

# ISSA Working Group Webinar

10 – 11 June 2025

## Welcome to the ISSA Working Group Webinar



To ensure a smooth and uninterrupted session, we kindly request that you:

- **Turn off your microphone** when you are not speaking
- **Switch off your camera** if you are not presenting

Thank you for your cooperation!

# Introduction

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## Welcome Remarks from the ISSA Chair



**Margaret Harwood-Jones, Standard Chartered Bank**

*ISSA Chair*

## Agenda – Tuesday 10 June (all times CET)

<b>Welcome Remarks from the ISSA Chair</b>	Margaret Harwood-Jones, Standard Chartered Bank	10.00 – 10.05
<b>ISSA Update</b>	Colin Parry, ISSA	10.05 – 10.15
<b>Securities Services Risks 2025 WG</b>	Emma Johnson, J.P. Morgan Andy Smith, Former BNY Karen Zeeb, ISSA	10.15– 10.40
<b>Digital Identity and Onboarding WG</b>	Sonia Paston-Bedingfeld, UBS Colin Parry, ISSA	10.40 – 11.05
<b>Evolving Technologies WG</b>	Steve Everett, TMX Glen Fernandes, Euroclear Colin Parry, ISSA	11.05 - 11.30
<b>Asset Servicing WG</b>	Ann Marie Bria, DTCC John Kirkpatrick, Broadridge William Hodash, ISSA	11.30 - 11.55
<b>Close</b>	Colin Parry, ISSA	11.55 - 12.00

## Agenda – Wednesday 11 June (all times CET)

<b>Welcome Remarks from the ISSA Chair</b>	Margaret Harwood-Jones, Standard Chartered Bank	14.00 – 14.05
<b>ISSA Update</b>	Colin Parry, ISSA	14.05 – 14.15
<b>Securities Services Risks 2025 WG</b>	Emma Johnson, JP Morgan Andy Smith, Former BNY Karen Zeeb, ISSA	14.15 – 14.40
<b>Digital Identity and Onboarding WG</b>	Brett Lewis, Globe Tax Colin Parry, ISSA	14.40 – 15.05
<b>Evolving Technologies WG</b>	Steve Everett, TMX Glen Fernandes, Euroclear Colin Parry, ISSA	15.05 - 15.30
<b>Asset Servicing WG</b>	Ann Marie Bria, DTCC John Kirkpatrick, Broadridge William Hodash, ISSA	15.30 - 15.55
<b>Close</b>	Colin Parry, ISSA	15.55 - 16.00

