ASSET SERVICING TIMES

Leading the Way in Global Asset Servicing News and Commentary

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RETHINKING FUND INCOME REPORTING

S&P Global Market Intelligence's Carlos Garcia-Lastra Marques examines why forward-looking income visibility is increasingly important in fund servicing

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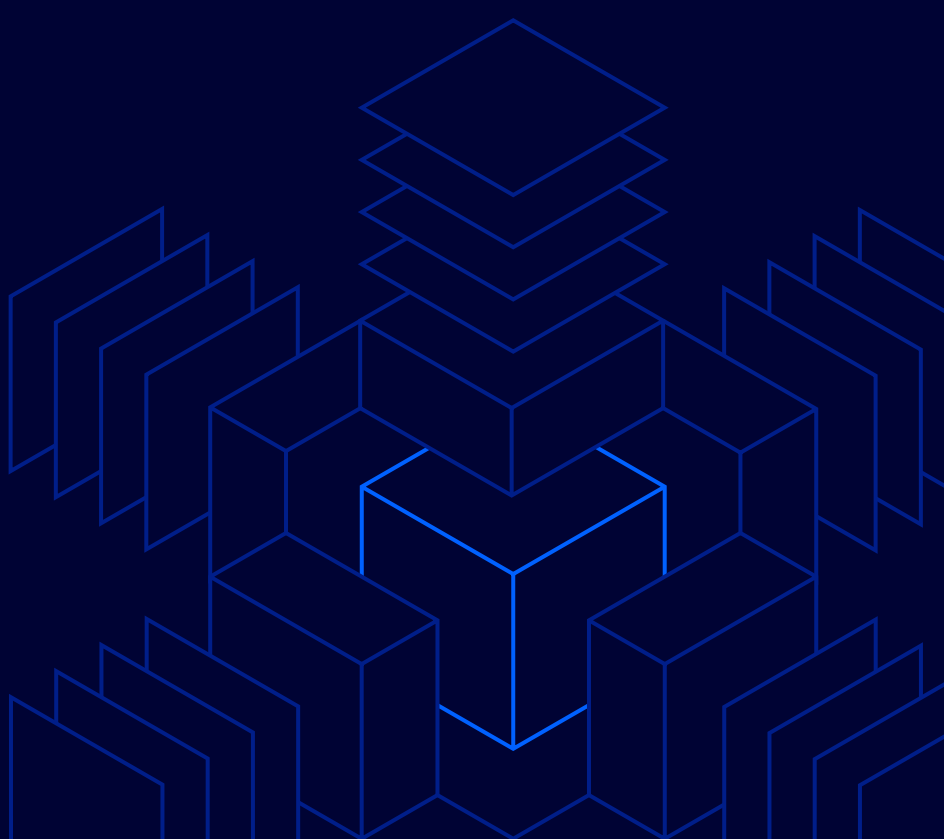
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Standard Chartered to acquire Zodia Custody

Standard Chartered has announced it has entered into definitive agreements to acquire Zodia Custody.

Subject to regulatory approvals and customary closing conditions, Standard Chartered I H Limited will acquire 100 per cent of Zodia Custody Limited, the parent company of Zodia Custody's regulated operating entities in Singapore, Hong Kong, Australia, the United Arab Emirates, and Luxembourg.

Post completion, Zodia Custody's regulated digital asset custody business will be integrated into Standard Chartered's existing digital asset custody activities within Securities Services.

According to Standard Chartered, the move will also consolidate its digital asset custody business, as Zodia Custody will separate its digital asset software and professional services business and transfer assets relating to that business to Zodia Solutions — an independent entity to be established under Standard Chartered Ventures — as part of the transaction.

The firms say Zodia Solutions will continue to provide bank-grade infrastructure to financial institutions, including Standard Chartered, as they launch and scale digital asset services.

Zodia Solutions will be supported by a number of bank investors including NAB Ventures, Northern Trust, SBI Ventures Asset, Q Studio Restricted, Emirates NBD Bank, Zodia Investments, and Zodia Holdings.

The firms say they do not anticipate any disruption to clients as a result of the transaction, and existing Zodia Custody clients will continue to be serviced as usual.



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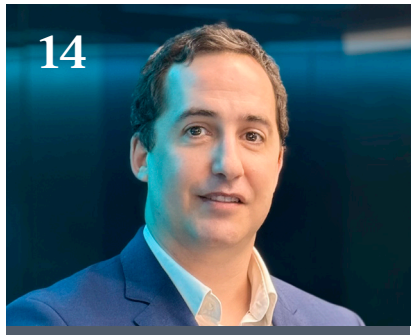
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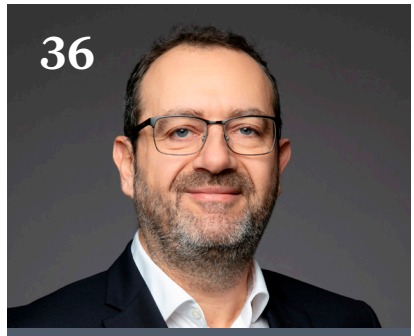
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Waystone granted a CSP licence in ADGM

Waystone has been granted a Company Service Provider (CSP) licence in the Abu Dhabi Global Market (ADGM), expanding its corporate services offering in the UAE.

The licence allows Waystone to provide corporate services in the ADGM alongside its existing operations in the Dubai International Financial Centre (DIFC) and onshore UAE.

Under the licence, the firm will provide services to special purpose vehicles (SPVs) and other corporate structures, including company incorporation, corporate secretarial, registered office, domiciliation, and director services.

Waystone said the expansion will allow clients establishing and managing structures in the UAE to work with a single provider across the country's key financial markets.

The move comes amid continued growth across the UAE's financial services sector, with ADGM and DIFC attracting asset managers, financial institutions, and other international firms looking to establish operations and investment structures in the region.

Waystone expects demand for its ADGM offering to come particularly from sectors using specialist SPV structures, including aviation finance and leasing.

The firm already provides administration and directorship services to aviation clients across aircraft leasing, financing, and securitisation structures.

The new licence extends the jurisdictions through which Waystone can support these vehicles.

The addition of ADGM also expands Waystone's international corporate services platform, which includes operations in Ireland, Luxembourg, Singapore, the UK, and the US, as the firm continues to build its Middle East capabilities.

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Versana and Allvue partner

Versana, an enterprise data and digital infrastructure company for broadly syndicated loans (BSL) and private credit markets, and Allvue Systems, a technology provider for private capital markets, have partnered.

By connecting Versana's centralised digital data platform with Allvue's trade order management and investment accounting solutions, the firms aim to transform interoperability and scalability across the US$9 trillion BSL and private credit markets.

The firms say for the first time, mutual clients will benefit from straight-through processing using Versana's golden-source agent loan data fed directly into Allvue's investment accounting system resulting in streamlined workflows and reduced costs.

Further, they explain that through the partnership mutual clients will receive the most up-to-date visibility into their net positions and risk from Allvue's Trade Order Management system delivering real-time executed trade data to Versana upon client direction.

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CIBC MELLON



Meeder Investment Management deploys FundGuard's investment accounting platform

Meeder Investment Management has implemented FundGuard's cloud-native investment accounting platform. This move aims to modernise Meeder's fund accounting operations and expand the ability to serve mutual fund clients, local government investment pools, and other liquidity products with institutional-grade service and technology.

By replacing its legacy fund accounting system with FundGuard's unified platform, Meeder will gain real-time visibility across its Accounting Book of Record (ABOR) and Investment Book of Record (IBOR).

FundGuard's platform unifies investment accounting across all asset classes, jurisdictions, and investment products on a single cloud-native engine.

The solution delivers real-time, multi-view accounting that eliminates fragmented data silos, and manual reconciliation, enabling asset managers and fund administrators to scale operations with confidence while reducing total cost of ownership.



TaxTec joins the Schwab Advisor Services Provider Listings

Rimes, a provider of data management and investment intelligence solutions, has announced that Boston Partners has gone live with AI-ready reference data to power their investment workflows. The deployment includes ingestion and processing across multiple internal and external data sources, enrichment from major market data providers, and mastering into a consolidated security master.

In addition to security and price data, position and transaction data support broad downstream requirements and third-party systems, feeding trading, performance, reporting, and AI-enabled workflows, the firms say.

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ESMA specifies requirements on post-trade risk reduction services

The European Securities and Markets Authority (ESMA) has outlined conditions for providers and users of post-trade risk reduction (PTRR) services. Meeting these conditions allows for certain OTC derivative transactions to be exempt from the clearing obligation under the European Market Infrastructure Regulation (EMIR) 3.

The new rules, published in its latest final report, also establish safeguards for the provision of these services and the monitoring of the use of the exemption.

With these new rules in place, the goal is to facilitate the use of PTRR services and ensure that the exemption is used under the conditions laid down in EMIR 3, and does not lead to the misuse of the clearing obligation.

The final report specifies the elements and requirements of PTRR services, including the information to be provided to participants, how exercises are carried out, the controls that providers should have in place, record-keeping, and how the exemption will be monitored.

PTRR services help market participants manage their derivatives portfolios and reduce risks, thereby contributing to safer and more resilient derivatives markets, says ESMA.

The final rules build on existing market practices and aim to avoid introducing additional requirements where existing rules already meet the relevant objectives, in line with ESMA's simplification and burden reduction objectives.

In terms of next steps, the draft regulatory technical standards will now be submitted to the European Commission for endorsement, in line with the standard review process.

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Quorim partners with AccessFintech

Quorim, a private credit infrastructure company launched by iAltA, and AccessFintech have partnered to bring together Quorim's expertise in private credit workflows and market structure with AccessFintech's data network, connectivity, and post-trade operating model.

Under the partnership, Quorim will build new technology directly on AccessFintech's network, pairing Quorim's private credit reach and loan market expertise with AccessFintech's data infrastructure and established base of partners.

The firms say the result is a more connected ecosystem that aims to improve the exchange of information, streamline workflows, and reduce the operational friction that has historically limited scalability across private credit markets.

Stephen Johnson, head of strategy at Quorim, says: "Most of the managers we work with aren't purely private credit.

"They're investing across liquid and private markets, and they need solutions that reflect that.

"Partnering with AccessFintech lets us serve that reality instead of treating private credit as an island. Whether it's the largest multi-asset shop or the smallest single-strategy fund, we can now address all of it."

Sarah Shenton, CEO of AccessFintech, adds: "For our clients, this partnership means faster, simpler access to the insights, and workflows they need, combining Quorim's domain expertise with AccessFintech's network and technology to solve even more operational challenges, all on the platform they already trust."



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SimCorp adds Fiera Capital as Axioma client

SimCorp's Axioma Risk and Axioma Portfolio Optimizer has been selected by Fiera Capital, an asset management firm, to support risk analytics and enhance portfolio construction.

Axioma Risk is a cloud-native risk management system which helps investment teams identify sources of risk and return, and includes equity and fixed income factor risk models.

Fiera Capital explains its decision reflects a broader focus across the global buy side on strengthening risk oversight as portfolios become more complex.

Allen Zimmerman, senior managing director and head of Americas at SimCorp, says: "With Axioma, Fiera Capital is strengthening how risk insights are embedded throughout the investment process. It provides a centralised and scalable analytics framework, enabling Fiera Capital's portfolio managers and risk teams to work from a common understanding of portfolio risks and opportunities.

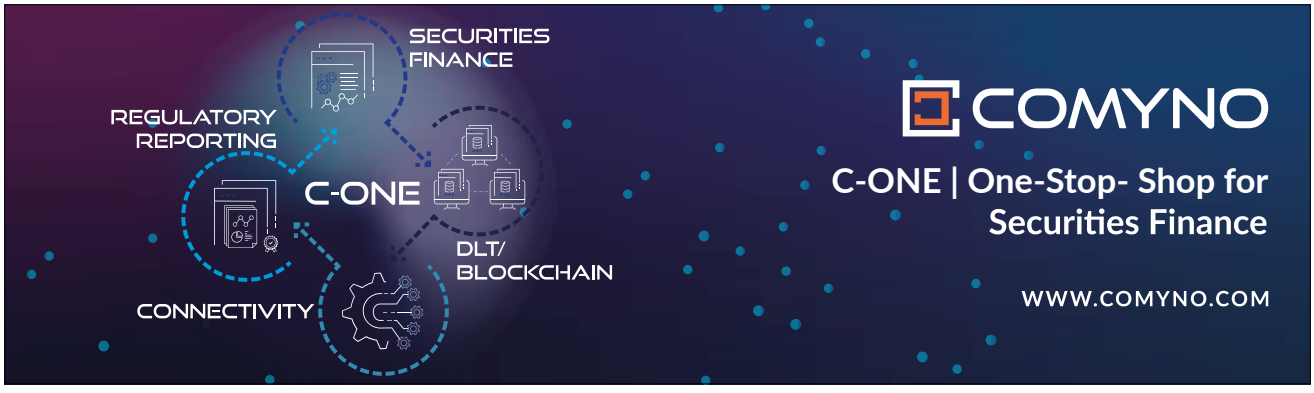
"Together with risk modelling capabilities closely aligned to the firm's investment focus, this supports more informed investment decisions and provides a strong foundation for future growth."

Standard Chartered launches RLUSD custody

Standard Chartered now supports institutional custody of Ripple USD (RLUSD) issued on the XRP Ledger. The service, available through Standard Chartered Bank's DIFC Branch and regulated by the Dubai Financial Services Authority (DFSA), gives eligible clients access to the Bank's digital asset custody infrastructure.

The firm explains this marks the next phase of its collaboration to support institutional adoption of RLUSD by combining LMAX Group's market infrastructure and Standard Chartered's digital asset custody capabilities within a coordinated operating framework. The arrangement is expected to give institutional clients more flexibility in how they hold and deploy digital assets for trading by mirroring the value of eligible collateral to LMAX Group without requiring underlying RLUSD to be directly transferred to the trading venue, says the firm.

