourg fund range.

The launch marks a milestone in AB's European UCITS ETF expansion and builds on a long standing partnership between the two firms.

Julie Gunts, global head of ETF strategy and partnership, AllianceBernstein, notes: "Expanding our ETF platform in Europe is a key strategic priority for our global business. BBH's deep expertise, global servicing model, and trusted partnership has been instrumental in supporting these launches and enabling us to deliver actively managed ETF solutions to European investors."

State Street and Jadwa Investment collaborate

State Street Corporation has signed a Memorandum of Understanding (MoU) with Jadwa Investment, an investment management and advisory firm in the Middle East, to collaborate strategically in the Sultanate of Oman. The two firms will identify and develop opportunities to expand their offerings to institutional clients in Oman, with a focus on advanced asset servicing and global custody capabilities.

The MoU, signed at the Oman Capital Market Conference in Muscat on 1 June, furthers the established relationship between State Street and Jadwa.

Jack Keshishian, head of Middle East and North Africa, State Street, notes: "This memorandum reflects our continued commitment to the Middle East and to working alongside strong regional partners. We see significant opportunity in combining our global asset servicing expertise with Jadwa's regional insights and investment capabilities to better support Omani clients, aligned with our efforts to support the continued development of Oman's capital markets under the country's Vision 2040 agenda."

BKM
CREATIVE
Professional designers, industry specialists
Get in touch with the team to find out how we can help you!
justinlawson@blackknightmedialtd.com

Taskize modernises the financial sector's complex communications ecosystem

80% Same-day resolution for ops queries raised on Taskize

97% Client satisfaction scores when using Taskize vs. 57% for email

600 Firms using the Taskize platform around the world

10 ROI-enhancing fintech partner integrations and connectors

Taskize's award-winning SaaS collaboration platform – with its unique combination of secure collaboration, workflow automation and intelligent routing – allows firms to increase operational capacity, reduce regulatory risk and improve client satisfaction.

www.taskize.com

Apex Group supports tokenised real estate fund launch

Apex Group, a financial services provider, will supply its alternative investment fund management (AIFM) services to the onchain, Luxembourg-domiciled real estate fund developed in collaboration with Archax, Goldman Sachs, LRC Group, and Ownera. Apex Group will deploy its AIFM services through FundRock, its third-party management company and subsidiary.

The group will also provide fund administration and depositary services for non-financial instruments through Apex Fund Services Luxembourg, and bank account services through European Depository Bank, its banking and asset-safeguarding subsidiary.

Fund shares are tokenised using GS DAP, Goldman Sachs' blockchain platform, with LRC Group acting as manager, Archax serving as custodian for the regulated digital securities, and Ownera's interoperability infrastructure facilitating connectivity between participants and distribution channels. The initiative is intended to enhance the operational efficiency and transparency of the fund, enable potential transferability, and maintain governance and regulatory compliance.

Speaking on the collaborative effort, Agnes Mazurek, global head of digital assets at Apex Group, says: "Apex Group's role in this fund reflects growing demand from managers and investors for blockchain native solutions that operate squarely within existing regulatory frameworks."

Matthew McDermott, global head of digital assets at Goldman Sachs, adds: "This collaboration is another step in our journey towards furthering onchain markets for digital assets."

T+1 taskforce to publish market average before go-live

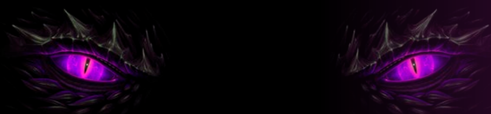
The T+1 Accelerated Settlement Taskforce (AST) has announced it will publish the market average from three months prior to the 11 October 2027 go-live date to form the target for post deadline settlement rates.

The move aims to avoid an increase in settlements fails post-transition and ensure that the market functions as efficiently and effectively on T+1 as it does on T+2.

The target comes in line with Recommendation SETT04, outlined in the AST's Final Report published in 2025, and reflects the report's methodology that expectations should be anchored in real-world market performance and based on Certificateless Registry for Electronic Share Transfer (CREST) settlement data, rather than a predefined or theoretical benchmark.

To support firms, starting in 2027, the AST will begin publishing a rolling three-month average settlement rate, using CREST data, to provide participants with a guide benchmark prior to October 2027.

EMIR – MiFIR – SFTR – FinfraG – MAS – US Dodd Frank – REMIT



office@deltaconx.com | www.deltaconx.com

DIGITAL TECHNOLOGY ENHANCING INVESTMENT RETURNS

Did you know $16 billion of tax goes unclaimed every year?

Get in touch to find out how our AI-enabled next generation tax recovery solutions could improve your investment returns.

taxtec.com
info@taxtec.com
+44 (0) 203 968 7661

State Street deepens partnership with Principal Financial Group

State Street has been selected by Principal Financial Group, a global financial services company specialising in retirement solutions, asset management and insurance, to provide custody, fund accounting, and administration services for Principal Funds.

Under the expanded mandate, Principal will use State Street's integrated investment servicing platform and global operating scale to support the continued evolution of its mutual fund business.

The appointment reflects the focus of Principal on aligning operating strategy with scalable infrastructure as it continues to broaden its investment offerings.

The mandate builds on a relationship between State Street and Principal that spans more than a decade, during which State Street has supported Principal across a range of investment vehicles, including ETFs and collective investment trusts, as the firm has grown and diversified its product suite. This engagement reinforces State Street's position as a provider of integrated investment servicing solutions and underscores the firm's ability to execute complex client conversions at scale, while maintaining continuity, resilience and high-quality service.

Joerg Ambrosius, president of Investment Services, State Street, notes: "Principal has a strong track record of innovation and client focus, and we are pleased to expand our relationship in support of their next phase of growth. By bringing together our global scale, deep expertise and integrated servicing capabilities, we are well positioned to enhance operational efficiency and support of Principal and the continued evolution of their investment products."

Paxos subsidiary registered as clearing agency by SEC

Paxos, a blockchain infrastructure platform, has had its subsidiary, Paxos Securities Settlement Company (PSSC), registered as a clearing agency by the US Securities and Exchange Commission (SEC).

According to the firm, the registration makes PSSC the only blockchain-native firm approved by the SEC to provide clearing and settlement services as an authorised central securities depository and clearing agency.

The firm says its approval adds "another critical capability" to its infrastructure platform, transitioning its operations from a 2020 No-Action relief pilot for clearing US equities to its current regulatory standing.

Speaking on the registration, Charles Cascarilla, CEO and co-founder of Paxos, says: "Our clearing agency registration is the result of seven years of work with the SEC, beginning with our No-Action Letter in 2019 and the settlement pilot we operated with some of the world's largest and most sophisticated financial institutions."

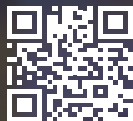
A CANADIAN LEADER IN ASSET SERVICING SURPASSES $3 TRILLION IN AUA

Our commitment to excellence in asset servicing has propelled us to an incredible milestone: **$3 trillion in assets under administration.** This achievement reflects the trust our clients place in us and highlights our efforts to foster stability and success in the Canadian financial sector.

Clients seeking to participate in Canada's dynamic markets continue to rely on CIBC Mellon for innovative solutions, product and digital enablement, and our employees' expertise in navigating the complexities of the Canadian market.

Together with the global strength of BNY and the local insights of CIBC, we're delivering meaningful progress and supporting our clients' evolving needs.

Learn more, contact:
Richard Anton
Chief Client Officer
+1 416 643 5240
www.cibcmellon.com



Subscribe to CIBC Mellon Industry Perspectives podcast on any major podcast platform or listen here.

©2025 CIBC Mellon. A BNY and CIBC Joint Venture Company.
CIBC Mellon is a licensed user of the CIBC trade-mark and certain BNY trade-marks, and is the corporate brand of CIBC Mellon Trust Company.

CIBC MELLON

Broadridge expands NYFIX Platform

Broadridge Financial Solutions has announced an enhancement of its NYFIX platform, enabling clients to access overnight US equity liquidity through a new integration with CAPIS, an institutional brokerage firm. The strategic collaboration strengthens Broadridge's trading and connectivity capabilities, giving broker-dealers and institutional clients seamless access to extended-hours liquidity across more than 4,000 National Market System securities.

By connecting NYFIX clients to CAPIS's trading experience and Blue Ocean's overnight market access, Broadridge is helping firms respond more quickly to global events, manage risk more effectively, and act on opportunities beyond the traditional trading day.

With this new capability, NYFIX clients can execute trades overnight to support a range of strategies, including portfolio rebalancing, exposure adjustments, and event-driven trading.

Access to Blue Ocean ATS enables clients to react to earnings releases, macroeconomic developments, and international market-moving news as it happens, without waiting for the opening bell.

WhiteHawk Capital Partners scales direct lending with Broadridge

WhiteHawk Capital Partners is scaling its direct lending platform through the implementation of Broadridge's Sentry investment management solution.

By modernising and centralising its middle and back office operations on an institutional-grade platform, WhiteHawk says it is streamlining loan administration, strengthening data integrity, and enhancing transparency for co-investors — building the operational foundation to support larger, more complex private debt strategies as the firm continues to grow.

The Sentry platform supports WhiteHawk's ability to scale loan size and duration across its funds while maintaining strong operational control and data integrity.

Mike Sleightholme, head of Asset Management, president of Broadridge International, notes: "We're empowering WhiteHawk with purpose-built technology that cuts through operational complexity, enhances transparency and gives them the confidence and control to grow larger, longer-dated private investments at scale." ■

SECURITIES FINANCE
REGULATORY REPORTING
C-ONE
DLT/ BLOCKCHAIN
CONNECTIVITY
COMYNO
C-ONE | One-Stop- Shop for Securities Finance
WWW.COMYNO.COM

BNP Paribas' Securities Services business unlocks your digital strategy.