## ISSA Update



**Colin Parry, ISSA**

*ISSA CEO*

## ISSA Update

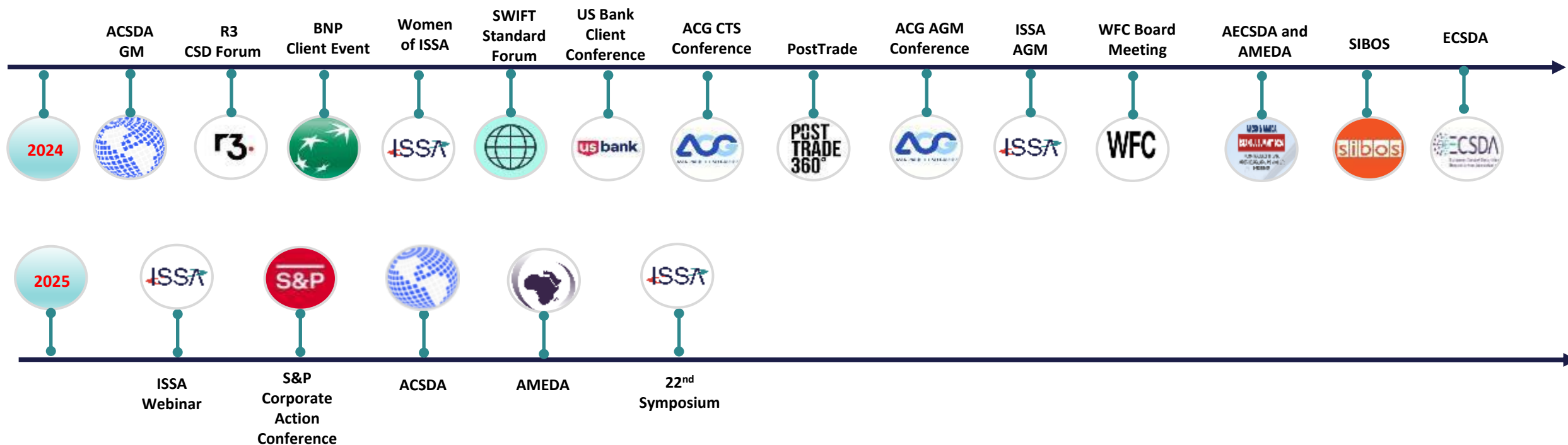
### Julia McKenny

Julia has both a Bachelor of Education from Sydney University and a Bachelor of Laws from Newcastle University (Australia) and then went to the College of Law, Australia to complete her legal training, prior to being admitted as a Barrister and Solicitor of the Supreme Court in New South Wales.

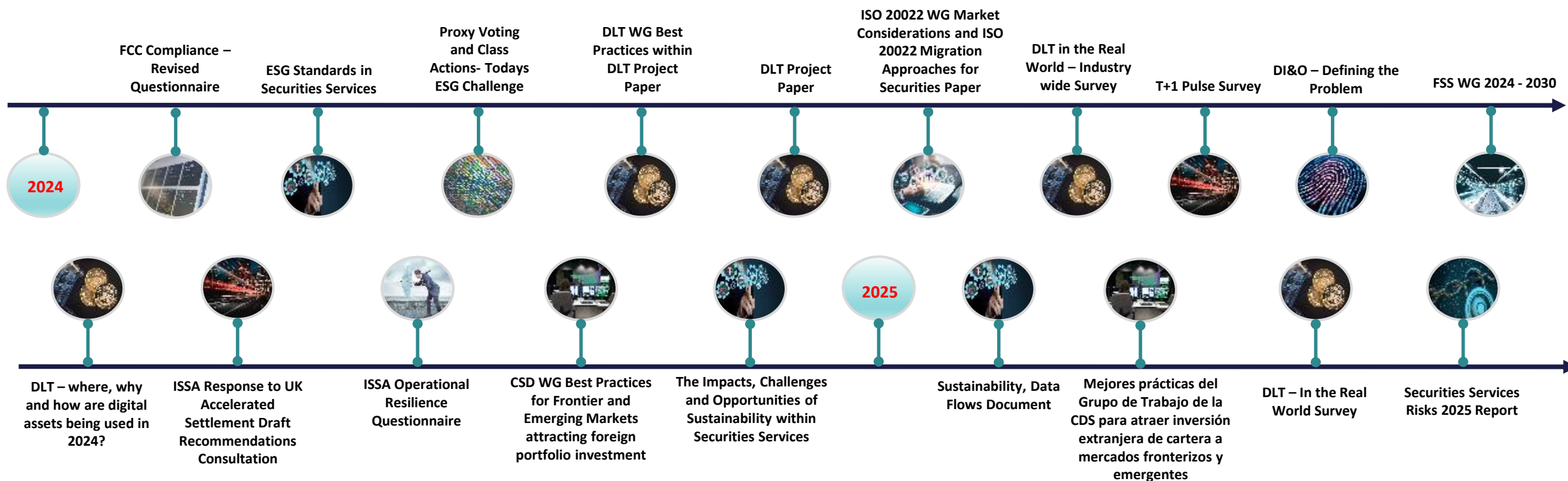
Julia started her securities career at JP Morgan in November 2004 before joining Northern Trust as General Counsel Asia Pacific leaving there in 2012 and joining State Street. She left State Street to join Standard Chartered in Singapore in 2013 and remained in Singapore until joining TMF Group in London and the Channel Islands in 2019. Julia then joined Accenture in 2021 and has remained at Accenture, with a brief interlude in Morgan Stanley, since. Julia is a regular contributor to Global Custodian and other Securities Services publications.