Waqar Chaudry, global head of digital assets, securities services, and transaction services at Standard Chartered, says: "Institutional clients want to participate in digital asset markets without compromising on how their assets are safeguarded or how risk is managed." ■



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Rethinking fund income reporting

Carlos Garcia-Lastra Marques, product management director at S&P Global Market Intelligence, examines why forward-looking income visibility is an increasingly important consideration in modern fund servicing

The shift from retrospective reporting to forward visibility in fund servicing

Ask different teams within an asset manager how much income a fund has accrued and what it expects to receive, and the answers may differ. Accounting, tax, portfolio management, and client reporting often work from different sources, assumptions and reporting dates.

Bringing those views together means combining accrued income, declared and estimated dividends, coupon schedules, corporate actions, and portfolio holdings.

The challenge is gathering and reconciling that information into a consistent view that teams can use.

The gap between the decision and the data

Distribution and reporting calendars are fixed, but the information needed to support them is often spread across systems and spreadsheets. Teams must gather holdings, capture accrued income, update estimates, and reconcile differences. The difficulty lies in bringing that information together consistently and efficiently.

Fund teams need to answer two questions: how much income has accrued and is expected, and what has changed since the previous view?

Answering both requires security-level information that brings together income figures and the effects of dividend revisions, corporate actions, and changes in holdings. When those inputs are fragmented, assembling the answer becomes a separate investigation.

Portfolio Income Forecasting (PIF), developed by S&P Global Market Intelligence, brings realised, accrued, and forecast income into a single view. Clients upload their portfolio holdings, which PIF combines with S&P Global market, bond and dividend data to calculate income across multiple portfolios and asset classes — equities, ETFs, bonds and cash-bearing accounts.

Security-level detail allows teams to trace any figure back to the individual dividend or coupon behind it, and point-in-time snapshots help users understand and analyse changes between periods.

A consolidated view of fund income

A useful income view combines accrued income with estimates of future receipts. It should provide a consistent portfolio total, the security-level detail behind, it and a clear basis for comparing changes between reporting dates.

Three properties make it usable. It must be consolidated, bringing accrued and estimated income together. It must be granular, with security-level detail behind the aggregate figure. And it must be explainable, so teams can understand changes between reporting dates.

Understanding changes is therefore as important as establishing the income position itself.

Why income visibility matters for tax and reporting

The industry often frames this as a tax and compliance issue, and the potential consequences warrant careful attention.

A US regulated investment company that falls short of its distribution thresholds can face an excise tax.

A UK reporting fund that misses its reporting window may put that status at risk, and if the status goes, investor gains can be recharacterised from capital to income, a materially worse outcome for the end client.

In Australia, trustees must deal with trust income by 30 June, with no post-year-end grace period to tidy up.

These examples underline the importance of timely income information. Correct calculations alone are not enough: teams also need the underlying information early enough to assess their position and meet the relevant deadlines.

Even an accurate figure has limited value if it arrives after the decision deadline.

Reporting accrued income and estimating future receipts are complementary tasks. Bringing them together helps teams understand their current position and assess what may change before the next deadline.

One data set, many jurisdictions

Cross-border distribution has quietly made this considerably harder, and the effect is underappreciated.

Consider a Luxembourg or Irish UCITS. Neither domicile imposes a distribution requirement at fund level; both are broadly tax-neutral wrappers. However, obligations can still arise in the markets where the fund is distributed.

A German investor base may introduce deemed income rules, while a UK investor base requires reporting fund compliance. Irish resident investors may also be subject to periodic deemed disposal, under which tax can arise on an unrealised gain with no sale and no cash.

A single fund distributed into six markets can therefore face six reporting obligations, on six calendars, against six definitions of what counts. The underlying income is identical. What must be done with it is not.

Running a parallel process for each domicile is a common response, but it typically does not scale well and can result in versions that are difficult to reconcile.

A more durable approach is to use a single income data set with jurisdictional views layered on top; a core principle that underpins the PIF solution from S&P Global Market Intelligence.

Why this surfaced now

Three forces have converged to move income forecasting from a background inconvenience to a visible priority:

1. **Cost compression.** Fund servicing margins have been under pressure for the better part of a decade, and the response has been automation. But automation naturally begins with high-volume, repeatable processes, and income forecasting never looked like one. It looked like judgement. So, it remained manual by default rather than by decision, one of the last substantial manual processes in an otherwise industrialised operating model.

2. **Keeping estimates current.** A fund may distribute income only once or twice a year, but changes in holdings, dividend expectations, and corporate actions can affect its income position throughout the period. An up-to-date view can help teams assess those changes ahead of distribution and reporting deadlines.

3. **Scrutiny completed the shift.** Boards, auditors, and institutional clients increasingly expect the derivation alongside the figure: point-in-time, reproducible, with the drivers of change identified. ‘This is our best estimate’ no longer survives the follow-up question, and the follow-up question is now routinely asked.

Identifying income changes before period end

During a reporting period, a dividend revision, corporate action, or portfolio rebalance can change expected income.

Individually, those changes may be modest; together, they may materially affect the fund’s income position.

Identifying them before period end gives teams more time to assess the implications and consider any necessary action.

The objective is better income information, available earlier: a consolidated view of accrued and estimated income, with the detail needed to understand what has changed.

Where this goes next

Forward-looking income visibility may follow a trajectory similar to look-through holdings data, evolving from a differentiator to a broader market expectation.

As more providers incorporate forward-looking income insights into their workflows, expectations around income transparency and visibility may continue to evolve.

Regulatory divergence remains a challenge for global fund managers.

These regimes continue to operate differently across jurisdictions.

The US enforces through fund-level tax, the UK through status, Germany and Austria through deemed income at investor level, and Australia through a hard annual deadline.

A global fund range must satisfy all of them simultaneously from one underlying data set, which makes this as much a data architecture question as a tax one.

The industry is increasingly exploring more continuous and event-driven approaches to portfolio income monitoring reflecting dividend revisions, corporate actions, and changes in holdings.

The aim is a consolidated income picture that moves with the portfolio, rather than separate periodic calculations reconciled after the fact.

Fund teams need a consistent view of income accrued, income expected, and the changes between reporting dates available in time to inform decisions. ■

For more information on the Portfolio Income Forecasting product ***CLICK HERE***



Building a digital future for Canadian asset servicing



As CIBC Mellon celebrates its 30th anniversary, CEO Mal Cullen speaks with Justin Lawson about the firm's technology investments, evolving client expectations, and the opportunities emerging in Canada's asset servicing market

CIBC Mellon is celebrating its 30th anniversary this year. How did you celebrate?

It is a very important milestone. I do not think that when this joint venture kicked off 30 years ago, anybody would have thought that we would have evolved into the organisation we are, and that 30 years later we would still have BNY and CIBC as shareholders supporting the business.

CIBC Mellon is a very different organisation. Originally, we were a small, sort of sleepy custodian, with very small clients, kind of off the radar. But over the last decade or so, we have really earned the right to take on big tier-one clients, both asset managers, asset owners, and exchange traded funds (ETFs).

When you reflect on where we are 30 years later, we are the leader in asset servicing in Canada. We have more assets under administration than anybody else in Canada. We do more net asset values (NAVs) on fund accounting — about 300,000 a month. We are the number one fund accounting service provider. We launched more ETFs in Canada than anybody else did as well.

We are now number one in middle office outsourcing.

It is because we get the strength of the BNY investments into the global platforms, and we Canadianise those and make them fit for purpose in Canada. We have really strong product knowledge of what is required for the Canadian market. We understand the regulatory space in Canada and Canadian tax, which is unique in some respects in terms of how we have to support that.

We have 30 years of history and expertise that has grown up in Canada, and we only do Canadian asset servicing.

That allows us to really focus, but we get that overall support from BNY on their platforms. CIBC has been a great partner for us locally across Canada. They know the markets and have deep relationships with our clients and prospects.

We celebrated by going across Canada with our employees, in Vancouver, Calgary, Winnipeg, London, Toronto, Montreal, and out on the East Coast. We did an employee town hall with BNY and CIBC leadership, and client events across Canada as well. We have client testimonials talking about how we helped them build their businesses.

These are success stories where clients started out like us with nothing, and we supported their growth in Canada.

CIBC Mellon draws on technology from BNY and CIBC, but is also developing its own capabilities. How is that evolving, and which other technology firms are you working with?

Our technology showcase in Montreal on 18 November will be our sixth in four years. For 30 years, we have been consumers of BNY and CIBC's technology stacks, and we have managed them, but we have never had to own anything because we let the parent organisations deliver all of that. My background is not as a core asset servicing custody person. I ran a technology organisation for BNY for about 15 years, and my view on asset servicing is that we had to create a digital ecosystem around us to differentiate ourselves, but also to provide for the future of where this industry is going.

A year ago, we hired our first chief information officer, Alastair Angus. In the last 12 months, we have hired a head of data, a head of AI, and a head of engineering, and built out a technology leadership team because we felt that we needed to own the outcomes for our clients much more closely going forward.

We now have cloud infrastructure specific to our business that is not BNY or CIBC. We have a data share on Snowflake and Databricks that allows us to exchange data in a modern way with both BNY and CIBC, but also with our clients. At the event in Montreal, you will see the first portfolio of client digital solutions that we have built for Canadian clients on top of that technology stack.

We are still leveraging BNY and CIBC. They provide governance, cyber, the control frameworks, and all the leverage points that we get from their investments in technology. But now we can take ownership and deliver things at the speed our clients are looking for, as CIBC Mellon. We have four new solutions that we will be showcasing on stage with client testimonials, which are now going into production.

Operations is our business. If we were going to transform it for the future and figure out how to apply tools like AI or business process automation, the first thing we had to do was measure everything we had and understand where to invest, where we get the biggest return, the biggest client impact, and the best employee experience.

We leveraged a platform that CIBC had great success with, called ActiveOps. We rolled ActiveOps out across all our operations functions, and we now have very close telemetry around where work is being done, where we have bottlenecks, support issues,

and resource constraints. That allowed us to figure out how to apply change and transform some of those things. The next piece was Appian, a business process automation vendor. We started very slowly with them for a couple of years, trying to find use cases we really liked. Culturally, they were a great fit for CIBC Mellon. We are now one of their first clients to buy an enterprise licence, which allows us to scale that internally and externally.

A couple of the digital solutions I talked about for Montreal are being deployed through the Appian platform to our clients. Not only are we using those to build efficiencies in the operating model, we are extending solutions out to our clients on Appian.

Catherine Thrasher, our chief operating officer, is speaking on a panel with Duco. Duco supports reconciliations in an automated way. They have added an AI layer that allows us to do reconciliation designs with AI, and that is saving us a tremendous amount of time. We will not do automated things without human oversight yet, because our industry is not comfortable with that. We can only go as fast as the comfort level of our clients.

Duco has been a great opportunity for us to build a centre of excellence in reconciliations. There are a lot of reconciliations in our business that are required daily, monthly, weekly, and intraday. ActiveOps, Appian, and Duco are probably the three biggest examples of modern tools we have brought into our operating model. We are getting both internal and client benefits from those tools.

CIBC Mellon has won awards for client service. What is the firm doing to improve the service it provides?

Number one is really understanding what clients do with the data that we manufacture on their behalf. We have more than 750 clients in Canada that we service. We have had to go in and do discovery sessions to understand what they do with the data they get from us every day — custody data, accounting data, performance, risk, and all the things we deliver. We found that clients spend a lot of time massaging and assembling those datasets differently internally to feed the front, middle, and back office, and other areas of their organisation. The opportunity was obvious: if we could curate the data to be fit for purpose, and create it in a way that clients can consume more quickly with a higher level of confidence, we could save them time and effort.

We have built data models where we can take our data, assemble it, mix accounting and custody data together, for example, and create datasets that are fit for purpose for the client. When the client consumes them, they are ready to go. That creates efficiencies on the client side, leveraging technology we already had in place. That is another application you will see in Montreal.

The other big thing is the complexity of working with a joint venture. Bigger clients working on middle office outsourcing, some of our big insurance clients, and bigger asset managers consume services from BNY and CIBC Mellon every day.

Some services are performed by BNY and some by us in Canada. Even though we have almost 2,000 employees on the ground in Canada, we still rely on BNY's global operating model for certain things because that is the best place to do it.

Clients sometimes felt like they were dealing with two different organisations, and that is not the experience they were looking for. We did two big projects over the last couple of years.

One was creating a consolidated customer relationship management (CRM) system to track where things are, how long they have been outstanding, who they have been assigned to, and when they have been resolved. Instead of handoffs, we now have complete transparency across both organisations.

That was the implementation of an enterprise CRM system that BNY built globally. We got that into Canada and rolled it out across all our service directors and people who support the client.

The second thing is that Robin Vince, since he came in as CEO of BNY, has turned the organisation into what they call a platform operating model. It is about horizontal things across every service — one bank, one of everything. It has worked very well for them, but required us to change how we work with BNY. We had to refresh the governance model for how we consume services from BNY for our Canadian business, and we hired a very senior person to run that.

Our regulators expect us to govern BNY as a third party, even though they own 50 per cent of CIBC Mellon. That has proven very beneficial for our employees because roles and responsibilities are now clear. A lot of things used to get done because people knew each other, but they were not defined. When people left or changed jobs, things slipped through the cracks.

We put a lot of work into governance and the client-facing support system. We are seeing client service rates go back up again. We did a big custody conversion a few years ago, and that was painful

for our clients. Now we feel we have a very stable platform to build on. Couple that with a digital client experience and solutions delivered to clients, and we have a much better outcome.

Are you seeing clients' needs changing?

Yes, in a lot of ways. Clients are much more focused on who is going to be the winner in this business 10 years from now. When they go to a request for proposal (RFP), renew contracts, or come to market, it is not about whether we can run custody, do fund accounting, or distribute an ETF. It is about where we are going with our business and whether we are looking around the corner for what is next for them.

They want data on the cloud, things through APIs, and to see things in a digital experience. They are curious about what we are doing with AI because they are doing their own AI. Are we going to meet them with AI-to-AI at some point, with agents talking to agents? Those are the kinds of things more progressive clients are looking for.

The big clients in Canada have teams thinking about these things, but we have hundreds of clients at the next level down. Those clients do not have the technology budgets of the big firms, or the resources and talent. We have clients across Canada in locations where they cannot hire the talent they need. They ask us to help solve problems they cannot solve on their own.