Thanks to our continuous investment in technology and people, Securities Services is not just your provider; we're your partner for tomorrow. From data management to AI and digital assets, paving the way to a digital ecosystem, **we stay at the forefront of market innovations.**

Euromoney Awards for Excellence 2024: **World's Best Bank for Securities Services**

FOR THOSE WHO MOVE THE WORLD

DISCOVER OUR SOLUTIONS

BNP PARIBAS

The bank for a changing world

BNP Paribas is authorised and regulated by the European Central Bank (ECB) and the Autorité de Contrôle Prudentiel et de Résolution (ACPR). BNP Paribas is authorised by the Prudential Regulation Authority (PRA) and is subject to regulation by the Financial Conduct Authority (FCA) and limited regulation by the Prudential Regulation Authority (PRA).

Why the industry's automation problem is really a data problem

Michael Wood, general manager for Asset Servicing at Broadridge, speaks to Zarah Choudhary about how rising event volumes are exposing weaknesses in operating models and why many firms are placing greater emphasis on trusted data as the foundation for scalable automation and AI

Asset servicing volumes are continuing to rise, yet many firms are seeing automation stall or even reverse. What is driving that trend, and what does it reveal about the current state of operations?

You are right, volumes are growing significantly. Our recent industry survey conducted with The ValueExchange found that global event volumes are up nearly 25 per cent year-on-year, while investor elections are up 31 per cent.

That is being driven by factors such as the democratisation of investing, generational wealth transfer, a growing variety of asset classes, and increasingly frequent and complex events. Looking ahead, developments such as tokenisation could further accelerate that trend.

Firms have invested heavily in automation, but the issue is not a lack of automation ambition. The challenge is operational confidence in that automation. Where data is inconsistent, incomplete, fragmented, or held in multiple formats, operations teams become reluctant to allow workflows to run untouched.

The result is a pragmatic response: people are reinserted into the process to check, validate, and reconcile data. While that may reduce perceived risk, it also slows operations, increases costs, and limits scalability.

Increasingly, the challenge is less about automation itself than about the quality and consistency of the data feeding it. If firms do not trust the data and inputs, they cannot trust the automation. The level of scale they can achieve is therefore capped by data quality rather than the technology itself. AI can help, but its effectiveness depends heavily on the quality and standardisation of the underlying data.

Despite significant investment in automation over recent years, operations teams still rely heavily on manual checks, even in areas such as mandatory events. Why is manual intervention still viewed as necessary?

Manual intervention still feels like the safest option when there is uncertainty around the underlying data. Firms are not resisting automation, they are resisting the automation of poor-quality data and flawed processes.

Even in mandatory events, where a high degree of standardisation exists and automation levels should be high, teams often choose to validate information manually because the risk of acting on inaccurate or incomplete data remains too great.

Our survey found that activities such as income processing, which should be highly automatable, still account for around 58 per cent of total asset servicing spend. The issue is not a lack of belief in automation. Rather, firms do not want to automate bad data at scale.

Over time, however, manual controls cease to be true exception management and instead become the operating model itself, which is neither efficient nor scalable.

How serious is the risk of operations teams becoming the 'control layer of last resort', and why should senior leaders be paying closer attention to this issue?

It is a very real risk and, in many organisations, it is already happening.

You cannot solve structural fragmentation simply by adding more people. When infrastructure, processes, and data remain fragmented, operations teams inevitably become the control layer of last resort.

Increasingly, they are absorbing the consequences of upstream data issues, integration challenges, fragmented systems, inconsistent market practices, and unclear accountability across the asset servicing chain.

In effect, they become the final checkpoint before risk reaches the client or, in the worst-case scenario, the regulator.

Our survey suggests that while event volumes are growing by almost 25 per cent annually, headcount growth is running at only 2-6 per cent. Without greater automation, firms face significant scalability challenges, governance concerns, and growing key-person risk.

What is the long-term cost of doing nothing? If firms continue relying on manual interventions and fragmented controls, what could that mean for operational risk, scalability, and costs over the next few years?

Ultimately, the cost of doing nothing is higher than many firms realise because it compounds over time.

"Increasingly, modern operating models also need to incorporate AI within a human-supervised framework, supported by embedded dashboards, system integration, and end-to-end visibility"

Manual processes and controls can create a sense of stability, but they increase costs year after year while failing to address the underlying causes of inefficiency. They also cannot keep pace with growing volumes.

There is also a talent dimension. If experienced operational professionals are spending their time dealing with repetitive exceptions and routine repair work, it becomes increasingly difficult to retain and develop expertise.

While outsourcing can reduce costs and error rates by up to 25 per cent, long-term modernisation still depends on high-quality data and mature automation capabilities.

AI is powerful, but only when it sits on trusted and standardised data. Within our own outsourcing business, we have seen efficiency gains of around 30 per cent through the deployment of agentic AI, although the extent of these gains depends on the integrity of the underlying systems and data flows .

Data quality emerged as a major theme in the research. To what extent is today's operational inefficiency a technology issue versus a problem of data trust, ownership, and accountability?

Technology is definitely part of the equation, but the bigger issue is data trust and ownership.

Our research found that poor data quality accounts for a significant share of the errors firms experience in this area, while 51 per cent of costs are associated with sourcing and validating data.

When data quality is inconsistent, firms respond by layering on controls, adding people, introducing more checks, and relying on manual judgement. That creates delays, increases costs, and introduces additional operational risk.

In many cases, firms need a unified model, fewer systems, and a clearer view across the process. That allows organisations to manage risk centrally, facilitate trusted automation, and deploy AI more effectively.

Many firms still see adding people as the safest response to growing complexity. Why is that no longer a sustainable operating model for asset servicing teams?

You cannot solve structural fragmentation simply by adding more people, particularly in a world where volumes are growing much faster than headcount.

The goal should not be to increase exception handling and manual checks. It should be to reduce the number of exceptions and checks required in the first place.

If the operating model depends on people reviewing large volumes of routine activity, firms are introducing inconsistency, delays, and additional risk into the process.

A sustainable model is one where systems handle volume and standard processing, allowing people to focus on exceptions, oversight, and the areas where judgement genuinely adds value.

That delivers greater scalability, stronger controls, and a better use of scarce operational expertise.

One of the challenges facing the industry is that much of that expertise is ageing out of the workforce. Attracting younger talent into specialist operational roles is becoming increasingly difficult, while transaction volumes continue to grow.

The industry cannot rely indefinitely on replacing expertise through headcount growth alone. That's why better data, greater automation, and more integrated end-to-end operating models are becoming increasingly important.

If senior operations leaders accept that the current model is under strain, what does a practical path forward look like? Where should firms begin if they want to reduce risk without launching a full-scale transformation programme overnight?

The important thing is that firms start now, but they should not feel they need to fix everything at once.

Investment budgets are constrained, the cost of change is high, and transformation always carries some degree of risk. The most effective approach is often to begin with targeted, high-volume pain points where workflows can be redesigned and automation increased.

By focusing on a manageable area, firms can demonstrate that improved data discipline and workflow design deliver measurable operational benefits. They can then expand that success over time.

Where appropriate, firms may find greater value in embedding AI within the core process rather than layer on top of disconnected systems, with human oversight remaining in place where necessary.

Firms that take this approach will be in a much stronger position than those that continue relying on manual workarounds that simply mask underlying issues.

You have spoken about the importance of trusted data, clearer accountability, and scalable workflows. What does 'good' look like in practice for firms trying to modernise their operating models today?

Good starts with standardised, well-governed, and high-quality data. It also requires integrated systems with fewer hand-offs and less fragmentation. That naturally reduces the need for duplicated checks and manual intervention.

The result is greater automation of routine processing, allowing experienced staff to focus on oversight and genuine exceptions. Our research suggests firms that invest in these areas can achieve returns on investment of between 12 -13 per cent.

Increasingly, modern operating models also need to incorporate AI within a human-supervised framework, supported by embedded dashboards, system integration, and end-to-end visibility.

The emergence of tokenised assets is also increasing pressure for more integrated operating models. Firms need infrastructure capable of supporting both traditional and tokenised assets side by side. Creating entirely separate workflows for tokenised assets would simply introduce new complexity and inefficiency.

As volumes, complexity, and regulatory expectations continue to grow, how do you see the role of operations teams evolving over the next five years?

Throughout my career, operations teams have consistently been asked to do more with less, and that will continue.

The difference is that they should be spending far less time on repetitive validation and routine repair work.

Their role will become increasingly strategic, focused on oversight, risk management, governance, client service, and exception management.

AI will help reduce some avoidable exceptions and free people to focus on higher-value activities. It will be one of the key enablers that allows firms to scale without continuously increasing headcount.

Our research found that 57 per cent of firms identified trusted technology partners as an important enabler of this transition, particularly where they can support a future-state golden-copy data model.

If you had to summarise the industry challenge in one sentence, what would it be?

I think it might be quite a long sentence, but I guess asset servicing has reached a point where maintaining the status quo is no longer a neutral option.

Rising event volumes, shorter settlement cycles, growing regulatory expectations, AI adoption, and the emergence of tokenised assets are all colliding with legacy systems, fragmented data, and ageing operating models.