## ISSA Events 2024 - 2025



## ISSA - Publications 2024 - 2025



## ISSA 2025 Plans – Working Group (WG) Overview

### WGs 2024

- **Key Highlights**
  - 9 WGs focused on a combination of thought leadership and operational themes
  - 360+ participants in the WGs
  - 15 papers, surveys and articles published
  - 4 ISSA WG Workshops hosted
  - 2 ISSA WG Webinars held

### WG Changes

- **Closed WGs (2024 to date)**
  - Future of Securities Services
  - ISO 20022
  - Operational Resilience
  - Securities Services Risks 2025
- **Opened WGs (2024 to date)**
  - Evolving Technologies
    - Incorporating Digitization and DLT
  - Investor Solutions
  - Out of Network Assets

## ISSA 2025 Plans – Current WGs

Accelerated Settlement



Asset Servicing



Digital Identity and Onboarding



Domestic CSDs



Evolving Technologies



Financial Crime Compliance



Investor Solutions



Out of Network Assets



Sustainability and Securities  
Services



# Securities Services Risks 2025

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## Securities Services Risks 2025



**Emma Johnson, J.P. Morgan**

*Securities Services Risks 2025 Working Group Co-Chair*

**Andy Smith, Former BNY**

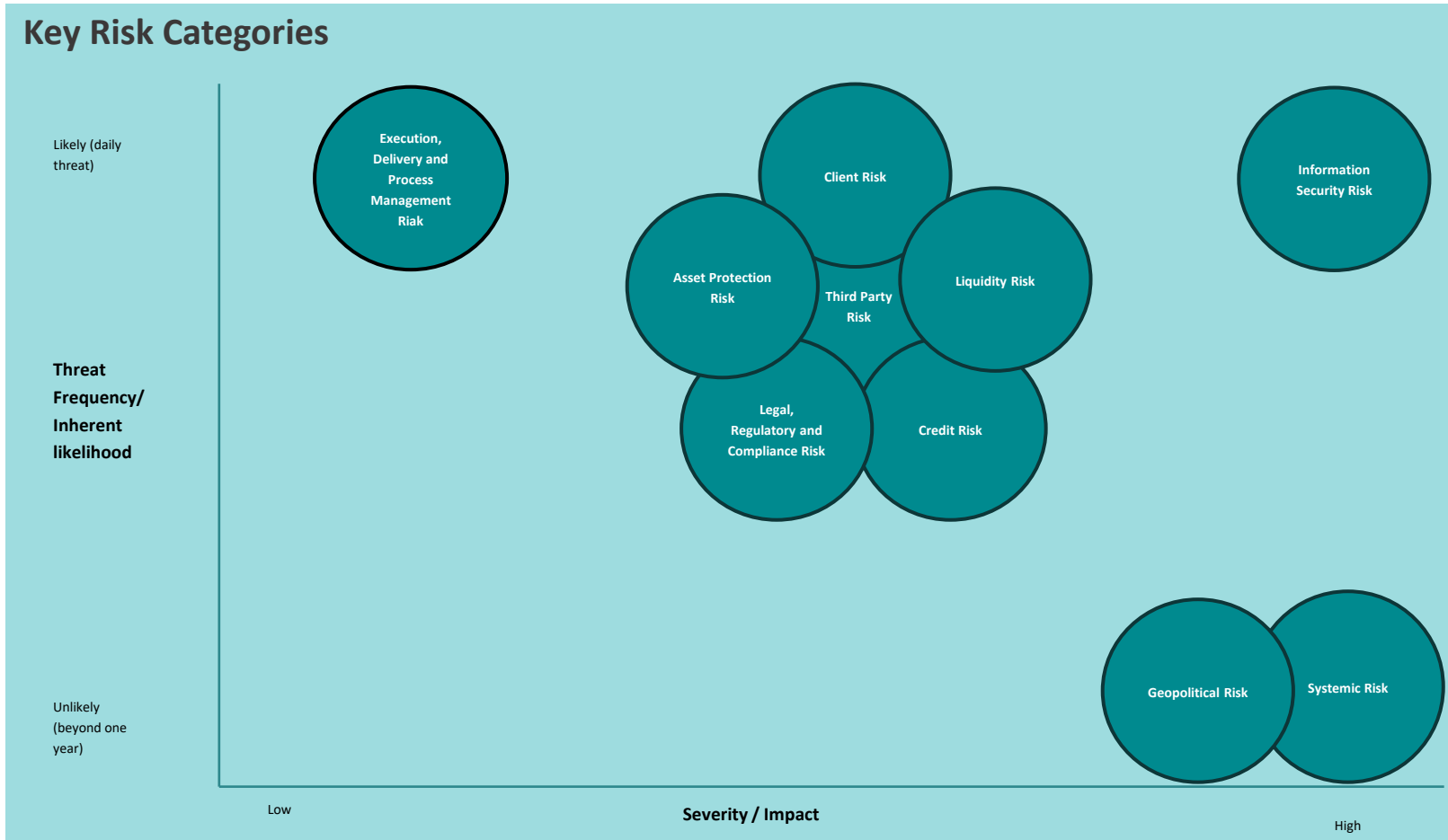
*Securities Services Risks 2025 Working Group Co-Chair*