If we invest in something for one client, we have 40 others just like them who will benefit. The return on investment for us is very good. Clients are looking for us to help them through digital transformation and AI. It gives us an opportunity to partner with clients and prove we can have differentiating capabilities.

The Canadian market is ripe for that type of partnership. Everybody who comes into Canada wants to get the top 10 clients and leave, or put a sales team here. For 30 years, we have been on the ground here, and we have the biggest presence of committed people in Canada. That will continue to differentiate us, especially with Canada in the spotlight lately, the tension with the US, and the need to diversify relationships into Europe.

That creates an opportunity to show our strengths in providing global connectivity to markets for our clients through the BNY platform. As external capital flows into Canada, it has never been a more opportune time to be a made-in-Canada solution, focused on Canadian problems and committed to Canadian markets.

What is happening in Canada that global investors and banks should be watching?

There is more appetite for domestic investment from the big Maple pension plans and the banks. Since the investment summit, there have been almost daily announcements of Canadian banks saying they will invest billions of dollars over the next five years in Canada. A lot of it is private assets, infrastructure, and real estate. There is a lot of that going on, alongside foreign investment coming into the country and partnerships being built.

As tensions with the US create problems with tariffs and jobs leaving the country, it is forcing Canada to diversify its trade with other countries because it does not want to be as reliant on the US as it has been historically. Canada and the US have been best friends for hundreds of years, and that trust is broken right now.

Indigenous investment in Canada is still a theme. There are groups investing across Canada, and CIBC is one of the biggest banks partnering in this space to drive investment and allocate capital into important areas. Wealth management and private assets are also themes, as they are globally.

How is the role of the asset servicing provider changing?

It is kind of like Sibos. Sibos used to be a banking conference; it is a technology event now. Asset servicing has traditional infrastructure that has been running the business for decades. There is a whole new digital ecosystem being built in real time alongside that to support 24/7 trading, real-time tokenisation of collateral, and digitisation of everything you can think of.

It is not that the new will replace the old. There is a real concentration on figuring out how to connect the two worlds and make them coexist while the transition is happening. That creates an economic challenge for firms like us. How do I invest in both? Clients are not paying me any more, but I have to invest in supporting tokenised assets, digital assets, custody, and all these other things.

The talent required is very different from the traditional talent running existing infrastructure. And the regulatory landscape has not caught up with innovation yet. We are waiting to see how that develops.

There has never been more innovation in our industry than there is right now, and it is not just AI. We talked about blockchain being

available 15 years ago, creating immutable records and all the use cases we thought would emerge. We are only now starting to see practical applications.

In Canada, we thought digital currencies and digital asset custody would be a big thing. We hope to have digital asset custody live in Canada by the end of the year. We have two clients ready to go, the platform has been validated, and we have no regulatory blocks. There are a couple of functional things we are rounding out before we have our first two clients running live on digital asset custody.

It is not the digital assets themselves that are the real benefit. It is the foundational capabilities to tokenise things and create the digital ecosystem for where we are going in the future. It is a good starting point to build from. I do not think the economics have been figured out yet, and we will have to be very conscious of how we manage that change.

What else should we watch for from CIBC Mellon heading into 2027?

Like BNY, we want to be a digital-first organisation. We know we already do the traditional things well. We do not have to prove we are a good custodian and asset servicer. It is about demonstrating that we have the forward thinking and capabilities clients need in a partner for the next decade, and how we differentiate ourselves from competitors.

For me, that means delivering real solutions and not just talking about things. That is why the event in November is so important. We are going to deliver four things that I have been promising since I arrived here. It is about differentiation and trust in how we deliver them.

We also have to focus on culture. One thing that surprised me when I arrived, after being on the board for a couple of years, was how strong the culture of our employees in Canada was, and how proud they are of what they do for clients.

We have to make sure we do not lose sight of that. It is easy to standardise things, reduce risk, and automate, but we grew because of our client-facing commitments. I have to be careful that we do not go so far into the digital world that we lose client connectivity. I have heard from three or four client meetings in the last 24 hours that this is still a people business. That culture is very important to protect as we go through this transformation. ■



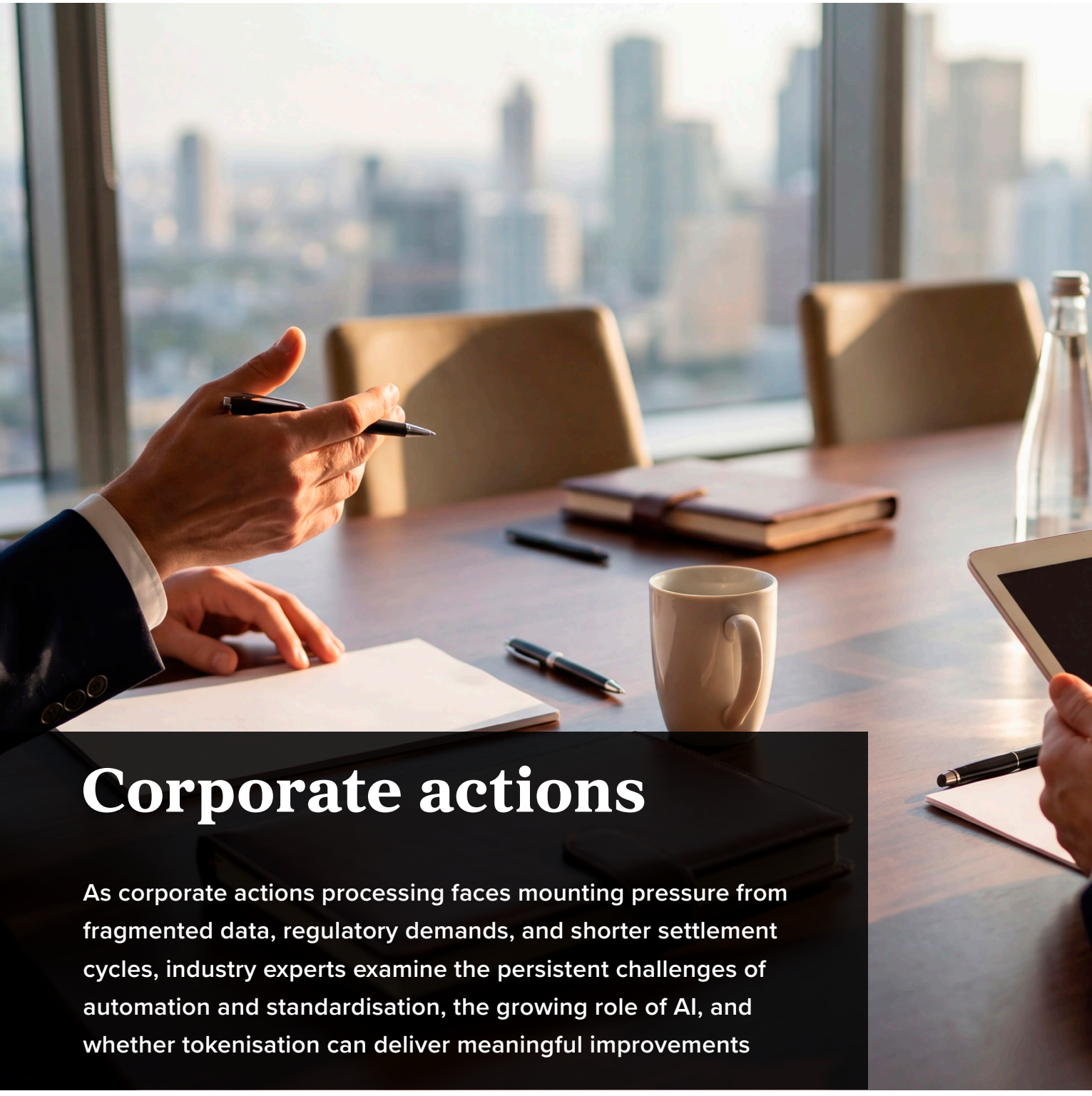
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Corporate actions

As corporate actions processing faces mounting pressure from fragmented data, regulatory demands, and shorter settlement cycles, industry experts examine the persistent challenges of automation and standardisation, the growing role of AI, and whether tokenisation can deliver meaningful improvements



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Where does corporate actions processing still break down most often today: announcement capture, data validation, entitlement calculation, or election handling? Has that weak point shifted over the past five years?

Mariangela Fumagalli: Processing does not really "break down", it is not as automated or straight-through as it could be. Standardisation and harmonisation, especially in the biggest countries like the US and Europe, have improved automation overall. However, this is not true for all countries, which could benefit from adopting the same standards and removing several paper-based processes. Moreover, while standardisation and

"Five years ago, the challenge was capturing announcements. Today, it is validating and interpreting them"

Swapnil Gupta

automation occurred in the communication/exchanges across intermediaries and between intermediaries and their customers, the same cannot be said vis-à-vis issuer/issuer agents. Therefore, more is to be expected in this area. We are seeing initiatives across a few countries to promote standards for issuer agents, but there is still a long way to go.

Mike Wood: Our experience at Broadridge indicates that the biggest break point is still upstream: announcement capture and, especially, data validation. Entitlement calculation is relatively mature for standard events; the more difficult downstream challenge is election handling for complex voluntary events. Over the past five years, the weakness has shifted from core processing capacity to confidence in the data feeding the process.

David Baxter: Where a breakdown occurs does not necessarily tell you where the problem started. A downstream break can originate much earlier in the process, sometimes outside the organisation experiencing it.

Individual organisations will have their own weaknesses, but across the market the biggest challenge remains at the start: establishing an authoritative, structured record of what the issuer intends. That is what we refer to as an issuer-validated Structured Business Event, and after more than 20 years of discussion, that fundamental challenge remains unresolved.

So, despite improvements elsewhere in the process, I do not think that underlying weak point has shifted. You only have to look at the conversations and airtime still given to it at events like Sibos, POSTTRADE360, and ISITC.

Roann Hautus: The weakest link is still at the front of the chain: announcement capture and data validation. If the event is captured late, incompletely or with conflicting terms, every downstream step inherits the error. Entitlement calculation is now largely automated and rarely the root cause.

The weak point has shifted though. Five years ago the issue was mostly getting the data at all. Today it is reconciling several sources that disagree, often on complex or cross-border events. Election handling remains the riskiest step financially, because a missed deadline is hard to reverse. But the failures there usually trace back to poor or late data upstream.

James Thursfield: It varies considerably by market. In Canada, one of the persistent challenges has been the standardisation of SWIFT corporate actions messaging coming from the depository. That affects announcement capture and can create additional work as information moves through the chain. Internal platforms and processes also matter, particularly around areas such as entitlement calculation and election handling. For example, Canada's central securities depository (CDS) does not accept SWIFT instructions, and our efforts within the market to get this prioritised can be difficult because not all firms are as SWIFT capable as CIBC Mellon and BNY.

The encouraging part is that the industry is investing heavily in technology to address these friction points. We have seen improvements in areas such as entitlement calculation, while greater automation and better connectivity are helping streamline processing and reporting. For CIBC Mellon and other scale providers, continued technology investment is an important part of delivering faster, more consistent outcomes for clients.

Adam Cottingham: Failure to define a corporate action at announcement will break in processing. Stressed and late processing compounds the operational risk. This is an alignment challenge across the issuer, the chain of custody and the beneficial owner. Errors at announcement capture and validation multiply across positions in the book of record and deposit accounts, and flow through election decisions, event accounting, and tax.

The weak points remain and the pressure is increasing. Issuers raising capital and managing debt, and market competition, are driving event volumes and producing more complex terms, with cross-border and tax dependencies. Under T+1's shorter settlement cycles, event processors have no slack to recover from data discrepancies, while legacy systems and manual processes remain the norm.

Event risk defines operational risk in asset servicing, measured across event type, market rules, position type and size, custodian network processing variances, and operational capacity. Measuring event risk is essential to mitigating operational risk and creating alignment.

Swapnil Gupta: Five years ago, the challenge was capturing announcements. Today, it is validating and interpreting them. Issuers are becoming increasingly creative in how events are structured and communicated, while information continues to flow from multiple sources with varying levels of detail. The challenge is particularly evident in funds, where distribution remains fragmented. The industry's biggest issue is no longer obtaining information but determining which version can be trusted and acted upon.

The industry has talked about a 'golden source' for event data for two decades. Why does one not exist yet, and is anyone actually close?

Wood: Technology is not the main issue here. If it was, we would be thrilled to have fixed it. Ownership, incentives, and liability are the root cause. Issuers, agents, CSDs, custodians, and vendors all contribute data to the process, but no one party wants open-ended responsibility for an error that travels through the chain.

CSDs are probably the most credible point to bring the market together around a shared corporate-actions data standard or 'golden record'. They sit close to the top of the post-trade chain, receive issuer information early, and already connect with many market participants. So they are well placed to convene issuers, agents, custodians, regulators, and technology providers to agree on the data, governance, and accountability model. The industry is closer to federated, governed golden records than one universal source today.

Baxter: Partly because the tools have been limited. Manual input templates and mandated submission formats have helped in some markets, but they only go so far. Today, we have tools capable of doing much more.

But I think the bigger issue is the approach. Too much of the discussion has treated the absence of a golden record as the issuing party's failure, with the answer being to persuade or compel them to produce one. Too little attention has been given to how they could share in the value created. If the market research stacks up, that value is significant.

We need to put the technology in the hands of the issuer or its agent, enabling them to create a Structured Business Event and validate that its business outcomes reflect issuer intent before announcement publication.

Why would they take this on when previous attempts have struggled? Because the economics would be different. Downstream beneficiaries would fund the work, creating revenue for the agents supporting it and allowing issuers to benefit through reduced service costs. These are themes we explore in T-Scape's Point of View publications, 'The Last Interpretation' and 'The Price of Trust'.

Is anyone close? Some market participants would undoubtedly say so. But much of the effort remains focused on establishing a trusted record after publication rather than before. That leaves us with a golden interpretation, however sophisticated the means of producing it. What is missing is the issuing party's validation that the business outcomes are those it intends.

Thursfield: The golden source would ideally be the issuer announced, machine readable, disseminated event. Announced over a chain, event notification information, responses, and payments would flow without delay or the need for any interpretation. In today's corporate actions environment, the relevant depository is used as the authoritative source because it sits close to the issuer and transfer-agent ecosystem. But declaring something the 'golden source' does not automatically make the data standardised, complete, or readily consumable by every participant downstream.