Without trusted data, integrated platforms, and more scalable operating frameworks, firms will struggle to keep pace with the demands being placed on them. That is the industry's central challenge. ■

Growing global data sovereignty regulations

The tightening of data regulations worldwide has been marked by a transition from a globally integrated data model toward individual jurisdictions frameworks, with governments restricting the movement of data to protect privacy and operational resilience

Tahlia Kraefft explores

Heightened data law supervision

The global shift towards data localisation and digital sovereignty has fractured the unified cross-border data system, with governments restricting the movement of data to prioritise privacy and operational resilience over borderless data flows. Strengthened data sovereignty oversight has seen regulators shift from a basic data security approach to enforcing stringent data localisation and sovereign cloud directives. More than 100 countries have legislated rigid data sovereignty and localisation rules, obliging financial firms to keep and process financial data within the limits of the nation where it originates. With the move toward individual jurisdictions guidelines, there is heightened regulatory attention on where data is kept, processed, and transferred, with governments viewing data sovereignty as an integral national security and economic asset. In response to changes financial corporations are being forced to overhaul infrastructure to meet rigid multi-jurisdictional rules alongside commercial innovation demands.

Additionally, the growth of hyperscale cloud providers and artificial intelligence has enhanced the sovereignty focus from not only data residency to comprehensive governance. In order to stop foreign access and maintain security protection, governments are requiring command over algorithm training data, system provenance, and compute resources.

Greater focus on where data is stored

Data sovereignty dictates that data must remain in, or is subject to the laws of, the country or region where it was created. Data localisation refers to the practice of meeting all mandatory laws and regulations related to data residency — being data that is kept in a separate country from the one it was produced in. Cross-border transfer controls encompass the legislation covering the transfer of data (privacy laws) or funds (capital controls) across global borders. Financial services are required to adhere to specific stringent rules due to their management of highly sensitive client, transaction, and market data.

Risk of undermining globalisation efficiency

More rigid localisation requirements could introduce jurisdictional nuances that can complicate data organisation and application, Neil Visnapuu, vice president, product management Arcesium, notes: “The firms that build architectures capable of segmenting

and controlling data locally, while still supporting global oversight and operational consistency, will be best positioned to succeed in this evolving regulatory environment.”

Ulrik Modigh, head of SimCorp Managed Business Services at SimCorp, says the trade-off is often overstated. “While localisation can increase costs and complicate shared service models, most sovereignty rules focus on control and auditability rather than full data isolation. Firms that design for this early can stay compliant without giving up the benefits of global scale, and the cost of doing so is far lower than the risk of non-compliance.”

Julien Vallet, product director, NeoXam, explains that rigid data localisation laws risk increasing the costs and eroding the scale benefits gained from a global operating model as hard localisation requires firms to build regional infrastructure.

He continues: “However, it doesn’t necessarily have to mean going backwards in terms of efficiency, because the answer can be in the architecture itself. A federated, multi-tenant model, for example, as we use at NeoXam, allows data to remain physically in each jurisdiction to meet localisation rules while operating one consistent platform with shared governance, controls and processes.”

Stricter data localisation obligations could undermine some of the efficiency created by globalisation if handled badly, according to Aldric Dupaïs, head of Asset Management Europe at Linedata. Asset servicing and financial technology have long been reliant on global engineering, shared services, centralised support and common cloud platforms, he says.

He comments: “More stringent sovereignty expectations can fragment that model by introducing different regional hosting patterns, tighter access restrictions, more layered contracts and duplicated evidence requirements.

“The European Central Bank’s 2025 cloud outsourcing guide reflects exactly that sensitivity: it highlights concentration risk, data storage and processing risks, region-specific risks and the need for tested exit strategies and oversight of cloud providers.”

A blanket retreat from globalisation is not the likely destination Dupaïs, continues, “The more realistic direction is modularity: shared core platforms, combined with configurable sovereignty controls. In practice, that means architecture that can support different residency models, jurisdiction-aware support access, encryption and key-management choices, and jurisdiction-specific contractual annexes without forking the product entirely.

“Europe’s evolving cloud sovereignty thinking — including the European Commission’s Cloud Sovereignty Framework for cloud procurement — points in that direction, emphasising not just cyber controls, but sovereignty-specific safeguards and measurable assurance.”

Jurisdictional divergence

A more fragmented regulatory global compliance backdrop, diminishes consistency across jurisdictions, forcing multinational corporations to manage divergent and often contradictory regional data rules.

In the United Kingdom the focus is on enhancing supervision of key technology providers and further developing their post-Brexit data governance framework. The European Union’s operational resilience and third-party supervision are mostly regulated by the Digital Operational Resilience Act (DORA). Under DORA critical ICT Third-Party Providers are under the direct oversight of the European Supervisory Authorities (ESAs) such as the European Banking Authority. The continent’s regulations continue to concentrate on cross-border transfer restrictions, and increasingly evaluate cloud and outsourcing systems. In the Asia Pacific there are heightened localisation obligations in certain jurisdictions but the approach varies heavily across markets such as China, Singapore, and India. In the Middle East there is accelerating data-residency requirements in financial hubs, with data regulation linking to wider digital transformation strategies.

The most significant challenge is not one particular regulation but that these regulations apply simultaneously and sometimes pull firms in opposite directions, Vallet comments.

Global data regulation is shifting further apart, Modigh explains: “The EU’s highly prescriptive rules and China’s strict controls on data transfers are especially difficult to reconcile within shared global operating models. As a result, firms need transparent data lineage and jurisdiction-specific controls built directly into their core investment systems and processes.”

Visnapuu says: “Data regulations vary significantly by market, and jurisdictions may include stricter localisation requirements or more direct controls over how certain categories of data can leave the country.”

He highlights that the biggest test for international firms is that these guidelines do not always align. He continues: “Asset servicers need operating models that are flexible enough to account for local data residency, access and transfer requirements.”

The issue is not as simple as Europe versus the US for his firm’s operation, Dupaïs explains: “The deeper complexity is that many local regimes look similar at a high level in terms of privacy, outsourcing, operational resilience, incident management, subcontracting, but they are not interchangeable in practice.

“Europe illustrates this perfectly. DORA provides a harmonised framework, but firms must still contend with local supervisory practices. Customer-specific contractual demands and country-level interpretations of how cloud, subcontracting, auditability and reporting should be evidenced.

For international corporations they cannot safely expect that one generic answer is going to satisfy every customer or regulator: “A cross-border software or services company may need to give different answers for the same platform depending on the client, the hosting architecture, the location of support teams, the subprocessor chain, the use of logs and backups, and the legal structure of the vendor group.

“The challenge is not only to comply, but to prove compliance country by country and contract by contract. DORA’s Article 30 makes that pressure more concrete by requiring contracts to specify, among other things, where services are provided, where data is processed and stored, and how subcontracting is managed.”

European Union

The industry treated data sovereignty as a technical or legal detail for years, Dupaïs says. In 2025 it became something much bigger, calling it “a strategic issue sitting at the intersection of resilience, regulation, cloud architecture and client trust”.

He explains the transition was pushed by a convergence of forces including DORA, enforced on 17 January 2025 in Europe. The legislation required “in-scope financial entities to maintain stronger ICT risk management, deeper third-party oversight and comprehensive registers of contractual arrangements with ICT providers”.

The European Data Protection Board (EDPB) finalised guidance on Article 48 GDPR in June 2025, reinforcing that requests from third-country authorities cannot simply be recognised or enforced in Europe without the right legal basis and transfer mechanism, he notes.

“In parallel, Europe’s cloud debate has moved beyond cybersecurity toward sovereignty, with growing focus on jurisdictional control, operational autonomy, and cloud procurement models that reduce exposure to non-EU legal reach.

Dupaïs maintains these developments matter acutely for the asset servicing sector, with custody, fund administration and post-trade servicing already relying on dense cross-border flows of client, investor, transaction, and operational data.

“Those flows are becoming harder to govern just as volumes and processing pressures rise: industry research in early 2026 highlighted more than 25 per cent year-on-year growth in asset servicing volumes, while up to 67 per cent of servicing errors were attributed to data-quality issues. In other words, the industry is being pushed to modernise operations at the exact moment that regulators and clients are asking tougher questions about where data resides, who can access it and under which legal regime.”

Modigh maintains the DORA regulation was a major development for asset servicers as it forced companies to reevaluate each vendor relationship involving data processes. “Contracts now have to clearly state where data is stored, and who can access it.”

He says the EU Data Act and AI Act have moved data sovereignty beyond personal data and into AI, making data location and control a board-level concern. “Asset servicers now need to be clear about where AI models are trained and where data is processed.”

Vallet agrees DORA was a significant shift for asset servicers, with the requirement for firms to know where data is located, who can reach it, and how it is protected. He says, importantly, the same now applies to their cloud and technology providers as well.

“The EU Data Act, which came into force in September 2025, has added rules on moving data outside of the EU and on foreign-authority access requests. However, the bigger picture is that over 60 countries now have rules about keeping data local, which is a significant jump from fewer than 20 countries just ten years ago.”

He continues: “On the whole, the EU largely allows data to move but within a framework of strict safeguards, layering DORA, the Data Act and national banking-secrecy rules on top of GDPR.”

Visnapuu says DORA emphasises the demand for firms to know where their data originates. He continues: “Where it is currently housed and the data’s level of sensitivity and access. It is no longer enough to just be secure. Asset servicers need to now integrate operational awareness of data.”

Asia Pacific

Vallet comments: “China is at the other end with much stricter localisation requirements under Personal Information Protection Law and its Cybersecurity Law. The US takes a different approach again, with no single, overarching federal law, plus the CLOUD Act, which can reach data held by US providers abroad. This can create tensions with EU rules.

“Across APAC, regulators tend to lean on greater accountability rather than hard localisation. For example, Singapore’s Personal Data Protection and Australia’s Privacy Act keep companies themselves responsible for data, wherever it goes, and the likes of the Monetary Authority Singapore, and Australian Prudential Regulation Authority expect a clear data inventory, cloud oversight and operational resilience arrangements.”