**Karen Zeeb, ISSA**

*Securities Services Risks 2025 Working Group PMO*

# Securities Services Risks 2025

## Key Risk Categories



## Securities Services Risks 2025



### Key Industry Changes

Increased regulatory and  
legal oversight

Enhanced asset protection  
regimes

Greater focus on client risk

Enhanced third-party  
management

Impact of ESG on process  
delivery

Technological evolution

Increased need for Cyber  
security

Introduction of  
Geopolitical Risk

Introduction of digital  
assets

# Digital Identity and Onboarding

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## Digital Identity and Onboarding



**Brett Lewis, Globe Tax**

*Digital Identity and Onboarding Working Group Co-Chair*

**Sonia Paston-Bedingfeld, UBS**

*Digital Identity and Onboarding Working Group Co-Chair*

**Colin Parry, ISSA**

*Digital Identity and Onboarding Working Group PMO*

## Digital Identity and Onboarding

- **Purpose**

- The aim of this Working Group is to create industry standards for what is acceptable, and needed, from a digital identity to allow the efficient and effective onboarding of Securities Services clients. These standards should reduce the costs, client friction and risks for the Securities Services industry.
- The Working Group published a paper in the summer of 2024 highlighting the issues that cause challenges when onboarding.
- The next phase in the series takes the identified issues and proposes solutions at an industry and firm level.

- **Scope**

In 2025 the focus is:

- Investigate smart ways to reduce the effort involved in institutional client onboarding by addressing the issues identified by theme and category
- Design industry standards to cover 90% of use cases in the 30 highest volume markets
- Develop standards that cater for multi-products and multi-jurisdictions including the company's legal hierarchy
- Articulate that, where differences exist, for a market, why they exist
- Create a design template/ requirements document that will help third-parties design solutions to the Digital Identity and Onboarding challenges
- Create an understanding at the various governmental and regulatory bodies across the globe about the changes that they can make to improve the outcomes



## Digital Identity and Onboarding – Core Proposals Documentation and Standards

Sub Issue	Impact	Challenges	Options to solve - L1 - Categories	Options to solve - L2 - Detail	Implementation Difficulty
Lack of standard regarding the documentation required for onboarding a client and acceptable sources of said documentation	High	<p>Its not always clear to the onboarding entity what documentation is acceptable in differing jurisdictions</p> <p>The need for clear standards and requirements from regulators to ease the KYC process was emphasized.</p>	Industry led	<p>The (UK) FSMB have released a report detailing required documents and acceptable sources, could this be promoted more globally?</p> <p>The idea of using AI to automatically update documents based on changes in public data sources like Companies House was discussed.</p> <p>Members to promote SWIFT or other entities standard as the defector solution</p>	Medium
Documentation validity over time	Medium	As soon as the documentation is received it is technically out of date	Industry led	<p>Promote the idea that a document is valid for x period of time.</p> <p>Client attests that documentation is still valid periodically or at the point of request.</p>	Medium
Divergent market requirement on AML/KYC (LEI or common references accepted)	High		Advocacy		Low