That is really the industry's challenge. Different organisations have different systems and data requirements, and they need to determine which information is relevant to intermediaries and what ultimately needs to reach investors. Rather than waiting for a perfect universal golden source, the focus should be on improving data quality, standardisation, and interoperability across the ecosystem so that authoritative information can flow much more efficiently from issuer to investor.

Hautus: Because the only true golden source is the issuer, and issuers are still not required to publish event terms in a structured, machine-readable format. Most announcements still start life as a PDF or a press release. Everyone downstream then re-keys and interprets the same information, and divergence starts there.

The second obstacle is commercial and jurisdictional. Data vendors, CSDs, and agents each own part of the picture, and

"The mechanics of an industry 'golden source' have been understood for 20 years, but no authority or consensus exists to create one"

Adam Cottingham

market practice differs from one country to another. Nobody has both the mandate and the incentive to consolidate it.

No one is fully there yet. Where CSDs act as the issuer's reference point, data quality is noticeably better. Structured issuer-to-market publication is the most promising route, whether through standard messaging or digital platforms. It will take regulation to make it the norm rather than the exception.

Fumagalli: There has not been sufficient push for issuer and their agents to automate the announcement of corporate events and ensure all required data is communicated along the chain of intermediaries to the investors. Shareholder Rights Directive (SRD) II was a step in the right direction, but it did not go as far as expected. In the review of SRD II, a key improvement could be to promote standardisation and automation in the communication from issuer/issuer agents to the first intermediary (issuer CSD).

Cottingham: The mechanics of an industry 'golden source' have been understood for 20 years, but no authority or consensus exists to create one. Collaborations have led to proofs of concept, and commercial offerings have varying capabilities to meet service standards, but without accountability underwritten by liability. Issuer attestation is absent. Market structure, legacy infrastructure, and misaligned commercial models throughout the processing chain mean corporate actions operations, and the beneficiaries of those events, will be served by many 'silver sources' of event data, causing operational variance and increasing event risk. The 'truth source' of event data exists in the documentation produced by issuers and in exchange bulletins. Vendor-enabled AI extraction has reduced the effort of consuming it, and ISO 15022 and ISO 20022 provide a benchmark for adoption. Technology that supports alignment across counterparties within the event lifecycle, with granular reconciliation of positions, election outcomes, and payments, makes a 'documentation-verified truth source' available without a 'golden source'.

Gupta: Because corporate actions are ultimately an interpretation problem, not a data problem. The same event can originate from multiple parties and be communicated differently as it moves through the market. A golden source is not created through aggregation alone. It requires validation, normalisation, context, and expertise. The real objective should be a trusted golden record, where users understand not only the data itself, but why that interpretation can be relied upon.

How far has the move to ISO 20022 messaging for corporate actions progressed in practice, versus on paper? Is running MT and MX formats side by side creating more reconciliation work, not less?

Baxter: With DTCC adopting ISO 20022 and SRD II driving its use in Europe for meetings and shareholder identification disclosures, I expected us to be further down the road. Through our work with iActs, we still see inconsistencies in SRD II implementation. We highlighted some of those in our response to the European Commission's consultation earlier this year, and hopefully that will help drive improvements.

For wider corporate actions, ISO 20022 is already supported in parts of the market, but consistent adoption through to downstream clients still feels some way off. The European CSD migration roadmap targets ISO 20022 for corporate actions by the end of 2030, with a subsequent decision on phasing out ISO 15022. That should help, but 2030 is not far away, and I suspect coexistence will be with us for a while.

Technically, coexistence is manageable. A well-designed processing solution should support both formats. What matters is how it translates the information into business meaning.

Many years ago, someone asked me how much training they would need to understand ISO 15022 messages. My answer is the same today: it depends on how good your processing solution is at translating them into business language. If it does that well, users should not need to become messaging specialists. And coexistence does not necessarily mean receiving the same event twice in different formats. An organisation might receive meetings

in MX and other corporate actions in MT. A direct Depository Trust & Clearing Corporation (DTCC) participant might receive MX but pass information to clients in MT. It is not ideal, particularly if information is lost in translation, but it works. Ultimately, an issuer-validated Structured Business Event would give us a trusted source from which to generate whichever formats participants need, while preserving the underlying business meaning.

So yes, coexistence could create more work, but it does not have to.

Hautus: On paper, the standard is mature: the corporate actions message set has existed for years and market practice groups have aligned on it. In practice, adoption is uneven. Some market infrastructures use ISO 20022 natively, but most of the custody chain still runs on MT messages, and there is no hard switch-off date for securities as there was for payments.

Running both formats side by side does add work in the short term. Translation between MT and MX can lose or truncate data, so firms have to check that nothing was dropped. The richer MX format only pays off when it is used end to end, from issuer to investor. Until then, coexistence mostly adds a mapping layer rather than removing reconciliation.

Fumagalli: All our shareholder identification and general meeting communication is via ISO 20022. For the rest of corporate events, since all messages are reversed engineered between ISO 20022 and ISO 15022, there is no reconciliation work but a simple translation from one standard to the other.

Cottingham: ISO 20022 adoption is happening slowly. Key players are processing ISO 20022 messages, but not exclusively. Swift's mirroring of changes across both ISO 15022 and ISO 20022 dilutes the incentive to migrate. A dual standard for asset servicing is here to stay. Interoperability is a necessity because partial adoption happens at message level, for specific processes within a counterparty's event lifecycle. That creates reconciliation work unless it is managed: every translation can lose or reshape data, and every dual-format event must be matched to its counterpart.

This challenge is an opportunity for firms to accelerate the maturity of their processes. The same fundamentals of data object modelling that accommodate variation in data standards underpin automated processing, matching and reconciliation, aligning events, and their accounting across counterparties. They also make integration easier with counterparties that follow neither standard.

Wood: Progress is real, but uneven: ISO 20022 is more established in standards and in parts of the custody infrastructure than in issuer-to-investor operating reality.

Running the older SWIFT format (MT) in parallel with MX, the newer XML-based format, means firms are often having to support two message formats at the same time. During the transition, the same corporate action may arrive, be sent, or be processed in both formats. That can create extra work because teams and systems may need to translate, compare, reconcile, and investigate differences between the versions. Rather than reducing manual work immediately, running both formats can temporarily add another layer of checking and reconciliation.

Thursfield: The industry is clearly progressing toward MX, but we are still in a transition period in which clients and market participants may be operating with different messaging formats. For CIBC Mellon as a high scale provider, part of our role is to insulate clients from some of that complexity. CIBC Mellon has invested in the technology and connectivity required to receive different formats and perform the necessary conversion on the back end. We have built the technology to automate the reconciliation challenges on behalf of our clients.

Ultimately, there will be industry deadlines for migration, but during the transition our objective is straightforward: whether clients are currently operating with MT or MX, we want to make that transition as seamless as possible.

Gupta: The industry is committed to ISO 20022, but moving away from ISO 15022 takes considerable effort. For many firms, it means changes across technology, data mapping, and established workflows. That is why although adoption is happening at a high speed, both standards likely will coexist for some time. The benefits are clear, but getting there is a significant transition.

How are rules on shareholder rights and transparency, such as SRD II in Europe, changing expectations for intermediaries regarding proxy voting and information flow down the chain?

Hautus: SRD II turned intermediaries from passive conduits into accountable links in the chain. They must pass information between issuers and shareholders without delay, support shareholder identification, and confirm that votes were received and counted. Charges must be transparent and non-discriminatory between domestic and cross-border holdings.

"The broader trend is clearly toward greater transparency and more effective information flow between issuers, intermediaries, and investors"

James Thursfield

The effect is that 'best effort' is no longer enough: clients and issuers expect timely, traceable, and standardised flows. The remaining gap is consistency, because national transpositions and market practices still differ. That makes cross-border chains, with several intermediaries in between, the hardest part to get right.

Wood: SRD II raises the bar for timely, traceable shareholder identification, meeting information, and voting instructions moving through every link in the chain.

Intermediaries are expected to provide less opaque, more auditable proxy-voting workflows and not simply pass information on, but demonstrate that it arrived, was actionable, and was processed on time.

Baxter: SRD II or otherwise, intermediaries should enable shareholders to exercise their rights, with timely information, a reliable route for instructions, and evidence of the outcome. The technology exists to support that. Implementation is taking longer. Of course, what that means in practice depends on where each intermediary sits in the chain and who makes the voting decision. Just as issuers have agents, investors may appoint investment managers to act on their behalf. For an individual retail investor, a portal may provide a straightforward way to vote. Within an investment house, however, the meeting must connect to holdings, mandates, decision makers, approvals, and deadlines. More recently, pass-through voting has added another dimension, giving underlying clients a greater say in how votes are cast.

Our experience with iActs Vote Manager demonstrates why those internal processes matter. The potential for dual-loop workflows, connecting an institution's own voting process with that of its clients, extends that need for governance across both.

As new digital voting platforms are introduced, interoperability needs to be integral to their implementation. Institutions should be able to receive meeting information, manage decisions through their chosen systems, and return instructions digitally. Practical integration through APIs and ISO 20022 messaging is what connects those processes across platforms and organisations.

Shareholder identification provides a useful comparison. In our own processing experience, we have returned responses to disclosure requests within minutes of receipt. Meetings involve different decisions and dependencies, of course, but it shows that technology need not be the source of delay.

Cottingham: Exercising the right to govern an issuer, through meetings and votes based on the eligibility of your position, is a legal expectation as well as a principle of responsible ownership. SRD II expects that right to be exercised electronically, through standardised messaging, and facilitated efficiently, transparently, and at a proportionate cost: information passed down the chain without delay, votes passed up it, and confirmation that votes were counted.

A review of the directive is under way, with a commission consultation opened in February 2026, and commentators expect a possible SRD III to address weaknesses in the intermediary chain. Effective governance of the proxy chain will need to become more transparent and technology-driven.

Thursfield: The broader trend is clearly toward greater transparency and more effective information flow between issuers, intermediaries, and investors. We see that not only through regulation but also through the expectations of institutional investors themselves. Asset owners and managers increasingly want access to better information to support investment stewardship, disclosure, and proxy-voting decisions. As an example, we had the pleasure of having the CEO of UPP, one of Canada's fastest growing pensions, and the sustainability leader from Mackenzie Investments on our podcast recently, and they discussed an initiative to push greater transparency around sustainability information.

For Canadian investors operating internationally, this is also where the value of a global network becomes important. European requirements clearly affect Canadian institutions investing in those markets. Through the broader BNY network, and allies

like Proxymity. We can draw on expertise in those jurisdictions while continuing to provide Canadian clients with local servicing and support. Ultimately, our role as an intermediary is to help information move reliably through that chain so investors can exercise their rights and make informed decisions.

Fumagalli: We believe in a seamless exchange of information between issuer and their investors for general meetings and all corporate events. Looking at the next few years and the review of SRDII in Europe, real-time access to general meeting information and real-time voting, with investors voting directly from their smartphones for example, would be major improvements. As would be an increased engagement from investors and more scrutiny of meeting resolutions. Further standardisation and automation in general meeting processes to ensure an effective and efficient exchange of information between issuers and investors would also be important enhancements for shareholders.

Gupta: SRD II has raised the bar for transparency and shareholder participation, and a potential SRD III is expected to place even greater emphasis on information flows and voting processes across the intermediary chain. This is increasing demand for proxy and governance solutions, but it also highlights a broader industry need for standardised data, messaging, and workflows to support consistent and auditable communications.

Where is AI being used in corporate actions right now, beyond pilots? And who is accountable when a model misreads an event and a client misses an election?

Hautus: Beyond pilots, AI is mainly used at the front of the chain. It extracts terms from unstructured announcements, compares data from several sources, and flags anomalies for review. It also helps teams prioritise complex events and summarise them for clients.

Accountability does not move to the model. The firm that provides the service remains responsible to its client, exactly as it would for a human error. That is why AI outputs on critical data and elections are kept under human validation, with controls and traceability on every step. AI should speed up the work and sharpen controls, not replace the sign-off.

Wood: The most practical uses are in extracting and normalising announcement data, spotting inconsistencies across sources, prioritising exceptions, and supporting reconciliation and workflow triage. AI should be a control layer, not the final decision-maker for high-risk events: accountability remains with the regulated firm and its designated operational and risk owners, not with the model or vendor.

"Given the value that could be created, why not put those same technologies in the hands of the issuer or its agent?"

David Baxter

Looking ahead, AI-based capabilities will be ubiquitous in the corporate actions platforms used by operations teams. The value will not come from simply adding AI to existing processes, but from embedding it throughout the workflow: interpreting announcements, enriching and validating data, predicting exceptions, orchestrating case management, and helping teams focus their attention where their judgement is genuinely required. This should allow operations to move from manually processing every event to actively overseeing automated, controlled workflows.

At Broadridge, we are also working on an interesting AI-driven concept for corporate actions claims management that would have AI orchestrate matching and exceptions through to closure.

Cottingham: AI regulation is converging on assistive, human-in-the-loop use with transparent, auditable decision making. The EU AI Act is being phased in; cautious governance is the sensible approach. Generative applications integrated into client systems through the Model Context Protocol (MCP) are in production.

Data sourcing, documentation extraction, and reconciling updates against unstructured narrative speed alignment with the issuer and improve data quality. System data also supports external agents for operational KPI, risk, and election analysis. Applications run within technology guardrails and hooks, and are tested and monitored for model drift in output and cost. Next

"We believe in a seamless exchange of information between issuer and their investors for general meetings and all corporate events"

Mariangela Fumagalli

are agentic workflows for elections and communications, with a human approving each election. Accountability does not change because a model is involved. The firm serving the client carries the contractual duty of care, and fault turns on the checks within the process: audit logs, confidence thresholds, documented escalation rules, and evidence that a human saw what the model was unsure about and validated the outcome.

Thursfield: Today, we see the most practical application of AI in corporate actions on the knowledge and client-service side rather than in autonomous transaction processing. AI can help research events, interpret information, and enable employees to respond more quickly to client questions. We are not relying on AI to independently process client elections. More broadly, we believe one of the most important AI investments an organisation can make is in its people, governance, and culture. At CIBC Mellon this includes a team of AI champions focused on learning and enhancing together, as well as building AI in a manner consistent with high governance standards — and we have some of our corporate actions colleagues as part of it.