Modigh remarks “Rules like China’s data classification and transfer approvals are making cross-border operations significantly harder for global asset managers with APAC exposure.”

A strategic advantage for asset servicers

Data sovereignty has become a key board-level concern, led by trends including geopolitical volatility, hyperscale cloud dependency, and heightened AI adoption. Boards are now dictating who surveils corporate data including in which legal jurisdiction it is processed. Particularly in Europe and the UK there are mounting fears over dependence on US tech giants and efforts to move towards regional operating models. The UK government invested £500 million to encourage domestic UK sovereign AI, to target data centre reliance.

Amid contrasting legal frameworks such as GDPR, the Cloud Act, and FISA 702 which enforce stringent guidelines on data disclosure and supervision, compliance is becoming increasingly a key advantage. Non-compliances puts major cross-border revenue at risk and exposes firms to operational disruptions. Boardrooms are assessing their firm’s infrastructure resilience to deter being limited by dominant tech ecosystems. Organisations are being required to have command over the entire AI and data lifecycling including platform governance and model oversight.

Vallet notes: “In asset servicing, trust is the product, and so a servicer that can show clients exactly how data is stored, who can access it, and how it meets local rules has a clear edge in winning mandates over its competitors. The flip side is that providers that can’t demonstrate proper data control are being quickly filtered out of procurement processes, especially in the EU.”

In a market where clients are already coping with rising data complexity and error rates, sovereignty is becoming part of the trust equation, Dupaïs comments: “Customers want more than a statement that “data is secure”. They want to understand where the data is, which jurisdictions may have legal reach, how subcontractors are governed, and what technical and contractual controls sit around that exposure. At the same time, cloud strategy itself is becoming more business-critical: LSEG found that 92 per cent of respondents rated operational resilience as a critical or very important factor in selecting a cloud provider, while 84 per cent had already modified strategies because of DORA or GDPR.

“Sovereignty should not be marketed as simplistic localisation; the more defensible message is controlled, transparent and auditable cross-border data governance for regulated financial services. That is more credible for clients, more sustainable across jurisdictions and more aligned with where regulation is heading. In other words, sovereignty is becoming less a compliance burden than a test of whether a provider can combine global scale with local assurance.”

Data sovereignty is now a clear differentiator, Modigh comments: “It has become a basic qualifying requirement in vendor selection and a growing focus in client RFPs, particularly for institutional investors like pension funds, sovereign wealth funds and insurance companies.

Visnapuu states: “Asset servicers that can clearly demonstrate control over data will be better positioned with clients and regulators. Service providers must be able to demonstrate data protection while managing cross-border obligations and operating resiliently across jurisdictions. As a result, strong data governance is becoming part of the value proposition, not just a compliance requirement.”

GLOBETAX

Turning Tax Complexity into *Opportunity*

As the **world's largest** independent withholding tax specialist, we leverage our technology, expertise, and global relationships to **return billions of investor entitlements** to the marketplace each year.

GLOBETAX

Manages documentation and submits claims

Determines tax entitlements

Meets filing deadlines in every jurisdiction

Clients Enjoy

Lower compliance risks

Reduced operational burden

High-touch client service

info@GlobeTax.com | +1 212-747-9100

Increasing significance fo financial firms

The growth in data sovereignty obligations is impacting asset servicers in their workings across a multitude of jurisdictions concurrently. Contrasting requirements between jurisdictions creates greater complexity for firms who are responsible for transaction and settlement data, regulatory reporting data, custody data, fund administration records, and investor notes. They rely to a great extent on cross-border data sharing between asset managers, transfer agents, regulators, technology providers, and custodians

Data sovereignty has shifted up the agenda so quickly because location no longer tells the entire story, Dupaïs comments: "A dataset may be hosted in Europe, but if it is controlled by a provider subject to another jurisdiction, clients and regulators will still ask whether that data could be reached indirectly through foreign legal powers.

The EDPB's 2025 guidance on Article 48 emphasises that foreign authority requests do not necessarily create the legal basis for disclosure under EU legislation, Dupaïs expresses.

Additionally broader transatlantic debate continues to underscore the strain between European privacy obligations and extraterritorial access regimes.

Cloud adoption is ongoing for financial institutions despite those tensions, Dupaïs, explains. LSEG's 2025 survey showed 87 per cent of financial services firms had increased cloud investment over the prior two years.

He says: "82 per cent were using hybrid or multi-cloud strategies, and 84 per cent had already adjusted cloud strategies because of regulations such as DORA and GDPR.

"That matters because cloud is no longer just an IT choice; it is now central to AI, data distribution, resilience and operating leverage. The more firms depend on cloud, the more sovereignty questions become commercially and operationally significant."

Data sovereignty has been made unavoidable by the convergence of cloud adoption, geopolitical fragmentation, and AI, according to Modigh.

He remarks: "Regulators now expect firms to demonstrate where data sits, who can access it, and how control is maintained across service providers."

Visnapuu explains: "Asset servicers are not just required to protect client data — they're tasked with having a thorough operational handle on the data on their platforms. Regulators and clients increasingly expect firms to know where sensitive data resides, how it is accessed and whether it can move across borders. This is especially important for asset servicers, given the volume of client, fund, transaction and operational data they handle.

"As AI has been further integrated into operations, the impact of data sovereignty will compound. As more tools interact with enterprise data, firms will need to show that access, permissions and jurisdictional controls are well understood and well governed."

Vallet remarks: "Ultimately, I believe we're seeing the collision of two trends. Firstly, firms have embraced cloud technology and global operating models to improve efficiency across the board and cut costs. At the same time, regulators and governments have been increasingly focused on where data is stored and insisting that it stays within their borders, which has naturally created compliance challenges for financial institutions.

"Growing geopolitical tensions in recent years have then accelerated this shift, sharpening the question of which governments can compel access. Regulators have raised the bar as they seek technical proof of where data sits and who touches it, as opposed to broad assurances. It's not simply a policy promise anymore and, for asset servicers holding sensitive client data, getting it wrong could be very costly."

Risks

The core risks for firms that fail to adapt to current data sovereignty rules are regulatory, operational and reputational, Visnapuu explains.

"Firms that lack visibility in their data may struggle to respond to new rules, client questions, audits or technology changes. AI will make these gaps more visible. If firms cannot explain what data they have, where it is, who can access it and how it is governed, it becomes much harder to deploy AI responsibly and defensibly.

The most significant threats are regulatory and commercial, Valet expresses: "Ranging from fines and forced data repatriation to, in the worst cases, restrictions on the licence to operate, exclusion from mandates, and reputational damage.

GLOBAL TAX RECOVERY

www.globaltaxrecovery.com

Get your money back in *half the time* and at a *fraction of the cost.*

We're trusted by many of the world's largest and most respected financial institutions.

Contact us to see why.

“Firms that have not mapped and structured their data also end up reacting in panic to each new rule instead of adapting smoothly. In a sector built on trust, lost client confidence is extremely hard to recover.”

Corporations can be met with regulatory penalties, reduced market access, potential loss of clients, and growing technology debt as each new rule triggers another round of remediation, according to Modigh. “The risks don’t appear all at once, but they compound over time. At the same time, weak data control makes it difficult to deploy AI at scale in regulated environments, which increasingly limits operational and competitive potential.”

Cross-border data mapping

Cross-border data transfer restrictions is a core test for firms as they require extra approvals and reviews along with enhanced compliance paperwork.

Effective cross-border data governance requires treating data as an operational asset, Modigh, mentions: “Firms need clear data classification, documented transfer assessments and auditable technical controls across all third-party dependencies. In practice, that level of transparency requires that data is managed through unified models rather than fragmented systems.

“Increasingly, we see that firms want greater control of their data. That is accelerating the shift away from fragmented systems and towards front-to-back platforms built on a single investment book of record to improve operational efficiency and scalability.

We’ve seen this trend build for several years. In our annual Global InvestOps report, based on a survey of 200 buy side leaders worldwide, firms consistently highlight the need to consolidate their data infrastructure.

Vallet notes: “It all starts with a map, showing what data you hold, where it sits, how it flows, alongside lineage and classification. You cannot govern data you cannot see, but the step that really enforces sovereignty is entitlement management: making sure any consumer of the data, whether a user, team, application or downstream system, is genuinely authorised to see it.

“Cross-border rules are essentially access questions and strong entitlements answer them automatically by data type, sensitivity and jurisdiction, with every access logged so the firm can prove to a regulator who saw what and when.”

Visnapuu reiterates: “Firms should start with a clear map of their data — where it comes from, where it resides, how it moves, who can access it and which third parties interact with it.

“That mapping should be tied to data classification, sensitivity, jurisdiction and client obligations, which in turn enables AI to operate more seamlessly across data sources and fields. As AI adoption continues to increase, firms will need to understand not just where data is stored, but which tools and models can access it.”

The first step for technology providers is to no longer treat data sovereignty as a confined privacy issue, Dupaïs notes. It now is positioned across product design, cloud architecture, vendor management, legal, security, operations, and go-to-market.

Cross-border data mapping is the practical foundation he explains. He says firms are obliged to know precisely where data is collected, kept, processed, backed-up, and accessed, in addition to logging, monitoring, disaster recovery, and remote support.

The Commission Nationale de l’Informatique et des Libertés (CNIL) 2025 Transfer Impact Assessment guidance, is especially relevant here Dupaïs says. It emphasises the requirement for exporters to review destination-country laws, enforce supplementary safeguards where necessary, and cease transfers if equivalent protection cannot be maintained.