## Digital Identity and Onboarding – Firms’ initiatives: Client and mutualization

Sub Issue	Impact	Challenges	Options to solve - L1 - Categories	Implementation Difficulty
Client Experience: Educational activities	High	Client are very often unaware of the requirements to invest in a markets and banks could do better jobs explaining the complexities	Technology	Low
Client Experience: Lack of transparency to clients to onboarding requirements (piecemeal) and statuses	High		Technology	Low
Mutualisation and Vendor Solutions: High Cost of Platform integration for vendor solutions due to legacy infrastructure, complicated or inconsistent internal workflow and/or data integrity	Medium		Advocacy & tech	Low

## Digital Identity and Onboarding – Regulatory / Industry Led Initiative

Sub Issue	Impact	Challenges	Options to solve - L1 - Categories	Options to solve - L2 - Detail	Implementation Difficulty
Documentation & Standards: Lack of acceptance of e-Documents and e-Signatures	High		Advocacy	ISSA works with other industry group global to promote electronic solution with regulators	High
Mutualisation and Vendor Solutions: Digital identity	High	Sensitive area with Data Protection	Technology	Could new technologies allow for the creation, storing and controlled distribution of client/firm identification?	High
Documentation & Standards: Unclear or different definitions of beneficial owner, shareholder, legal person, and Trusts	Medium	The Capital Markets Union has attempted for years to harmonize the definition of shareholder, but even within Europe this is difficult. Russia does not recognise Trusts, and these types of local interpretation are difficult to change	Advocacy		High

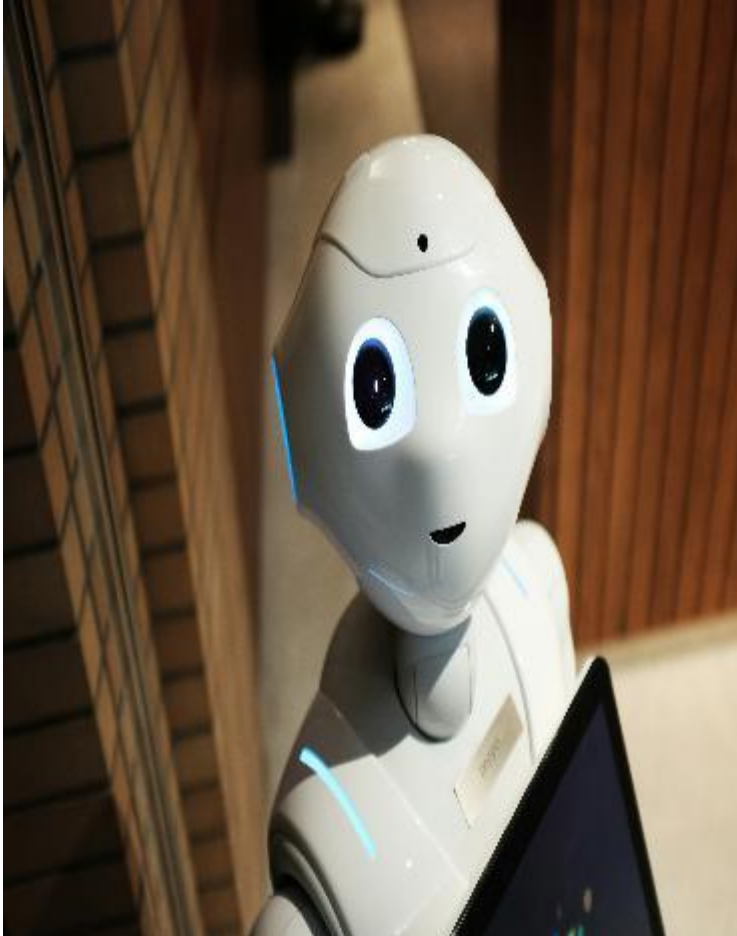
## Digital Identity and Onboarding – Do not recommend

Sub Issue	Impact	Challenges	Options to solve - L1 - Categories	Implementation Difficulty
Client Experience: Pre-approval of client accounts by regulator	Low	This would be the ultimate way for regulators or competent bodies to ensure that bad actors are not opening accounts in their market, with the regulator responsible for due diligence but it is seen as totally impractical in practice and would significantly slow the account opening progress. However, could this option be used to gain more clarity from regulatory on acceptable KYC practices?	Regulatory	High
Mutualisation and Vendor Solutions: Inability to use Mutualised solution (liability/trust)	Medium	Legal liability issues, where oversight and control could not be outsourced. Limited cost-saving potential due to the small number of brokers involved per fund.	Industry led	High