This approach is helping us build AI literacy, creating appropriate controls and enabling employees to experiment within a consistent enterprise framework. Rather than isolated AI solutions developed independently across individual functions, we are driving responsible adoption at enterprise scale, drawing on the powerful capabilities and best practices from our parent companies CIBC and BNY. AI does not change accountability. If a client provides a valid instruction before an applicable deadline and we fail to execute it properly, we remain responsible. Technology can enhance the process, but it does not remove human or organisational accountability.

Baxter: There are a few areas: reading announcement documents, supporting investment and voting decisions, and helping teams investigate exceptions. Of those, decision support is particularly interesting, although how it is used will depend on the organisation's policies, mandates, and controls. For me, though, the biggest opportunity for the market as a whole is turning announcement documents into structured event information. The question is where we apply that technology.

Much of the attention remains on applying AI after announcement publication instead of before it. Whether that is one model or several models looking to reach consensus, the result is the same: a golden interpretation.

Given the value that could be created, why not put those same technologies in the hands of the issuer or its agent? A Structured Business Event could be established at source and then processed to extract the resulting business outcomes. Those outcomes would be presented back to the issuing party in clear business language for validation before publication. They would be confirming that the outcomes reflect what they intend — not being asked to understand a technical message or approve a record they cannot meaningfully assess.

And who is accountable? Today, the organisation relying on the AI output still has to take responsibility for how it checks and uses it. But if we remove the need for interpretation after publication, accountability for confirming the event's intended business outcomes sits where it should — with the issuing party.

Gupta: The real impact of AI in corporate actions is not simply doing the same work faster. It is enabling more validation, earlier identification of risk and a more proactive operating model. As routine processing becomes increasingly automated, human expertise shifts towards judgement and exceptions. What does not change is accountability: that remains firmly with the institution.

When a voluntary election is missed or wrong, who usually ends up absorbing the loss: the custodian, the asset manager, or the end investor?

Thursfield: There is not a blanket rule because responsibility depends on where the failure occurred and whether each party fulfilled its obligations.

If an asset manager provides a valid election to us before the established deadline and we fail to process it correctly,

responsibility rests with us. Conversely, if the asset manager does not provide the necessary instruction before the applicable deadline, responsibility would generally sit with the asset manager.

But our focus is less on assigning blame and more on preventing that outcome in the first place. We are continuing to invest in technology/platforms, clearer communication, stronger controls, and capabilities that support processes such as proxy management — for example working with allies like Proximity.

The goal is continuous improvement: helping all participants reduce operational risk and ultimately deliver better outcomes for investors.

Cottingham: Best practice is to manage each election at account level as a systematic, deadline-driven process, monitored within an event risk framework. Operational teams that can evidence transparency, validation, and quality-gating of information are best placed to recover from a provider further up the chain. With the right technology and operational governance, the contract is a backstop, not the first resort.

When an election is missed or wrong, the loss typically lands first on the firm closest to the client, which may compensate to protect the relationship and avoid a breach. The error itself can arise anywhere in the information chain: interpretation of narrative, updates, restrictions, or a misunderstood email election.

Custodians absorb the loss only when they can be shown to have breached their standard of care, and even then caps and exclusions often limit recovery.

Baxter: There is not one universal answer. It depends on where the failure occurred, the responsibilities of those involved and what the evidence establishes. A custodian failing to communicate an additional benefit available for an early response is a different failure from an investment manager receiving the relevant information but missing the deadline.

We experienced a case involving a loss of approximately £700,000 where the custodian initially blamed the investment manager, pointing to our iActs platform. The audit evidence enabled us to demonstrate that the fault lay in the custodian's systems. The custodian ultimately absorbed the loss.

That is the commercial value of process governance. Preventing failures is the priority, but when something does go wrong, being able to establish what happened, when, and where responsibility lay can make a substantial financial difference.

"Losses are often contested or allocated among the custodian, asset manager and end investor depending on where the failure occurred"

Mike Wood

Hautus: It depends on where the failure happened, and what the contract and service levels decide. If the custodian is notified late, gave wrong terms, or failed to act on a valid instruction, the custodian typically compensates. If the asset manager instructed late or incorrectly, the loss usually sits with the manager.

The end investor should be the last to bear it, and in a well-run chain rarely is. The harder cases are where responsibility is shared, such as ambiguous terms or a deadline that shifted. That is why audit trails, clear deadlines, and timestamped confirmations matter so much: they settle the question quickly.

Wood: It depends on the facts, service agreement, and evidence trail, but the custodian or intermediary is often the first party exposed because it controls the client-facing processing obligation. Losses are often contested or allocated among the custodian, asset manager, and end investor depending on where the failure occurred. Unclear data provenance makes that process slower and more contentious.

Gupta: There is no single answer because it depends on the service model, contractual arrangements, and where the breakdown occurred. What is consistent is that voluntary events remain one of the highest-risk areas in corporate actions.

They combine changing information, tight deadlines, and investor choice, making even small operational failures capable of creating significant financial and reputational consequences.

"When holdings sit on a shared ledger, everyone sees the same positions, so entitlement and reconciliation work shrinks"

Roann Hautus

Does tokenisation or DLT solve anything real in corporate actions, or does it just move the same data problem onto a new rail?

Baxter: Smart contracts can automate execution using terms defined upfront or supplied later when a corporate action is announced. But those terms still have to come from somewhere, and someone needs to establish that they correctly reflect what the issuer intends. Any necessary investment decisions, approvals, and instructions also remain part of the process. So, tokenisation does not, by itself, resolve the underlying data problem. If a published announcement still has to be interpreted before its terms are supplied to a smart contract, the same uncertainty has simply moved onto a different infrastructure.

That is why an issuer-validated Structured Business Event matters just as much for tokenised assets. Establishing authoritative event information before publication provides a foundation for both existing processing systems and programmable execution. Process governance remains necessary to manage decisions, responsibilities, deadlines, and exceptions throughout the lifetime of each event.

We do not need to wait for tokenisation to establish that foundation. Doing so now would address an existing weakness while preparing the industry for what comes next.

Cottingham: Tokenisation speeds the passing of events and reduces reconciliation and payment lag, but it requires data consistency or it accelerates breaks. That suits mandatory event processing and accounting in a T+0 environment. Post-trade applications of distributed ledger technology (DLT) are emerging where the data consistency issue has been resolved.

For voluntary events, the interpretation of optionality in the chain of custody creates data volatility, which causes breaks, and election decisions that wait on interpretation add delay.

Positions, elections, and payments must be reconciled and aligned on time, or election risk and payment risk will accelerate. Tokenisation does not remove the data problem. It moves it onto a faster rail.

Wood: It can help with shared visibility, time-stamped records, and more direct coordination where ownership and event data are already trusted and standardised. But it does not solve the underlying issues of poor announcement data, unclear entitlement rules, or liability: without data integrity and common operating standards, DLT simply moves the same exceptions onto a new rail.

Thursfield: I think we are very early in this move. Before we can properly evaluate the impact of tokenisation on corporate actions, the industry needs meaningful volumes of tokenised assets actually moving through servicing environments.

There is certainly potential for new infrastructure to improve aspects of the process, but a new technology rail does not automatically solve fundamental questions about data quality, standardisation, instructions, controls, and accountability.

The real test will come as tokenised assets move from experimentation toward scale. At that point, we will be better positioned to determine where the technology genuinely removes friction from corporate actions and where existing challenges simply need to be solved in a new environment. Nonetheless, it is an exciting time and we see this as a key area for innovation and opportunity where we are happy to engage alongside CIBC and BNY.

Hautus: It solves part of the problem. When holdings sit on a shared ledger, everyone sees the same positions, so entitlement and reconciliation work shrinks. Smart contracts can also automate simple, mandatory events such as coupons or splits when corporate action logic is pre-programmed directly into the contract.

In practice, the execution method varies depending on the event type: cash payments are typically handled in fiat offchain, whereas tokenised distributions, such as stock dividends or share splits, must be delivered onchain.

But DLT does not fix the data at its source. If the issuer's terms are ambiguous or published late, the ledger simply carries the same error faster. The real gain comes when issuers publish event terms directly on the ledger in a structured form. For now, most corporate actions on tokenised securities are still processed offchain, including at CACEIS, which currently does not perform onchain corporate actions.

Gupta: Tokenisation can improve the movement of information and ownership records, but it does not remove corporate actions complexity. Dividends, elections, reorganisations, and tax implications still need to be interpreted and processed correctly. In many respects, the challenge remains unchanged: transforming information into trusted action. New rails may improve efficiency, but they do not eliminate the need for high-quality data, governance, and oversight.

In one sentence, what will corporate actions look like in 2030?

Fumagalli: Automated and real time.

Cottingham: By 2030, asset servicing operations will be centred on event risk, able to tokenise mandatory events, running an eventual data consistency model for voluntary events, and still discussing how to comply with SRD III.

Wood: By 2030, the strongest corporate-actions models will be built around connected platforms that bring trusted, standardised data together at source, and automate the routine lifecycle from issuer announcement through to investor outcome. Skilled operations teams will still be essential, but focused on genuine exceptions, oversight and client service, and not on repeatedly repairing fragmented data or reconciling the same event across multiple systems.

Those platforms will need to support a more immediate and more diverse market: shorter settlement cycles, global operating models, and both traditional and tokenised assets running in parallel. The winning approach will not be separate operating models for each market or asset type, but a common, flexible foundation that unifies data and workflows while allowing the necessary market-specific controls.

There is real reason for optimism. The investment case is becoming clearer: rising volumes, costly errors, tighter client expectations, and regulatory pressure make the cost of standing still harder to defend than the cost of modernisation. Investment will come not just from a search for efficiency, but from the need to protect market resilience, reduce risk, and sustain confidence in a marketplace that investors rely on.

Getting there will require a practical, coordinated approach: improve data integrity at the point of origin, use common standards and shared governance to make that data actionable, and connect it through modular platforms, embedded AI, and automated workflows. With issuers, CSDs, custodians, intermediaries, and technology providers aligned around accountability, the industry can move beyond manual handling and build the scalable, transparent infrastructure needed to support the next generation of market growth.

Baxter: By 2030, I would like to see issuer-validated structured business events published at source and digitally ingested by downstream participants through interoperable platforms, with the value created by removing the cost of repeated interpretation and rekeying shared with the issuing parties that enabled it — but as an experienced optimist, I would settle for one issuing party demonstrating what we have proposed in 'The Last Interpretation' and giving the market a reason to follow.

Hautus: By 2030, most corporate actions will run on structured data from the issuer, processed with little manual work, so that experts spend their time on the complex events and client decisions that really need judgement.

Thursfield: By 2030, corporate actions will be more standardised, connected, and automated, with AI helping people make faster and better-informed decisions while scale providers continue to provide the governance, controls, and accountability clients need to navigate an increasingly complex global market. Above all, we will still have great people with deep expertise and client focus. No matter how much the tools or technologies help us change and advance, we know our clients value support, expertise and service and we look forward to supporting clients. 2026 is CIBC Mellon's 30th anniversary, and we want to be their provider not just to 2030 but for the next 30 years and beyond.

Gupta: By 2030, the biggest change may be the move from processing corporate actions to orchestrating them. Tokenisation could make parts of the asset lifecycle more programmable, while AI automates interpretation and validation. The real challenge will be connecting traditional and digital markets so that the same event can be understood, reconciled, and acted upon consistently across both. ■



One standard, many realities

Christian Houillon, head of custody products and solutions at BNP Paribas' Securities Services business, speaks to Justin Lawson about the persistent challenges surrounding corporate actions, the limits of standardisation, the role of AI, and why digital assets could introduce a new layer of complexity for custodians

Can you tell us about your role at BNP Paribas and the areas you are responsible for?

I am globally responsible for custody products and solutions, covering services including settlement, corporate actions, tax services on securities, and proxy voting. We also cover clearing, as BNP Paribas' Securities Services business acts as a global clearing member on behalf of clients.

Our role is to maintain and evolve these services for our clients across a broad footprint. We provide local custody with a presence on the ground covering 27 central securities depositories (CSDs) directly, alongside our global custody platform. Traditionally, that has covered assets that can be held through CSDs (equities and bonds) and with third parties (e.g. funds). However, we are now also integrating digital assets from a custody perspective, which is becoming another important part of the team's remit.

Why has standardising corporate actions proved so difficult across markets, despite years of industry effort?

I think we have made significant progress in harmonising corporate actions processing. A great deal of effort has been made by intermediaries such as ourselves, as well as by market infrastructures.

We are members of collaborative industry working groups (e.g. Corporate Events Joint Working Group, Securities Market Practice Group) and participated in industry led initiatives such as the Shareholder Rights Directive (SRD) II task force, and hopefully SRD III in the future, and Single Collateral Management Rulebook for Europe (SCoRE), all aiming at harmonising corporate events processing as much as possible.

However, there is a limit to where the industry itself can act. We can work on standardising the mechanics of corporate actions, but we cannot enforce changes when events are influenced by national laws and specific market regulations. That is where frictions and differences between individual markets remain, and unfortunately those are areas where intermediaries cannot always directly drive change.

What does 'one standard, many realities' mean in practice for a global custodian?

Despite the remaining differences between markets, the industry's harmonisation efforts have enabled us to automate a significant proportion of corporate actions processing.

However, where market-specific differences remain, automation becomes more difficult, and we have to maintain different processes to accommodate them. That inevitably increases both operational risk and the amount of manual work involved. Even where you have a common standard, the reality of implementing it can therefore vary significantly from one market to another.

Where is industry collaboration on corporate actions working, and where is progress proving more difficult?

There is good collaboration, particularly in Europe and among intermediaries. Where progress becomes more difficult is when you reach the level of individual market regulation.

There are also important participants in the process that need to be more closely integrated into these joint efforts: issuers and their agents.

Issuer agents play a significant role in determining and standardising the information that is ultimately incorporated into corporate event messages. More harmonised, higher-quality, and accurate information at the source of a corporate event would help the entire industry become more automated and efficient.