Industrialising evidence is the next second step, Dupaïs adds. DORA has increased the ease for regulated customers to move obligations into their technology supply chain. The EDPB and national authorities are progressively fixated on if firms can show legal and controlled cross-border transfers in practice. This translates to maintaining current supplier inventories, recording subcontractor chains, staying on top of transfer assessments, evidencing access controls, and being capable of completing due diligence diligence questions efficiently and consistently.

“The companies that will look strongest in this environment are not necessarily those claiming the most aggressive localisation stance, but those able to show transparent, credible and auditable control.”

Future best practice

Data regulations are moving from wide privacy demands into rigid design restrictions.

Organisations must simultaneously handle fractured global localisation guidelines, specific financial data requirements, regional sovereign AI rules, and developing worldwide frameworks set on achieving protection with data flow. As national data localisation obligations are growing, the distribution of sensitive data across jurisdictions is being limited. Businesses are being met with more disjointed guidelines for data transfers, needing developed compliance tools to steer away from legal fines. Financial institutions have specific requirements to show that sensitive customer information is stored in authorised geographic perimeters. Supervisory bodies demand precise recordings for data movement, leading to institutions shifting legacy infrastructure to compliance-aware cloud architectures. Policy makers are considering interoperability frameworks to counter disruption caused by stringent data localisation on cross-border model outcomes. Stabilised texts under the WTO Joint Initiative on E-Commerce that allow secure data exchange without elimination of domestic control. Nations are employing digital sovereignty frameworks to attain strategic autonomy and secure key applications.

Due to standard models posing regulatory threats and compliance issues, AI deployment is increasingly localised. Government command over AI-related data involves balancing in-country abilities, global dependence, and national objectives. Models are progressively demanded to operate on infrastructure close to protected data, so private cloud adoption and sovereign AI has become important. European approaches concentrate on national solutions and open-source environments to deter dependence on foreign tech giants.

Modigh notes: “Data sovereignty is no longer something firms deal with periodically to tick a compliance box. It’s increasingly being built into core systems and day-to-day operations, driven as much by client expectations as by regulation. Firms that start with a unified investment data foundation, with clear lineage from source data through to portfolio reporting, can provide the traceability regulators now expect across jurisdictions. Fragmented data landscapes, by contrast, are becoming a growing compliance risk.”

Visnapuu asserts: “Operational control will be critical, and firms will need a dynamic view of their data ecosystem, including where data resides, how it moves, who accesses it and how it is governed across jurisdictions. Firms leading this charge will combine strong global standards with the flexibility to meet local requirements. They will also connect data sovereignty with operational resilience, third-party oversight and AI governance.”

It will be ‘sovereignty by design’, built into the data architecture from the start. The firms that do well will combine a single, trusted source of data and full lineage with flexible, regional deployment, and they will be able to prove compliance continuously with real evidence to support it.

Valet comments: “Above all, they will be able to absorb a new rule in a new country without having to rebuild their platform.”

Firms will be required to have global control frameworks with local overlays, living cross-border data maps, cloud architectures that can support differentiated residency and access models, and client-ready evidence packs for DORA, outsourcing and transfer questions, according to Dupaïs.

“The firms that succeed will be those that institutionalise a discipline for managing ‘similar but different’ local regimes rather than assuming rules can be standardised away.”

The key message for the industry is straightforward Dupaïs says, data sovereignty is no longer principally about where data is stored but who commands the ecosystem, which legislation covers the data, how third-party dependencies are ruled, and whether these controls can be proven across jurisdictions.

“For asset servicers and technology providers alike, that makes data sovereignty not just a regulatory issue, but a defining feature of operational resilience and market credibility in the years ahead.”

Conclusion

The global tightening of data sovereignty and data localisation regulations and competing frameworks has led to increased regulatory fragmentation and greater complexity for firms operating cross-jurisdictionally.

Divergent regulatory frameworks globally demand asset services and financial corporations to evolve their governance, technology, and operating models to comply with growingly diverse regulatory frameworks.

As data sovereignty further cements itself as a core operational and strategic challenge, firms must develop adaptable, scalable compliance frameworks to prosper in a fragmented global data landscape. ■

Private markets are entering their infrastructure era

The private markets story is evolving well beyond access alone, says Borja Largo, chief fund partners officer at Allfunds, who provides a deep dive into what this means for the industry.

For years, the private markets conversation centred on access.

Could wealth clients gain exposure to private equity, private credit or infrastructure? Could advisers navigate the complexity?

Could regulators create workable frameworks? Could product providers lower minimums and package traditionally institutional strategies for a broader audience?

Those questions are still important, but the discussion has become more operational recently. Across wealth management, private banking, and distribution platforms, firms are now spending as much time discussing implementation and servicing as they are product access itself.

As markets mature, attention naturally turns towards infrastructure, operational resilience and user experience. Private markets are beginning to follow a similar path.

Our numbers help explain why. Allfunds Alternative Solutions grew to €37.9 billion in assets under administration by the end of the first quarter, up 61 per cent year-on-year (YoY) and 12.1 per cent since the end of 2025, driven largely by rising demand from wealth channels.

The platform today connects roughly 400 distributors, 233 alternative asset managers and around 3,000 alternative funds. At this scale, operational complexity becomes harder to separate from commercial growth. Private markets are gradually moving into broader wealth adoption and firms are having to think more carefully about how these products are delivered and serviced.

Wealth adoption is becoming more systematic

Private markets adoption within wealth management has developed gradually. Initially, exposure was largely opportunistic. Products were often offered on request to high-net-worth clients comfortable with illiquidity, longer investment horizons, and additional administrative requirements.

Private markets are increasingly moving from execution-only access towards advisory-led implementation and then into discretionary portfolio management structures. Over time, alternatives are becoming less of a specialist allocation and more of a recurring component within broader portfolio construction.

Once private markets begin appearing systematically inside model portfolios or discretionary mandates, onboarding, suitability checks, liquidity management, reporting cadence and lifecycle events all become part of day-to-day operational delivery.

Many firms are discovering that maintaining a consistent client experience across multiple jurisdictions, wrappers and servicing models is often more difficult than expanding distribution itself. Scalability has therefore become a much bigger part of the industry conversation.

Distribution and servicing are becoming part of the same conversation

For much of the past decade, wealth represented a large and relatively underpenetrated pool of capital, while regulatory

developments have created new pathways into semiliquid and evergreen structures. As adoption broadens, however, the distribution realities become much more visible.

Private markets have historically operated within an institutional framework built around smaller investor groups, direct relationships and highly bespoke servicing models. Wealth distribution changes those dynamics. Alternative asset managers suddenly face larger client populations, multiple intermediaries, different wrappers, varying reporting expectations and a broader range of servicing interactions.

Conversations with asset managers increasingly focus on both distribution and operational readiness for wealth distribution. In Europe, developments such as ELTIF 2.0 have accelerated the importance of these conversations to access retail and advisory channels at scale.

Europe remains highly fragmented

One of the reasons this challenge is so pronounced is because private markets distribution still varies sharply between regions.

There is often a tendency to talk about Europe as though it were a single private markets market. In reality, structures, allocation behaviours, investor familiarity and distribution models remain highly localised.

Allfunds platform data illustrates these regional differences clearly. Across the firm's distribution network, private markets allocations within wealth remain relatively modest in Iberia and France, often around 1-2 per cent, with adviser-led distribution playing a significant role. Switzerland operates at a much higher level, with allocations closer to 5-6 per cent and stronger participation from private banks. In parts of the Middle East, allocations can reach 10-12 per cent, reflecting more established private banking demand and greater familiarity with alternative assets.

The UK presents a slightly different picture again. Wealth managers have historically preferred listed structures such as investment trusts when accessing less liquid strategies. Long-term asset funds may alter that balance over time, although adoption remains at a relatively early stage.

Continental Europe has moved more quickly in some areas through ELTIF adoption, although that acceleration brings its own operational demands.

Insurance-linked distribution is becoming more relevant in several markets too, particularly through unit-linked structures. Retail banks and digital wealth platforms are beginning to widen their alternatives offering, adding another layer of complexity to an already fragmented landscape.

For global asset managers, this creates a difficult balancing act. A structure that works efficiently in one market may be far less suitable in another. Reporting expectations, distribution economics and investor behaviour all differ between markets.

Evergreen structures are reshaping expectations

One of the clearest structural trends within private markets today is the rise of semiliquid and evergreen solutions.

Historically, illiquid closed-ended structures dominated the market. They suited institutional investors with long investment horizons and relatively predictable capital commitments.

Wealth investors tend to approach liquidity differently. Many are increasingly comfortable accepting reduced liquidity in exchange for diversification and return potential, although they still expect greater accessibility, visibility and servicing responsiveness than institutional markets traditionally provided.

Semiliquid structures are becoming more common because they align more naturally with wealth distribution channels and adviser-led portfolio construction.

Private markets are gradually inheriting some of the servicing expectations associated with traditional investment products. Investors increasingly expect clearer reporting, smoother onboarding and more consistent communication regardless of the underlying liquidity profile.

Regulation and wrappers are becoming operational tools

The evolution of fund structures provides another useful lens into how the market is developing.

ELTIF 2.0 has become one of the most closely watched developments within European private markets distribution. The framework was designed to improve flexibility and broaden access to long-term private assets within wealth channels.

Across new launches on the Allfunds platform, ELTIFs represent a substantial share of activity, alongside continued use of UCI Part II vehicles, RAIFs, Cayman structures and local market wrappers such as French FCPRs or Spanish FILs.

The diversity of structures is revealing in itself. No single wrapper works perfectly across every market or investor type. Managers continue selecting structures based on jurisdiction, target client base, distribution channel, liquidity profile and operational considerations.

Increasingly, the wrapper itself becomes part of the servicing model.

Each structure introduces its own requirements around liquidity management, reporting cadence, client communication and operational oversight.

This is also where open architecture becomes increasingly important. Private markets distribution is unlikely to become fully standardised given the fragmentation across structures, jurisdictions and investor behaviours.

Platforms capable of operating across multiple wrappers, jurisdictions and asset types therefore occupy an increasingly important position within the market structure itself.

Product demand continues to broaden

Overall, Private Equity and Private Credit remain the core areas of demand within wealth channels, supported by a growing offering of evergreen funds from alternative and traditional asset managers entering this segment of the market.

However, demand and supply of alternatives is broadening as specific strategies such as venture capital, secondaries or infrastructure start to gain traction with wealth clients.

Education still plays a central role

Despite the growth trajectory, private markets adoption still depends heavily on education and adviser confidence.

Alternative assets require different conversations around liquidity, investment horizons, valuation frequency and portfolio suitability. Many advisers continue building familiarity with these structures, particularly outside traditional private banking environments.

This is one reason educational initiatives have become increasingly prominent across the industry.

Events, content programmes and adviser engagement efforts are helping firms build a more informed distribution ecosystem around private markets.

The market still has considerable room for expansion. Across the Allfunds distribution network, overall private markets allocation currently sits around two per cent, while distributors typically hold around 7 private markets funds compared with 15-20 liquid alternative funds on average.

Those figures suggest that adoption remains relatively early, even as momentum continues to build.

Private markets are moving towards integration

Perhaps the most important development underway is the gradual integration of private markets into broader portfolio construction.

For many years, alternatives sat alongside traditional portfolios as specialist allocations.

Exposure was often thematic or opportunistic. Increasingly, private markets are beginning to move closer to becoming standard portfolio building blocks within wealth management.

Different markets are progressing at different speeds, although the direction of travel is becoming more consistent across regions.

Public and private assets are likely to remain operationally distinct for a long time yet. From a portfolio construction perspective, however, the boundaries are beginning to soften.

As that happens, attention is increasingly turning towards firms capable of supporting private markets with reliable servicing and scalable distribution infrastructure across multiple channels.

The private markets story is evolving well beyond access alone. The next phase will depend heavily on how effectively the industry can support broader adoption while still accommodating the fragmentation, local nuances and differing investor expectations that continue to shape the market today. ■

When exceptions become the rule

As firms face growing data complexity, compressed settlement cycles, and increasingly interconnected markets, operational breaks are becoming harder to prevent and faster to resolve. Zarah Choudhary explores why reconciliation remains at the heart of operational resilience

For years, the industry has viewed automation as the answer to post-trade inefficiencies. Yet despite significant investment in straight-through processing (STP), reconciliation, and exception management remain among the most operationally intensive functions within capital markets.

The challenge is partly one of scale. As firms expand into new asset classes, onboard additional counterparties, and process greater transaction volumes, operational complexity grows alongside them.

Murray Campbell, principal product manager at AutoRek, says the impact is often felt most acutely within operations teams.

“For firms scaling or expanding their business the impact is felt most notably across operations, including reconciliations. Increasing transactional volumes, a growing number of counterparties, custodians, and third-party banks, plus expansion across new asset classes creates increasing challenges for reconciliation processes to handle.”

Val Wotton, managing director and global head of equities solutions at DTCC, says the challenge is being amplified by wider market developments.

As firms contend with shortened settlement cycles, extended trading hours, and increasingly fragmented market activity, reconciliation must now occur across more counterparties, varying levels of automation, different market practices, and multiple time zones, leaving less time to resolve exceptions.

Steve Walsh, managing director of reconciliation at DUCO, points to the rise of private markets and digital assets as further contributors to operational complexity. Private markets often involve highly fragmented and unstructured data, while tokenised assets introduce new infrastructure and processing models that differ significantly from traditional markets.

Neil Vernon, chief product officer at Gresham, argues that reconciliation challenges are becoming more complex across virtually every dimension of the post-trade lifecycle.

Robin Hasson, head of reconciliation solutions at SmartStream, says the industry is facing several overlapping pressures simultaneously.

“Transaction volumes are growing at more than 25 per cent year-on-year, settlement timelines are shrinking, and regulatory

gorodenkoff/stock.adobe.com

expectations keep intensifying. Incoming regulatory initiatives are pushing firms to run more reconciliations across increasingly complex data, often on infrastructure that was never designed for this level of scale or speed."

He points to the European move to T+1 settlement, upcoming SWIFT standards changes, and the growing adoption of tokenised assets as examples of operational change occurring concurrently rather than sequentially.

"Transaction volumes are up, asset class complexity is up, regulatory requirements are up, and the counterparty ecosystem continues to expand in ways that defy easy automation."

The data challenge sits at the centre of the problem. Firms must reconcile positions, transactions, cash, collateral, corporate actions, and securities lending activity across multiple internal systems and external parties simultaneously.

As Vernon notes, the complexity of a single OTC derivative lifecycle can involve hundreds of data points changing throughout its lifespan.

Why breaks still happen

At its most basic level, a reconciliation break occurs when two records fail to match.

According to Campbell, timing differences between records, processing errors, and trade settlement issues remain among the most common causes.

"Reconciliation breaks are the result of a data mismatch between the two records in question. This is commonly the result of timing differences between when both records are updated, or as a result of inaccuracies on either record."

Settlement failures themselves are hardly a new challenge. The European Central Bank (ECB) has long identified operational risk, unmatched instructions, processing errors, and securities shortages among the primary causes of settlement failures. It notes that even relatively low fail rates can create cascading chains of settlement issues that affect wider market activity.

Karan Kapoor, head of risk and regulatory consulting at Delta Capita, argues that most operational breaks ultimately stem from wider data governance issues.

Data ownership often remains fragmented across multiple teams, systems, and workflows, creating inconsistencies throughout the post-trade lifecycle. Mismatched client static data, inconsistent payment information, and discrepancies between internal and external records frequently surface as reconciliation breaks, even though the underlying problem originates elsewhere.

Others point to standing settlement instructions (SSIs) as a persistent source of friction.

Vernon describes stale or incorrect SSIs as a "perennial source of breaks", while noting that the industry has been aware of the issue for decades.

Wotton similarly highlights inaccurate settlement instructions, reference data inconsistencies, and timing misalignments between counterparties as common causes of operational mismatches.

Hasson argues that data quality remains the single biggest source of operational breaks.

"Up to 67 per cent of asset servicing errors are directly attributable to data quality issues. That's not a problem with matching logic; it's happening upstream."

He identifies inconsistent counterparty formats, stale standing settlement instructions, and instrument identifier mismatches as some of the most common causes of exceptions, adding that many firms continue to suffer from a lack of front-to-back consistency across their operating models.

The issue has become increasingly significant as firms prepare for T+1 settlement in Europe. The EU T+1 Industry Committee has identified SSI standardisation as one of the key areas requiring additional market focus and guidance ahead of implementation.

Liz Collegio, head of product management at Meritsoft, highlights counterparty behaviour and fragmented communication channels as additional contributors.

"SSI submissions don't arrive uniformly, and teams without visibility into counterparty patterns waste time chasing trades that will self-resolve while genuinely at-risk trades go unattended."

She adds that reliance on email for settlement instructions and exception management continues to introduce delays and operational errors.

Automation has helped — but it has not solved the problem

The industry has undeniably benefited from automation. Match rates have improved, manual processing has declined, and firms can handle greater volumes than ever before.

Yet automation has not eliminated complexity.

Hasson believes automation and complexity have evolved in parallel rather than one replacing the other.

“Automation has meaningfully improved straight-through processing rates and without it the volume growth we’ve seen over the past decade would have required unsustainable headcount increases.”

However, he argues that many firms have automated individual processes without achieving the end-to-end consistency needed to eliminate breaks entirely, leaving operational teams responsible for managing increasingly complex exceptions.

Campbell observes that firms often assume that automated systems can absorb increasing complexity indefinitely, creating new operational pressures when systems reach their limits.

In some cases, firms have “automated themselves into a problem”, investing in solutions that addressed a specific challenge at a particular point in time but lack the flexibility to support new asset classes, growing volumes or evolving business requirements.

Kapoor argues that automation delivers the greatest benefit when supported by strong data quality, governance and interoperability across the wider ecosystem. However, the industry remains fragmented, with firms automating at different speeds and operating different post-trade models, creating new dependencies between counterparties and infrastructure providers.

Wotton makes a similar observation, noting that many firms now operate hybrid environments where newer automated processes coexist with legacy systems, creating additional operational dependencies even as manual intervention declines.

Vernon makes a similar point.

“Automation has largely succeeded in shifting complexity rather than eliminating it. The residual exception tail — the breaks that require investigation, human judgement, and counterparty communication — remains stubbornly resistant.”

This phenomenon has become a defining feature of modern post-trade operations. Automation handles the straightforward majority of transactions, leaving operations teams focused on the small percentage of exceptions that tend to carry the greatest operational and regulatory risk.

Automation still requires oversight

Despite growing automation levels, firms remain cautious about removing human oversight entirely.

Vikash Rughani, head of solution design for trade processing and lifecycle at OSTTRA, notes that most market activity is already highly automated, with controls focused on monitoring exposures and managing exceptions through defined tolerances and business logic.

The challenge for firms is determining where human involvement continues to add value and where greater autonomy can safely be introduced.

Several interviewees emphasised that auditability remains critical. Wotton points to enhanced monitoring, escalation frameworks, and governance controls as essential safeguards, while Walsh argues that well-governed automation can improve operational oversight by creating stronger audit trails and reducing reliance on manual data handling.