What role can technologies such as AI and automation realistically play in reducing the complexity of corporate actions?

AI has a role to play in supporting further automation where more traditional technologies reach their limits.

One area is the scrubbing of corporate events. AI can help enhance data quality and compare information from multiple sources. It could also help automate the process of identifying the most trustworthy source for a particular corporate event. However, this can only be done with human oversight. Errors in corporate actions can be extremely costly, so we have to ensure that AI is making the correct choices and that appropriate controls remain in place.

Which asset classes remain the most challenging from a corporate actions perspective?

Equities are certainly one of the most challenging asset classes. This is where we encounter some of the most complex events, as well as significant interaction with different market rules.

I would also highlight funds. Corporate actions involving funds can be fragmented because transfer agents are also involved in the process, introducing another category of participant. That fragmentation can create additional complexity and inefficiencies, so these are areas where we still want to see further progress.

As the industry moves further towards tokenisation and digital assets, will corporate actions become easier to process or introduce another layer of complexity?

Unfortunately, I think this is an area where we will once again have to make a significant effort. There are already initiatives underway to develop common standards, including standards covering corporate actions for digital assets.

However, we are still largely in the definition stage. Market practices are being developed, but implementation still has to follow.

In that sense, we are beginning a new journey with digital assets. One source of complexity is the current fragmentation in the underlying technology.

Corporate actions for digital assets can be implemented through smart contracts, which are pieces of code, but there is no single language in which those smart contracts have to be written.

That creates an additional challenge. With traditional assets, we have standards such as ISO 20022, which provide a clear messaging format and data dictionary that can also provide some inspiration for digital assets.

However, it illustrates the additional complexity that the industry will have to address as this new class of assets develops.

Different regulatory regimes will also remain an issue. As long as regulations differ between markets, we will encounter many of the same problems with digital assets that we experience with traditional assets. The underlying technology itself will not solve those regulatory discrepancies.

What would a genuinely global corporate actions standard need to look like to succeed?

I think we already have strong standards in place. The standards defined in Europe can, in many respects, already be considered global standards for corporate actions.

Through the industry's collective efforts, to which BNP Paribas has contributed strongly, we have established sound standards and market practices. The challenge is that they still need to be fully implemented across the entire chain.

We also need to bring issuer agents more closely into that process. From a standards perspective, I believe we largely have what we need. What is still missing is greater harmonisation between market regulations and corporate laws.

Taxation also has an impact, because tax authorities influence how corporate events need to be processed in individual jurisdictions. Achieving complete harmonisation may therefore remain a long-term challenge.

The standards themselves are there; the greater difficulty is aligning the different regulatory, legal, and tax environments in which they have to be applied. ■

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T+1 in the UK and Europe

How to get ops up to speed

With less than a year until the UK and Europe transition to T+1 settlement, Duco's James Maxfield and the UK Accelerated Settlement Taskforce's Andrew Douglas discuss industry preparedness, regulatory expectations, and the operational challenges facing market participants





With the transition to T+1 settlement approaching in October 2027, market participants are entering a critical period of preparation, with automation, buy side engagement, and coordination across the settlement chain emerging as key priorities.

During Duco's 'T+1 in the UK and Europe: How to get ops up to speed' webinar, James Maxfield, chief client officer at Duco, and Andrew Douglas, chair of the UK Accelerated Settlement Taskforce, discussed the industry's progress towards the deadline and the operational changes required to ensure a successful transition.

US experience does not equal UK readiness

Douglas warned that firms should not assume their experience of the US transition in 2024 will be sufficient to prepare them for the European market.

"The only similarity between T+1 for the United States and T+1 for the United Kingdom is the word 'United'. Everything else is different, and people need to do the work to discover whether what you did for the US is reusable for the UK and, in the broader context, for the EU and Switzerland," Douglas explained.

Unlike the US, where the settlement obligation falls primarily on brokers, the European transition places responsibilities on both the buy side and sell side. Differences in confirmation processes, partial settlements, and the number of jurisdictions involved introduce further complexity.

Buy side engagement remains a concern

According to the Taskforce's first-quarter readiness survey, which received more than 500 responses, 83 per cent of respondents reported being engaged in the transition. Among buy side firms, however, that figure fell to 57 per cent.

Questioning the reasons behind this disparity, Maxfield asked whether asset managers were treating T+1 primarily as a sell side problem, or whether their comparatively simpler infrastructure meant they could afford to begin preparations later.

Douglas suggested that several factors were contributing to slower engagement, including technological limitations, reliance on outsourced service providers, and poor communication between market participants, with some asset managers waiting

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for their custodians or other providers to confirm their readiness rather than taking responsibility for their own preparations.

The webinar raised two messages delivered by the UK Financial Conduct Authority (FCA) at the launch of the industry testing programme in March: the regulator intends to become more intrusive in its engagement with firms and may require evidence of their preparation.

“Simply saying, ‘Not my problem, I've outsourced it to someone else,’ that's not good enough,” he warned.

Turning to questions from the audience, the speakers discussed the role of custodians in supporting asset managers through testing and implementation.

Douglas acknowledged that custodians are generally making positive progress, including through client webinars, direct engagement, and the development of supporting solutions. Nevertheless, he reiterated that asset managers must actively engage with their providers rather than assume that readiness will be delivered on their behalf.

Operational challenges extend beyond settlement

Turning to the wider operational implications of T+1, an audience poll identified three leading concerns: settlement fails and associated penalties, systems and technology struggling to keep pace, and the knock-on effects on other operational processes.

The UK’s existing settlement fail rate stands at approximately four per cent, with the taskforce planning to publish monthly benchmarks based on rolling three-month averages.

Although some disruption is expected after 11 October 2027, Douglas expressed optimism that greater automation and improvements in data quality could ultimately reduce settlement failures.

Picking up on market concerns, Maxfield questioned whether firms were sufficiently prepared for the secondary effects of T+1, particularly across FX, corporate actions, and other processes dependent on the settlement cycle.

Douglas agreed, explaining that the time available to process a corporate action could fall from approximately 15 hours to 5 hours

“The only similarity between T+1 for the United States and T+1 for the United Kingdom is the word ‘United’”

Andrew Douglas
Chair
UK Accelerated Settlement Taskforce



under T+1. Discussions are ongoing about whether adjustments to existing deadlines could provide firms with additional time.

Securities lending faces similar pressures, particularly around stock loan recalls and the ability to locate and mobilise securities quickly enough to meet settlement obligations.

Figures from the International Securities Lending Association (ISLA) suggest that approximately 60 per cent of stock loan recall notifications already meet the relevant 16:00 deadline on trade date. Douglas challenged firms to examine why the remaining 40 per cent fail to meet that timeframe.

“The biggest issue around T+1 is inventory management. It's knowing where your stock is and being able to move it quickly,” he said. “And it is quite surprising to find that lots of people don't know where their stock is.”

Maxfield highlighted the distinction between issuing a recall notification and physically moving the securities, questioning how the number of intermediaries involved could complicate the process of returning stock.

From automation to agentic solutions

Automation emerged as a dominant theme throughout the discussion, with Douglas identifying it as the single most important investment firms can make to prepare for T+1.

Asked by Maxfield to identify his three leading recommendations for organisations struggling with their preparations, Douglas responded: “So I'll give you the first three. They're automate, automate, and automate.”

Drawing on the US experience, Douglas noted that a survey conducted three months before its transition found that 30 per cent of asset managers had undertaken no preparatory work. A subsequent survey three months after implementation found that asset managers had experienced an average increase of 16 to 18 per cent in back office staffing costs, largely because they had relied on additional personnel rather than automation.

However, Maxfield observed that automation alone is insufficient if firms do not understand the processes they are attempting to improve. Automation can mean very different things to different

“T+1 isn't an operations-only agenda — ultimately this is a front-to-back business change”

James Maxfield
Chief client officer
Duco



organisations, and that the starting point should be a thorough understanding of how information and transactions move through the business.

There's a lack of standardisation, he explained, and even apparently similar activities within the same organisation can follow substantially different processing paths. This makes it difficult for firms to accurately assess operational costs and identify opportunities for improvement.

The conversation also explored the potential role of agentic artificial intelligence (AI) in addressing these challenges.

Maxfield highlighted growing interest in agentic capabilities across the industry, noting that Duco is seeing customers adopt the technology to improve scalability and resilience.

He pointed to discussions with clients around the development of autonomous pre-matching agents capable of processing transactions overnight and presenting outstanding exceptions to operations teams the following morning.

Douglas welcomed these developments, suggesting that such technology could help firms improve the speed and efficiency of their reconciliation and exception management processes.

Market-wide communication is vital to a successful transition

Maxfield also raised the challenge of coordinating automation beyond the boundaries of individual organisations. Even where firms have highly automated internal processes, he observed, their ability to complete transactions remains dependent on custodians, counterparties, and other external providers.

Douglas agreed, emphasising the importance of communication across the settlement chain, particularly between asset managers, custodians, brokers, and other service providers.

"Your settlement process is only as strong as the weakest link in the chain," Douglas stated.

This coordination is particularly important because the move from T+2 to T+1 represents a far greater operational challenge than simply halving the settlement period. "You have 20 per cent of the time to do 100 per cent of the work that you do today," he warned.

Meeting interim deadlines

The urgency is heightened by a series of interim deadlines preceding the October 2027 transition.

Douglas reminded participants that several taskforce recommendations require implementation by 31 December 2026, including measures covering allocations and confirmations, standing settlement instructions, and securities lending recalls and returns. Among the key expectations is the completion of trade allocations and confirmations by 23:59 on trade date. And with regulators set to assess compliance with interim deadlines, Maxfield emphasised the importance of firms understanding their own performance and being able to demonstrate the corrective actions they intend to take.

Making T+1 a business-wide imperative

As the discussion drew to a close, Maxfield reiterated that T+1 should not be regarded solely as an operational or technology project. Instead, the transition requires engagement across the business, including senior executives responsible for investment decisions, operational risk, and the allocation of resources.

"T+1 isn't an operations-only agenda," Maxfield said. "There's a lot of operations people on the call today, but ultimately this is a front-to-back business change."

Douglas concluded by identifying three considerations that should guide the industry's preparations: complexity, complacency, and certainty.

"It's something that you need to understand, all of the complexity that you're involved in," he said. "The second one is complacency, and we should all be wary of being complacent. And the third one is certainty, because that's what we all want."

For market participants approaching the October 2027 deadline, the message was that readiness depends not only on implementing technology, but also on understanding existing processes, addressing weaknesses, and ensuring that counterparties throughout the settlement chain are equally prepared. ■

Watch the full webinar by clicking here

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Next in line for modernisation

Madison Hendrickson explores how restructuring the longstanding fragmented and manual processes surrounding shareholder participation, and a clear understanding of shareholder rights, is the next focus for the industry





There seems to be a growing focus on cross-border capabilities and 'interoperability'. Speed, accuracy, and transparency are vital to growth across all firms; no aspect of the pipeline is exempt.

This is also true for proxy voting, as recent legislative reviews and technological developments suggest it will be a key focus of modernisation.

Recent evolution

Proxy voting is a critical component for investors to ensure they are exercising their rights, and as the rest of the industry — and the world — barrel towards automation, the proxy voting process rolls along too.

"The proxy voting ecosystem is evolving from a fragmented, manual process into a more interconnected digital network, moving towards platforms for direct, real-time communication between issuers and investors, and bypassing traditional intermediaries that can introduce delays," says Jeff King, global head of asset servicing product management, Investor Services at Citi.

Francisco Bejar, head of custody at SIX, observes that the transition to T+1 has also influenced the focus on updating the process of proxy voting. "While T+1 doesn't directly shorten voting deadlines, it increases the importance of timely reconciliation and accurate ownership records to establish voting eligibility, particularly around shareholder record dates," Bejar states.

King positions the shift is driven by regulations such as the recent review of the EU's Shareholder Rights Directive (SRD) II, and the ongoing transition to T+1. "Regulatory bodies worldwide are moving towards greater transparency and accountability in the proxy voting chain, with the EU's SRD II as a major catalyst," says King.

Regulatory influences

Regulatory bodies across the globe are increasingly re-examining legislation that pertains to trading, custody, and shareholder rights as the industry landscape evolves. Just as companies are rising to the occasion, regulators must do the same to ensure the ecosystem runs smoothly.

The US Securities and Exchange Commission (SEC) recently proposed amendments to Rule 14a-4(c), which broadens

"Asset managers will struggle to manage this on their own and need to work with partners to simplify activities and facilitate greater connectivity between issuers and custodians"

Francisco Bejar, SIX

the circumstances where a company may seek and obtain discretionary voting over shareholder proposals which are presented at shareholder meetings, but not included in the company's proxy materials.

While mostly centred on ensuring they are not governing outside of their scope, the proposed amendments also nod to the current wave of modernisation. The SEC, too, are shortening time windows.

Under current SEC rules, proxy statements that incorporate information by reference must be sent to shareholders at least 20 business days prior to the shareholder meetings. The Commission is proposing to eliminate these requirements as it argues it no longer serves its intended purpose of investor protection in light of modern technology.

Across the Atlantic, the European Commission's review of SRD II focuses on three broad areas: shareholder identification, transmission of information, and exercise of shareholder rights; transparency of institutional investors, asset managers, and proxy advisors; and the format of general meetings and rights exercised by shareholders in connection with the meetings.

Originally, a legislative proposal for the review was planned for Q4 2026 but the market now expects this to be pushed to March 2027.

In the Shareholder Rights Directive evaluation and review by the European Commission, published on 13 July 2026, 60 per cent of respondents believed the lack of a common definition of 'shareholder' leads to legal uncertainty. 56 per cent of the respondents cited the lack of transparent disclosure of proxy advisors' revenue sources and potential conflicts of interest as a problem, and 55 per cent said limited accountability and transparency of proxy advisors as a problem.

"A more granular view of the voting process can present challenges as increased transparency highlights once opaque processes," King highlights. He expands that governance teams are often disconnected from the settlement process which creates information gaps, delaying the timeline for institutional investors to "fully exercise their stewardship responsibilities".