As automation expands, firms are increasingly adopting exception-led workflows, where operational teams focus on investigating prioritised breaks rather than reviewing every transaction individually.

The continued burden of legacy infrastructure

Legacy systems remain a major obstacle to operational efficiency.

Campbell argues that older platforms are often difficult to integrate with modern workflows and frequently require spreadsheet-based workarounds to complete processes.

Kapoor notes that many financial institutions continue to operate fragmented technology estates built over decades, often

involving multiple platforms, duplicated data sources, and manual processes. These environments make it difficult to achieve the real-time visibility increasingly required under compressed settlement cycles.

Vernon is equally critical, describing many legacy reconciliation platforms as solutions designed for "yesterday's volumes and message formats".

These systems often struggle to support intraday reconciliation, modern asset classes, or multiple data sources simultaneously. They also risk undermining the benefits of newer industry standards.

ISO 20022, for example, was designed to improve data consistency through richer, structured, and machine-readable messaging. Campbell notes that firms using the standard effectively are seeing faster matching and fewer manual breaks, although inconsistent implementations continue to limit the benefits.

Vernon agrees that ISO 20022 has materially improved reconciliation where implemented properly, but warns that many firms still truncate or remap the richer data into legacy formats, reducing its effectiveness.

Several interviewees echoed this view.

Wotton says the full benefits of ISO 20022 will only be realised once adoption becomes more consistent across market participants, while Kapoor argues that standardised messaging alone cannot solve fragmented internal data architectures and inconsistent operational processes.

AI moves from theory to practice

As firms continue searching for efficiencies, AI is increasingly being viewed as the next frontier for reconciliation and exception management.

Rather than replacing reconciliation engines, many firms are deploying AI to enhance existing workflows.

Campbell identifies several practical applications, including ingesting and normalising unstructured data, identifying potential record matches, and assisting users with exception investigations.

Meritsoft is seeing adoption in exception management, where AI can extract settlement requests and fail notices from emails, enrich the information, and route it directly into post-trade systems.

Meanwhile, Gresham highlights intelligent matching, automated rule generation, exception classification, and predictive break detection as some of the most practical production use cases emerging today.

SmartStream is seeing similar momentum in exception-heavy workflows.

According to Hasson, AI is proving particularly effective in reconciliations, cash breaks, and settlement exception management, where autonomous agents can investigate discrepancies, gather supporting data, and route cases for resolution.

"We're seeing up to a 29x reduction in time per break, 30 to 60 per cent faster resolution times and up to 70 per cent reduction in manual investigation workload, without adding headcount."

He also argues that AI is increasingly being applied to reconciliation configuration and optimisation, helping firms automate data mapping, matching rule creation, and ongoing tuning of reconciliation processes.

Kapoor says many firms are focusing on predictive analytics and intelligent exception handling, using AI to identify potential breaks before they occur, prioritise exceptions based on historical patterns and recommend remediation actions.

Rughani believes AI's greatest value lies in helping users understand the root causes of disputes more quickly, enabling operational teams to focus on genuinely complex investigations rather than routine queries.

Marketnode's Vihang Patel highlights document intelligence, exception triage, golden-record adjudication, and conversational support for operations teams among the most practical use cases emerging today. However, he stresses that auditability remains non-negotiable in regulated environments, with AI outputs requiring the same standards of traceability and control as any other operational process.

The wider industry is increasingly viewing AI as an augmentation layer rather than a replacement for existing reconciliation systems.

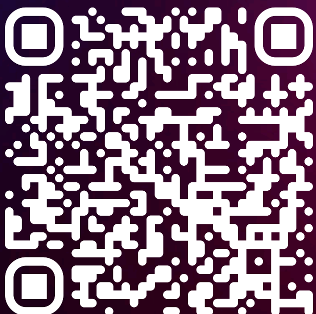
Apex Digital

3.0

Digital infrastructure for tokenised fund distribution

Greater access, liquidity, and control

Learn more



Research suggests that AI can improve exception classification, root-cause analysis, and data normalisation while leaving deterministic matching and controls intact.

T+1 raises the stakes

If there is one initiative forcing firms to address operational weaknesses, it is T+1.

The move to shorter settlement cycles significantly reduces the time available to identify and resolve discrepancies.

“The reduction in operational time available within which to investigate and resolve discrepancies” is the biggest impact of shorter settlement cycles, according to Campbell. Manual processes, he argues, are simply unable to cope.

Kapoor argues that T+1 has not necessarily introduced new operational challenges but has effectively eliminated the industry’s tolerance for delay.

“What was once manageable within a longer operational window now requires near real-time visibility and remediation,” he says.

Wotton similarly notes that T+1 requires earlier trade affirmation and much tighter coordination between front, middle and back office functions.

Hasson argues that shorter settlement cycles expose the industry’s historical reliance on end-of-day processing.

“The shift exposes something firms have been able to work around under T+2: a deep dependency on end-of-day batch reconciliation.”

He believes firms will need to move towards more parallel and near real-time processing models, particularly as Europe prepares for T+1 implementation across multiple markets, currencies and central securities depositories.

Collegio describes T+1 as the “forcing function” that makes straight-through processing non-negotiable.

Walsh goes further, describing compressed settlement cycles as the single biggest operational change facing the industry. Tasks that were previously completed over a 24-hour period increasingly need to be addressed on trade date, leaving little room for poor data quality, inaccurate settlement instructions, or false reconciliation breaks.

The EU T+1 Industry Committee has similarly emphasised timely matching, automation, and real-time processing as core requirements for successful implementation.

For many firms, the challenge extends beyond T+1. Looking further ahead, T+0 settlement and 24/7 trading environments could require continuous reconciliation models capable of operating in real time.

As Vernon notes, batch processing architectures are fundamentally incompatible with a T+0 world.

The next phase of reconciliation

For all the industry’s progress in automation, reconciliation remains fundamentally a data problem. Growing transaction volumes, expanding market ecosystems, and shorter settlement cycles are exposing weaknesses in operational models that were designed for a different era.

Several interviewees argue that the next phase of transformation will focus less on processing transactions faster and more on preventing breaks from occurring in the first place.

Delta Capita’s Kapoor believes reconciliation is becoming increasingly proactive and predictive, supported by intelligent workflow orchestration and stronger data foundations.

DUCO’s Walsh expects firms to focus on identifying and eliminating exceptions further upstream in the trade lifecycle, while Gresham’s Vernon argues that long-term success will ultimately depend on solving underlying issues around data normalisation, completeness, and consistency.

The next phase of transformation is unlikely to come from eliminating human oversight altogether. Instead, firms are increasingly focusing on combining automation, AI, and better data quality to reduce the volume of exceptions reaching operations teams in the first place.

As settlement cycles continue to compress and operational expectations increase, the firms best positioned for the future may not be those that automate the most, but those that manage exceptions the best. ■

FUNDGUARD

The System of Record for Investment Accounting

Cloud-native and AI-enabled, unifying all books of record across public and private asset classes, jurisdictions and investment products in real time.

Excellence Engineered.

FUNDGUARD.COM

Building a career in private markets

Sean Tinney, vice president at Apex Group, discusses his journey from Ireland to New York, why the alternatives industry appealed to him, and how curiosity, international exposure, and continuous learning have shaped his early career in asset servicing and private markets

Can you give us an insight into your personal journey into the asset services industry, why did you decide this was the career for you?

Originally from Ireland, I moved to New York to complete my MBA at Pace University and pursue my career in the US financial services industry. I was drawn to the alternatives space because of its complexity, international nature, and the exposure it provides across different parts of the investment ecosystem.

What interested me most was gaining insight into how capital moves globally and how investment managers navigate growth, fundraising, distribution, and market access across increasingly interconnected private markets.

Working across a wide range of managers, strategies, and jurisdictions has given me a broad perspective on how the industry continues to evolve.

What aspects of your job do you enjoy the most?

The part I enjoy most is the diversity of conversations and projects across the alternatives industry.

No two managers are exactly the same, and each has different operational, distribution, and strategic objectives depending on their structure, investor base, and growth plans.

I also enjoy the international aspect of the role. Private markets are becoming increasingly global, and it is interesting to work with managers navigating different jurisdictions, investor channels, and market access considerations. The industry is constantly evolving, which makes the work intellectually engaging.

Being fairly new to the industry, how do you find your experience compares to those who are more established? Are there pros and cons to each?

One advantage of being earlier in your career during a rapidly evolving period for private markets is being able to approach the industry with a fresh perspective.

There is significant change happening across the alternatives space, particularly around accessibility, operational infrastructure, and the continued institutionalisation of private markets.

At the same time, one of the biggest advantages experienced professionals have is long-term perspective.

Many have navigated multiple market cycles and structural shifts across the industry, which is incredibly valuable. I have been fortunate to work alongside highly experienced colleagues and mentors who have provided meaningful guidance and insight early in my career. I think the strongest environments are those where newer professionals can bring fresh ideas while learning from individuals with deep industry experience.

Have you noticed any misconceptions about the asset servicing industry? Is there anything in the industry you would like to see evolve or change?

I think one misconception is that the industry is narrower in scope than it actually is. In reality, it sits at the intersection of capital markets, fund management, investor access, regulatory frameworks, and global distribution, which makes it a far more dynamic and strategic part of the financial ecosystem than many people initially realise.

Looking ahead, I believe there will continue to be greater focus on improving accessibility to private markets, streamlining complexity across jurisdictions, and creating more efficient global infrastructure for both investment managers and investors.

What is the training process of a new employee? Do you think it was beneficial to your role and others who may now be in the same position you were?

I think one of the most important parts of developing early in your career is gaining broad exposure and being willing to take on new challenges. Formal training provides an important foundation, but a lot of development also comes from practical experience, working on live projects, and learning directly from experienced colleagues.

I have always tried to be proactive about continuing to learn beyond my immediate day-to-day responsibilities, whether through taking on new opportunities internally or attending industry events and discussions across New York. Being exposed to different perspectives across the industry has been extremely valuable in building both technical understanding and commercial awareness early in my career.

In terms of your career, where do you see yourself in a decade?

Over the long term, I would like to continue building expertise across private markets, capital formation, and global investment infrastructure.

The alternatives industry is continuing to evolve rapidly, and I am particularly interested in the long-term convergence between institutional capital, private wealth access, and global distribution models.

I also hope to remain actively involved in broader industry initiatives and conversations that contribute to the continued growth and evolution of private markets.

What advice would you give to young graduates when entering the financial services field?

I would encourage graduates to stay curious and avoid viewing the industry too narrowly early in their careers.

"There is significant change happening across the alternatives space, particularly around accessibility, operational infrastructure, and the continued institutionalisation of private markets"

Financial services is a much broader and more interconnected industry than many people initially realise, and some of the best opportunities come from gaining exposure across different parts of the market.

I also think it is important to focus on long-term learning and relationship building.

Technical skills are important, but so are communication skills, adaptability, and the ability to understand how different parts of the industry connect together over time. ■

Sean Tinney
Vice president
Apex Group

Industry Appointments

Martínez joins Santander

Samuel Martínez has been appointed as head of digital assets within Global Transaction Banking at Santander Corporate & Investment Banking, following 15 years with BBVA.

At BBVA, Martínez was head of high-performance computing and middleware, solution architect, and, most recently, senior manager for blockchain and digital assets.

He also spent time with CEDIANT, an IT services and consulting firm.

Broadridge promotes Williams

Broadridge Financial Solutions has appointed Ian Williams to the newly created role of head of international, Broadridge Trading and Connectivity Solutions (BTCS). Williams, who relocated from Toronto to London for this role, will retain his current responsibilities as global head of trading and execution product management. He will report to Brian Pomraning, BTCS chief product officer.

Williams brings more than 30 years of experience spanning trading, market structure, and global product leadership to his new role. Prior to joining Broadridge, he spent 16 years at Virtu Financial and ITG, holding senior leadership roles including CEO of the Canadian business and head of US execution services.

TMF Group appoints Hobo as CFO

TMF Group, a provider of compliance and administrative services, has announced Christoph Hobo as its new chief financial officer. Hobo will succeed Patrick de Graaf, as of 1 July 2026, who will retire from TMF Group after serving as chief financial officer since 2019.

Hobo has more than 20 years of leadership experience across private equity-backed and listed businesses, and is an experienced international chief financial officer and operating executive.

He brings with him a track record in finance transformation, mergers and acquisitions, post-merger integration and operational scaling, having held senior leadership roles at think-cell, Marelli and JOST Werke.

Cordes joins GoldenSource as Chief Customer Officer

GoldenSource has appointed Jesper Cordes as chief customer officer.

Cordes will oversee GoldenSource's global account management and customer success functions, focusing on helping clients derive greater value from the firm's platform.

He joins the company with more than 25 years of experience in financial technology and client-facing leadership roles.

Most recently, Cordes served as managing director of client services at Clearwater Analytics following its acquisition of Enfusion, where he rebuilt the customer success model and acted as executive sponsor for senior client relationships.

BNP Paribas makes leadership appointments

The Securities Services business of BNP Paribas has appointed Laurent Durdilly into three leadership roles, including head of Luxembourg, Ireland, and the Channel Islands for Securities Services, head of Luxembourg for Corporate and Institutional Banking (CIB), and CEO of BNP Paribas SA Luxembourg Branch. In his Securities Services role, Durdilly leads the business line's growth strategy in selected international fund markets, and ensures operational excellence across Luxembourg, Ireland, and the Channel Islands.

Within BNP Paribas CIB, and as CEO of the Luxembourg branch, Durdilly focuses on strengthening collaboration between CIB's businesses and the broader BNP Paribas Group, while reinforcing its risk and conduct governance.

Durdilly brings over 30 years' market experience, specialising in mergers and acquisitions, and core projects across the asset management and securities services industries. Since joining BNP Paribas in 2018 as head of Private Capital for Securities Services, he has spearheaded an ambitious growth programme and expanded Securities Services' market share in the private capital sector.

Prior to BNP Paribas, Durdilly also held several senior positions at CACEIS, including head of private equity real estate securitisation.

Some things improve with age. Your core systems don't.

Technical debt compounds. Client expectations accelerate. The servicers thriving aren't adding more people to yesterday's problems, they're eliminating the structural constraints underneath.

FINBOURNE's cloud-native platform delivers what legacy systems can't: scale efficiently without proportional headcount. Handle private markets complexity without operational strain. Launch new services in weeks, not months. Deliver real-time data access and digital experiences clients expect. Reduce IT overhead while accelerating innovation.

Trusted by leading global asset servicers.

finbourne.com/asset-servicers

Pellerin appointed as BNP's Head of Americas for Securities Services

BNP Paribas has appointed Stéphane Pellerin as head of Americas for Securities Services, effective 1 June 2026.

With over 30 years of experience in the financial industry, Pellerin started his career at BNP Paribas in Tokyo in 1996, and has since held a wide range of senior positions within the bank in Hong Kong, the UK, Bahrain, and the US.

Most recently, he was the head of Linear Rates Trading, North America.

BNP says in addition to leading Securities Services in the Americas, Pellerin will continue in his current role as head of Derivatives Execution and Clearing and Foreign Exchange Prime Brokerage Americas.

In this expanded capacity, he will implement the business's selective growth strategy in the region, while ensuring operations remain coordinated, collaborative, and focused on delivering value across the client lifecycle, the firm adds.

Based in New York, Pellerin will be reporting to Claudine Gallagher, head of Securities Services at BNP.

Commenting on his appointment, Gallagher says: "By combining the strengths of our global operating model, multi-local expertise, and European heritage, we deliver a unique value proposition to clients in the Americas pursuing cross-border ambitions.

"Stéphane's market experience and leadership will be vital to executing our growth strategy and delivering high-impact solutions to clients in this dynamic market."

Karine Litou succeeds Durdilly's role as head of private capital for Securities Services.

Based in Paris, she will continue to drive the commercial growth roadmap of the private capital franchise.

She joined BNP Paribas in 2018 with over 20 years of industry experience and has served as deputy head of private capital for Securities Services since 2021.

For the Channel Islands, BNP Paribas also appointed Jo Brimble as head of Channel Islands for Securities Services and head of BNP Paribas Channel Islands Branch.

Based in Jersey, Brimble reports to both Durdilly and Botchev.

Broadridge appoints Jarman as Vice President

Broadridge has announced that Daniel Jarman has joined the company as vice president of Custom Policy for the EMEA region. In this new role, Jarman will be responsible for the data, analysis, and implementation of custom proxy voting guidelines in EMEA for global and local institutional investors.

Jarman will report to Lucas Swertloff, global head of Custom Policy at Broadridge. He brings more than 20 years of investment experience to the role.

He joins from the Pension Protection Fund (PPF), where he served as stewardship manager implementing stewardship strategy across a multi-billion-pound portfolio, with responsibility for proxy voting policy, ESG integration, and representation on a range of external investor working groups.

He earlier held senior roles at BMO Global Asset Management/Columbia Threadneedle and Institutional Shareholder Services (ISS). ■

Around the clock, around the globe

For over 20 years, our global footprint and capabilities have continued to grow, supporting the development and success of our clients. Today, with our 24/5 Follow-The-Sun operational model and unsurpassed asset servicing expertise, CACEIS works continuously around the globe to help you excel in all situations.
That's frog power!

caceis
INVESTOR SERVICES
A company of Crédit Agricole

www.caceis.com

Investor Services

Protecting today. Pursuing tomorrow.

Since 1899, RBC Investor Services has been the engine that administers and protects the assets of millions of Canadians. We harness the power of Canada's largest bank to deliver reliable investment servicing and data to more than 1,200 Canadian asset managers and pension plans so they can focus on what matters most – helping their clients and members achieve their aspirations.

Let's talk. Visit **rbcis.com**

Custody | Shareholder Services | Fund & ETF Administration | Performance
Market Services – Cash, Foreign Exchange & Securities Finance Solutions

© Copyright Royal Bank of Canada 2026. RBC Investor Services™ is a global brand name operating primarily through the following companies: Royal Bank of Canada and RBC Investor Services Trust and their branches and affiliates. In the United Kingdom (UK), RBC Investor Services operates through RBC Investor Services Trust, UK Branch, authorized and regulated by the Office of the Superintendent of Financial Institutions of Canada. Authorized by the Prudential Regulation Authority. Subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. Details about the extent of our regulation by the Financial Conduct Authority and the Prudential Regulation Authority are available on request. RBC Offshore Fund Managers Limited is regulated by the Guernsey Financial Services Commission in the conduct of investment business. Registered company number 8494. This material provides information on the services and capabilities of RBC Investor Services. It does not constitute an offer, invitation or inducement with respect to any service or financial instrument. RBC Investor Services' services are only offered in the jurisdictions where they may be lawfully offered and are subject to the terms of applicable agreements. This material is for general information only and does not constitute financial, tax, legal or accounting advice, and should not be relied upon in that regard. Links to external websites are for convenience only. RBC Investor Services does not review, endorse, approve, control or accept any responsibility for the content of those sites. Linking to external websites is at your own risk.
® / ™ Trademarks of Royal Bank of Canada. Used under licence.