This is seen in the report as 74 per cent of respondents mentioned difficulties in communication between companies, intermediaries, and shareholders, with more detailed responses pointing out shortcomings related to manual processing, inconsistent transmission formats, and differing transmission standards across the custody chain.

Thankfully, the industry is ahead of regulation mandates as many companies are already addressing these issues.

Forgo fragmentation and focus on 'real-time'

Largely, automation and the removal of manual processes is considered the way in which the industry will keep advancing. King highlights this, stating that "manual processes and fragmented data will be largely replaced by an integrated global network where information flows in near and real-time from issuers to asset owners".

This advancement is already happening, with companies like BNP Paribas implementing Proxymity's Vote Connect Global solution as part of its general meeting services; which Christian Houillon, head of custody products and solutions, Securities Services, at BNP Paribas, explains gives clients wider real-time access to general meeting information and that "real-time voting will be available to investors, where they can do directly from their smartphones".

Citi's Custody+ platform also addresses the need for better communication surrounding proxy voting, as King explains always-on digital connectivity is at the heart of the platform.

King also acknowledges the importance of digital platforms like Proxymity, and how they are helping to solve fragmentation.

"Investors can view meeting announcements and deadlines in near real-time, receive vote confirmations and meeting vote verifications, where available," he says. "This ultimately empowers investors to manage their voting more effectively and engage with issuers from a more informed position."

Bejar also notes that real-time connection and automation is critical. "Investors need sufficient time to assess resolutions and submit instructions, while also having confidence that their votes have been received and counted," he says. "Where voting instructions still pass through multiple custodians and intermediaries, delays in receiving meeting notices, different cut-off times, and shareholder registration requirements can significantly reduce the time available."

Bejar emphasises there is still work to be done to improve transparency throughout the voting process, particularly around confirming votes have been processed and counted.

King highlights primary bottlenecks of moving to near real-time voting include, "legacy market practices and issuer-specific requirements that demand manual intervention, such as unique power of attorney documents, physical representation at meetings, or non-standardised share registration."

He adds that while digital platforms can create a direct, real-time channel between the investor and the issuer, local level requirements can still be a source of friction.

Looking to the future

With regulatory updates likely on the horizon, and digitisation happening across the industry, the answer to how proxy voting will look in the next 5–10 years still remains centered on greater transparency, access, and automation.

Bejar positions that third parties may be the other piece of the puzzle, explaining that better automation and access to information across custodians should help address the issues surrounding proxy voting, but that "asset managers will struggle to manage this on their own and need to work with partners to simplify activities and facilitate greater connectivity between issuers and custodians". He furthers that international central securities depositories (ICSDs) have a "critical role to play" given their reach with custodians and sub-custodians globally. He also reiterates that proxy voting should become more closely integrated into the wider custody and asset servicing processes;

"Custodians and service providers who have invested in always-on and API-first infrastructure will be best positioned to facilitate this more dynamic and transparent future of corporate governance"

Jeff King, Citi

asset managers, regardless of where they hold investments, will increasingly expect to receive meeting information, establish voting eligibility, submit instructions, and receive confirmation through a consistent process; and greater adoption of common messaging standards should aid in investors exercising their voting rights more efficiently.

Bejar warns that, "progress will depend on addressing the different shareholder registration requirements and voting rules that exist across jurisdictions," and that custodians will have an important role to play in connecting the markets.

King suggests that in 5–10 years "proxy voting will be defined by end-to-end digitisation and greater transparency, driven by the ISO 20022 adoption, and stronger regulatory enforcement," and that manual processes and fragmented data will be replaced by an integrated global network.

"This shift will also empower a new level of investor engagement," adds King. "We expect to see a rise in 'pass-through' voting models, where asset owners have a more direct say in how their shares are voted by asset managers. Custodians and service providers who have invested in always-on and API-first infrastructure will be best positioned to facilitate this more dynamic and transparent future of corporate governance."

Houillon succinctly remarks, with the help of standardised and automated processes, "in the foreseeable future, we hope to see a voting process where shareholders can exercise their voting rights without restrictions." ■

Securities services prepare for a faster, more complex future

TSSAG's latest London conference examined how T+1, AI, tokenisation, geopolitical risk, and legacy infrastructure are converging to reshape the securities services industry

Zarah Choudhary explores





The preparation

The Securities Services Advisory Group (TSSAG) brought together securities services professionals in London on 15 October to examine how the post trade industry is responding to a market environment that is becoming faster, more interconnected, and increasingly complex.

Held at The Eight Club in Moorgate, the event covered geopolitical risk, the UK and European transition to T+1 settlement, the future of securities services through to 2035, risk and resilience, digital assets, artificial intelligence, and the challenges posed by legacy systems and fragmented data.

Across the sessions, one theme remained consistent: shorter settlement cycles, new technologies, geopolitical fragmentation, and changing client expectations are no longer separate transformation agendas, but increasingly interconnected pressures forcing firms to rethink the infrastructure and operating models underpinning securities services.

Geopolitical volatility becomes part of the operating environment

The opening discussion placed the industry's transformation within a wider geopolitical context.

Rather than expecting a return to the relatively stable environment associated with previous decades of globalisation, attendees heard that geopolitical volatility increasingly needs to be treated as a persistent feature of the operating environment.

Attention was drawn to several areas capable of affecting financial institutions and investment flows over the coming years, including the direction of US policy, continuing uncertainty in the Middle East, Russia, and Ukraine, political developments across Europe, and strategic competition between the US and China.

For financial institutions, the significance extends beyond headline political events. Geopolitical developments can feed through into sanctions, regulation, energy prices, inflation, supply chains, and investment decisions, while increasing scrutiny of areas such as data and critical infrastructure.

The discussion also considered the opportunities emerging from a more fragmented global landscape. Shifts in trade relationships, supply chains, and investment patterns are creating new

corridors and partnerships as governments and businesses seek greater diversification.

The implication for financial services is that geopolitical analysis is increasingly becoming part of longer-term business planning rather than an exercise undertaken only in response to a crisis.

T+1 moves from planning to execution

That emphasis on preparation continued into the discussion of the UK's and Europe's transition to T+1 settlement.

With the implementation date approaching, the conversation indicated that awareness of the transition has increased significantly. However, the focus is now moving away from whether firms understand T+1 towards whether their processes, counterparties, and wider operating networks will be capable of meeting the compressed timetable.

A central theme was interdependency. A firm may complete its own technology and operational preparations, but successful settlement still depends on brokers, custodians, asset managers, market infrastructures, and other counterparties completing their respective processes on time.

This makes T+1 an industry-wide exercise rather than an internal implementation programme.

Readiness is also uneven between different sections of the market. Larger banks and infrastructure providers may have greater experience of running major transformation programmes, while other participants can face different resource, technology, and operational constraints.

Regional differences add another layer of complexity. European markets do not operate according to a single timetable, while firms in the Asia Pacific region will face particularly compressed windows for processing European transactions.

Cross-border securities, FX requirements, and different market deadlines mean that simply moving existing processes several hours earlier will not necessarily be sufficient.

The discussion also reinforced that settlement itself is only the final stage of a much broader chain. Corporate actions, tax processes, securities lending, funding, FX, and other post-trade activities must also operate within the shortened timeframe.

Testing, data, and communication will therefore become increasingly important as implementation approaches.

Firms need visibility not only over their own performance, but over where instructions are arriving late, which asset classes generate difficulties and where weaknesses exist among counterparties.

Securities services looks towards 2035

The conversation then widened from the immediate challenge of T+1 to how securities services could develop over the coming decade.

Technology inevitably dominated much of the discussion, but the future outlined was not simply one of replacing old systems with new ones. Instead, the industry faces the challenge of managing growing complexity as traditional securities, private markets, and digital assets increasingly sit alongside one another.

At the same time, settlement cycles are shortening, markets are moving towards longer trading hours, and clients increasingly expect faster access to information and more seamless services.

Data was repeatedly identified as central to this transition. Historically treated largely as an output of processing activity, data is increasingly becoming a product and a source of differentiation in its own right.

Better organised and accessible information can support analytics, risk management, client reporting, and more automated decision-making.

This is particularly important as firms expand their use of AI.

AI moves from experimentation towards operations

The discussion suggested that AI is already moving beyond proof-of-concept projects within securities services.

Current applications include document processing, reconciliation, exception management, research, operational support, and client servicing. Firms are also exploring how AI can identify patterns and potential problems before they require human intervention.

The next stage could see AI move from assisting individual tasks towards orchestrating more complex processes.

Rather than simply responding to an exception or client query, systems could increasingly anticipate when intervention will be required, and surface relevant information proactively.

However, the quality and governance of underlying data remain critical.

AI systems require structured, accessible, and appropriately controlled information, placing renewed importance on data architecture and entitlements.

Human accountability also remains important. While AI can support analysis and recommend actions, the discussion indicated that responsibility for significant decisions cannot simply be transferred to a machine.

Another emerging use case is institutional knowledge.

Securities services organisations often rely on experienced employees holding years of operational knowledge that may not exist in structured documentation.

AI offers the possibility of capturing and making that expertise more widely accessible.

Digital assets search for practical utility

Digital assets and tokenisation formed another major part of the discussion about the industry's direction to 2035.

While experimentation has been extensive, the next phase is expected to depend increasingly on practical use cases rather than tokenisation for its own sake.

Collateral mobility, funding, repo, money market funds (MMF), and private markets were among the areas identified as having potential to benefit from digital infrastructure.

Interoperability will be crucial. Traditional and tokenised securities are likely to coexist for a considerable period, requiring providers to support both without creating entirely separate operating environments.

The cash side of transactions presents a similar challenge. Future markets could incorporate conventional cash alongside tokenised deposits, stablecoins, central bank digital currencies, and other settlement assets.

This also complicates assumptions around instant settlement.

While technology may make faster settlement possible, liquidity, and netting benefits mean that real-time gross settlement will not necessarily be appropriate for every transaction.

Modernisation becomes an industry imperative

Across the afternoon, discussions repeatedly returned to the infrastructure supporting the securities services industry.

Legacy platforms, fragmented data, and manual processes become increasingly difficult to sustain as markets accelerate. T+1 provides the most immediate demonstration of that pressure, but the same issue applies to AI, digital assets, growing transaction volumes, and changing client expectations.

Modernisation, therefore, cannot be viewed solely as a technology replacement exercise.

Firms must consider how processes interact across organisations and markets, where automation delivers genuine benefits and where human intervention remains necessary.

Cyber security and operational resilience will also become more significant as the industry grows increasingly dependent on interconnected technology.

Taken together, the discussions presented an industry entering a period in which several previously separate transformation agendas are beginning to converge.

T+1 is accelerating the need for automation. AI is increasing the value of well-governed data.

Digital assets are creating new requirements for interoperability, while geopolitical fragmentation is adding complexity to regulation, market access, and risk management.

The challenge for securities services firms will be to manage those developments simultaneously.

By 2035, the industry's infrastructure may look considerably different. The more immediate question raised throughout the TSSAG discussions, however, was how quickly firms can adapt the processes, technology, and relationships they already have to a market that is moving faster around them. ■

Can asset servicing's data infrastructure keep pace?

As T+1, automation, and digital assets place greater demands on the post-trade environment, Zarah Choudhary explores whether the industry's data infrastructure can keep up with the fast paced changes





For an industry built around processing information, asset servicing still has a data problem. Across custody, fund administration, and the wider post-trade chain, firms are being asked to process more information, provide clients with greater visibility, and respond to events faster. At the same time, the infrastructure supporting those processes can remain fragmented across different systems, formats, and books of record.

The result is an uncomfortable contrast. Expectations are moving towards real-time servicing, greater automation, and shorter settlement cycles, while parts of the industry's operating model remain dependent on overnight batches, manual reconciliations, and information moving between disconnected systems.

Russell Andrews, head of wealth and asset management at FIS, says that the issue is not necessarily that the industry's core platforms no longer work.

“The problem isn't necessarily that the core platforms are broken. It's that the data architecture that has grown up around them has become fragmented and increasingly difficult to change,” he says.

Years of accumulated systems, bespoke integrations, duplicated databases, and manual workarounds have made it difficult for firms to establish a single trusted view of data across the servicing lifecycle.

For asset servicers, this is more than a technology inconvenience. When positions, cash, corporate actions, and settlement information do not flow easily between systems, operations teams are left reconciling different versions of the same information.

Gus Sekhon, vice president of strategy at FINBOURNE, adds: “The fundamental problem is that too many firms still operate with fragmented data spread across multiple systems, each maintaining its own version of the truth.”

He points particularly to corporate actions and settlement, where the disconnect can create reconciliation, duplication, and manual intervention.

When time disappears

Those weaknesses become more significant as the time available to accommodate them shrinks. Europe's transition to T+1 on 11 October 2027 will compress processes that have traditionally had another business day in which to identify and resolve problems.

Allocations, confirmations, settlement instructions, reconciliation, and exception management will all have less room for delay. In this environment, data infrastructure becomes part of the settlement challenge itself.

James Maxwell, chief client officer at Duco, says the problems exposed by T+1 are not necessarily new.

“Operations teams have been dealing with late allocations, missing settlement instructions, and breaks that are left until the next morning for years. What changes on 11 October 2027 is the amount of time they have to fix them.”

That distinction matters. T+1 does not simply require operations teams to carry out existing T+2 processes more quickly. It places pressure on firms to identify where data enters the process late, where reconciliation remains manual and where exceptions are discovered too far downstream.

Andrews similarly describes T+1 as a catalyst for modernisation rather than simply a settlement project.

“The real requirement is to remove latency from the operating model. Allocations, confirmations, reconciliations, and exception management need to become increasingly automated and event-driven, with information moving between firms much earlier in the lifecycle.”

For custodians and fund administrators, that could also change the nature of the service they provide. Detecting a potential settlement problem earlier, understanding its cause and communicating it to a client before it becomes a failure may become increasingly valuable as the available remediation window contracts.

Does everything need to be real-time?

The pressure to accelerate post-trade processing has also fuelled demand for real-time data. Yet industry participants caution against assuming that faster is automatically better.

Francisco Bejar Nunez, head of custody at SIX, states that “the objective should be smarter data delivery, not simply faster data delivery”.

Where delays can create settlement failures, liquidity pressures, or missed deadlines, immediate access to information has an obvious benefit. Positions, cash movements, collateral, settlement status, corporate actions, and exception management are among the processes where intraday information can allow firms to act earlier. There are other areas where batch processing remains entirely suitable. Routine reporting, and historical analysis do not necessarily need to be processed event by event, while certain accounting and administrative processes gain little from becoming instantaneous.

Murray Campbell, head of product and solution consulting at AutoRek, notes that reconciliations have traditionally compared the previous day's activity, partly because external bank and custodian statements frequently arrive overnight.

Where trade confirmations are available intraday, however, reconciliation can run more frequently and identify booking errors earlier. That distinction is increasingly important under T+1. Modernisation does not necessarily mean rebuilding every process around real-time data — it means ensuring information is available quickly enough where delay produces genuine operational risk.

Alan Lee, chief product officer at ActiveViam, goes further, highlighting that framing the question as real-time versus batch can itself be misleading.

“The output can be periodic; the investigation cannot,” he says, pointing to areas such as intraday liquidity, collateral, margin, and exception management where users may need to interrogate changing information immediately.

The interoperability hurdle

Improving an individual firm's architecture, however, only addresses part of the problem. Asset servicing is inherently interconnected. Data passes between asset managers, brokers, custodians, fund administrators, central securities depositories (CSDs), and other market infrastructures, often crossing multiple systems before a transaction reaches settlement.

A sophisticated internal architecture therefore has limited effect if the information arriving from another participant remains late, incomplete, or structured differently.

“Interoperability is probably one of the biggest challenges because asset servicing is inherently an ecosystem,” Andrews adds.

“We still have too many siloed interfaces, proprietary formats, and duplicated copies of essentially the same information flowing between participants.”

The danger is that firms optimise individual environments while simply moving the bottleneck to the hand-off between organisations. Greater adoption of common data models, messaging standards, and APIs could reduce that friction, but technology is only one component. Firms also need common understanding around what data means, who owns it and at what point information becomes authoritative.

For Nunez, the challenge will become even more significant as digital and traditional securities begin to coexist.

“There is little point in making one part of the market faster if the rest of the chain cannot keep up.”

AI cannot fix the foundations

The same argument applies to AI. AI is increasingly being explored for reconciliation, exception management, anomaly detection, data enrichment, and other operational processes. Yet each of these applications ultimately depends on the quality and accessibility of the information beneath it. If that information remains fragmented, the technology risks automating existing problems rather than removing them.

“AI will expose weaknesses in a firm's data architecture much faster than it will solve them,” Andrews warns. “If the underlying data is fragmented, inconsistent, or poorly governed, adding AI simply allows you to reach the wrong answer more quickly.”

That means the less eye-catching work around data lineage, governance, common models, and ownership may prove just as important as the AI tools being placed on top.

Sekhon has a similar view.

“The real competitive advantage won't come from who adopts AI first, but who has the data infrastructure to make it genuinely useful.”

For asset servicers handling regulated information and client assets, the issue also extends beyond accuracy. Firms need controls determining which information automated tools can access and what actions they are permitted to take.

Building for coexistence

There is unlikely to be a single moment when today's asset servicing infrastructure is removed and replaced with something entirely new.

Instead, the industry's next phase is likely to involve coexistence.

Traditional securities will continue to operate alongside tokenised instruments. Legacy books of record will coexist with newer platforms. Batch processing will remain appropriate in some areas while event-driven workflows emerge elsewhere.

AI agents may sit across processes that still depend on systems built decades earlier.

For Cédric Cajet, product director at NeoXam, this means the coming years will be defined by flexibility rather than wholesale replacement.

“The next five years will be defined by greater flexibility rather than a wholesale replacement of existing infrastructure,” he says.

Traditional securities, tokenised assets, and automated processes will increasingly operate alongside one another, while institutions will modernise at different speeds depending on their size, investment strategies, and operational needs.

Nunez similarly warns against replacing one fragmented environment with another.

“The real challenge will be connecting these worlds without creating another generation of fragmented systems.”

That may ultimately be the defining data infrastructure challenge for asset servicing.

The industry does not simply need faster systems. It needs infrastructure capable of allowing reliable information to move between processes, institutions, and increasingly different forms of assets without requiring another set of workarounds each time the market changes. As settlement cycles shorten and automation moves deeper into the operating model, those foundations are becoming harder to ignore.

The question is no longer simply what new technology asset servicers can deploy, but whether the infrastructure beneath it is capable of supporting what comes next. ■

Shaping financial markets

Junayd Azam, who works in Public Affairs and Advocacy at Euroclear UK & International, reflects on his journey into the asset servicing industry, the value of curiosity, and the importance of different perspectives

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?

My journey into the asset services industry was not something I necessarily planned from the outset, but it has become a career that I find genuinely fascinating. What initially attracted me was the combination of finance, technology, regulation, and market infrastructure. Asset servicing sits at the centre of the financial ecosystem, and while it is often behind the scenes, it is critical to the efficient functioning of markets.

Being at Euroclear, which I would consider the heart of financial markets, has really fuelled my curiosity. It has given me the opportunity to be involved in a wide range of significant initiatives that shape how markets evolve and operate. Whether it is major market reforms, technological innovation, or navigating through an ever-evolving landscape, there is always something new happening and something new to learn.

What aspects of your job do you enjoy the most?

The fact that there is always something new happening and something new to learn. Every day is different, and as a result I find it difficult to answer the 'what do you do for work?' as there is no short answer.

Another aspect I really enjoy is the opportunity to engage with such a diverse range of people across the financial ecosystem. In any given week, I could be speaking with market participants, regulators, policymakers, trade associations, technology providers, or lawyers. Hearing and understanding so many different perspectives, shaped by their own priorities, experiences, and expertise, is extremely fascinating and helpful in my own development.

More broadly, I enjoy being part of shaping and protecting financial markets. At university, I was unsure about exactly what career I wanted to pursue, but the one thing I was certain of was that I wanted to make a meaningful contribution and make a positive impact. I am very fortunate to say that I have found that.

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?

I found that sometimes having less 'time in the game' can be beneficial because you have fewer preconceived ideas.

I believe that when you are earlier on in your career, you are more likely to challenge yourself to understand how things work, and why they work that way, which can lead to you providing valuable input that may not have been considered.

I remember earlier in my career often being hesitant to raise points that seemed obvious to me, particularly to senior colleagues. My thinking was always, 'If this sounds simple to me, then surely people with more experience have already thought about it'. However, as my confidence grew, and I started speaking up more, I realised that simple questions or observations can often be valuable. Sometimes they highlight assumptions that have not been challenged, or bring a fresh perspective to a discussion.

That being said, there is no substitute for experience. Most of what I have learned in the industry has not come from textbooks or Google, but from those who have lived and worked through different market cycles, changes, and development. They bring a depth of understanding that you simply cannot acquire overnight or from a Google search.

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 have not personally come across many misconceptions about the asset servicing industry, but I can imagine that there is sometimes a lack of awareness of just how important it is. That is certainly something I was guilty of myself before joining the industry. So much of the work happens behind the scenes that it is easy to overlook the role asset servicing plays in enabling financial markets to function smoothly and efficiently

As the industry evolves and the market environment changes, we need to ensure that asset servicing continues to innovate, improve, and collaborate. Fortunately, I think the people within the industry put us in a strong position to do exactly that. There is a genuine willingness to solve problems, embrace change, and work together to modernise markets in a way that benefits everyone involved.

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?

There is not a single training process as different firms and roles have different procedures.

However, a key factor to my own development has been being lucky enough to work in environments that foster and encourage curiosity.

Providing opportunities for people, particularly those early in their career, to ask questions is invaluable. As I mentioned, there is only so much you can learn from a textbook or Google, and the most useful insights I have received have been from learning about the experience of others.

A healthy level of autonomy is also great. I am extremely lucky to have a manager that has trusted me to work autonomously which has allowed me to develop at a far greater pace than I could have imagined.

Ultimately, I believe it depends on the person. Some people prefer to have more direction whereas others prefer to figure things out themselves. In my opinion, understanding these preferences and individual differences is perhaps the most important factor in promoting development within an organisation.

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

I have never been someone who has planned my career down to a specific job title, so in all honesty I couldn't tell you exactly where I expect to be in a decade's time. What I do know is that I want to continue learning and contributing towards making a positive impact. I feel extremely fortunate that I can do this today, and that I can honestly say that I find a great level of fulfilment and enjoyment from my job. Ultimately, we do spend a huge proportion of our lives working. So, it is important to enjoy what you do. If, in 10 years' time, I'm still learning, still challenged, and I still don't dread a Monday morning, I would consider that a pretty good outcome.

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

Be curious! Whether that is asking questions, listening to different perspectives, or embracing opportunities that might not seem relevant to what you are doing at the time. I genuinely believe that curiosity beats raw intelligence. Intelligence might determine how quickly you can understand something, but curiosity is what drives you to keep asking questions, exploring new ideas, and broadening your understanding. Over time, I think that willingness and enthusiasm to keep learning can take you much further. ■



Junayd Azam
Public Affairs and Advocacy
Euroclear

Industry Appointments

Aztec Group welcomes Jing Wang

Aztec Group has appointed Jing Wang as head of AI. Wang will build and lead the firm's new AI technology and enablement team, which it says is focused on where machine learning and AI can create value for clients and colleagues while maintaining governance, control, and security.

In her role, Wang will lead development and delivery of Aztec's AI strategy across the group, working with technology, products, and operations colleagues to embed AI into core operations.

Wang joins Aztec from JPMorgan Chase where she served as head of AI products for Chase UK and was responsible for developing the bank's generative AI capabilities and accompanying safety guardrails to bring it into production.

Prior to JPMorgan Chase, Wang held a senior AI and machine learning leadership role at Amazon Web Services where she developed enterprise AI solutions for regulated industries including financial services.

Wang comments: "In private markets, value is built on accuracy, judgement, and trusted partnerships. AI is most effective when it helps take the weight of routine work away from specialists, allowing them to focus on the insight and advice that make the greatest difference.

TaxTec Group welcomes Gibson

TaxTec Group has appointed William Gibson as president of its US entity, TaxTec Inc.

Gibson brings over 45 years of experience across the global financial services industry, with extensive experience in investment management, financial services operations, and strategic leadership.

Gibson has previously held senior leadership positions at ING Investment Management, New York Life Investment Management, Citigroup, Merrill Lynch, and Barclays Group.

Based in New York, Gibson joins Mike Solo in TaxTec Group's US leadership team, which the firm explains brings together complementary expertise across investment management, asset servicing, and complex global operating models.

The firm further expresses that Gibson's appointment reflects its commitment to build a strong presence in the US market and develop deeper relationships across the industry.

Speaking on the appointment, Stephen Everard, CEO of TaxTec, says: "Will brings a wealth of business and operational prowess to our c-suite team.

"His appointment is another important step in the evolution of TaxTec as the market leading tax tech firm."

Euroclear promotes Eliet and Haegeman

Euroclear has appointed Guillaume Eliet as CEO of Euroclear Bank and Marie-Anne Haegeman as group chief risk officer.

The appointments have been ratified by the Euroclear SA/NV and Euroclear Holding Boards, with Eliet and Haegeman expected to take up the roles from 1 January 2027, subject to regulatory approvals.

Eliet will succeed Peter Sneyers, who will retire from Euroclear at the end of 2026.

He will join the Euroclear Bank Board and chair its management committee and will step down from the Boards of Euroclear SA/NV and Euroclear Holding.

Eliet is currently Euroclear's group chief risk officer.

He joined Euroclear in 2017 as head of Regulatory, Compliance & Public Affairs and became CEO of the Euroclear Settlement of Euronext-zone Securities (ESES) central securities depositories (CSDs) in 2021.

Before joining Euroclear, he held senior positions at the Autorité des Marchés Financiers in France.

Haegeman will succeed Eliet as the group chief risk officer.

In this role, she will join the ESA executive committee and the boards of Euroclear SA/NV and Euroclear Holding.

She is currently chief banking and network officer at Euroclear Bank and a member of its management committee.

She will also be stepping down from the Euroclear Bank management committee and the Euroclear bank board.

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Krypton welcomes McHugh and Barry

Krypton Fund Services has appointed Liam McHugh as global head of business development and David Barry as global head of operations.

In his new role, the firm says McHugh will lead its global revenue growth strategy, deepen relationships with existing clients, partner with new managers and general partners, and further refine sales and business development approaches.

McHugh joins Krypton Fund Services from CSC, where he served as managing director of European fund administration for almost seven years after first leading the APAC business, says the firm.

He also previously served as APAC regional head of operations at Apex Fund Services, following its 2017 acquisition of Equinoxe.

McHugh joined Equinoxe in 2008, starting as group manager and finishing as APAC regional CEO.

Barry also joins from CSC where he served as head of operations for almost seven years, and prior to that he was managing director at Apex Fund Services for over a decade based in Ireland. Additionally Barry was the associate director and group manager for Equinoxe for almost nine years in Dublin.

In his new role, the firm says Barry will lead global operations across the platform, ensuring clients continue to receive a service-focused experience.

Clearstream welcomes Mueller

Philippe Mueller has been appointed head of digital products and transformation for Clearstream Fund Services.

Mueller will lead the development and market adoption of Clearstream's digital fund solutions, and will be responsible for advancing Clearstream Fund Services' digital product agenda across digital fund distribution, distributed ledger technology (DLT)-enabled fund processing, transfer agency innovation, and private markets automation, says the firm.

With over 25 years of experience across Clearstream and Deutsche Börse Group, Mueller has a background in fund operations, product management, market infrastructure, and large-scale digital transformation.

Previously Mueller has served as executive director and head of transformation office and digital, as well as several senior leadership roles including head of issuer central securities depository (CSD) services and head of investment fund operations and client onboarding.

Komainu appoints Marlow

Komainu, a regulated digital asset services provider and custodian, has appointed Edward Marlow as head of office in Dubai.

In his new role, Marlow will lead the firm's Dubai office and be responsible for supporting growth in the market, deepening institutional relationships, and identifying new commercial opportunities.

He will also work closely with Komainu's global leadership team as the business continues to expand its regulated digital asset services and institutional infrastructure, the firm explains. ■

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