# Evolving Technologies

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## Evolving Technologies



**Steve Everett, TMX**

*Evolving Technologies Working Group Co-Chair*

**Glen Fernandes, Euroclear**

*Evolving Technologies Working Group Co-Chair*

**Colin Parry, ISSA**

*Evolving Technologies Working Group PMO*

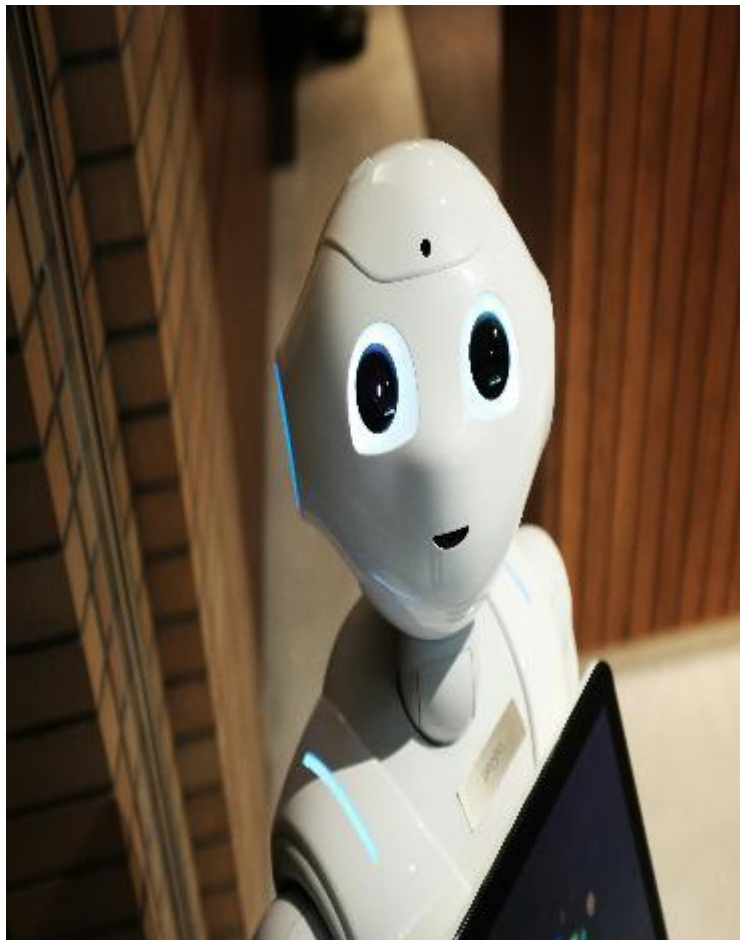
## Evolving Technologies

- **Purpose**

- The Evolving Technologies Working Group (WG) will focus on looking at solutions for the Securities Services industry which are enabled by various evolving technologies. The WG will investigate and educate the membership on the application of evolving technologies and the new capabilities within Securities Services. Where best practices are, or can be, established, ensure these are promulgated through the industry.
- The aim is to create and share best practices with all members, define standards (where there is a need for standards) and educate and excite the membership about the potential opportunities to utilize the next generation of technology.
- The WG will consist of four streams, three new streams plus a continuation of the transversal efforts and key topics such as the “DLT in the Real-World annual survey”. The four streams are:
  - Client experience
  - Digital Transformation
  - Value chain transformations
  - WG-wide transversal efforts



## Evolving Technologies



- **Scope**
  - In the first instance, the WG scope will be limited to the following facets of Evolving Technology:
    - Client experience including Data and Analytics, UX and UI design and APIs
      - Phase 1: Produce a Digitization for Client Interactions paper
    - Digital Transformation including Cloud, Confidential computing, AI & LLMs (hard link with CX - Data and analytics), Digitization (incorporating Digitization WG) and Quantum
      - Phase 1: Create Best Practices for collaboration with “Big Tech”
    - Value chain transformations including: DLT and Digital Assets, Tokenization of Collateral, Real World Asset (RWA) Tokenization and DLT in the Real-World annual survey
      - Phase 1: DLT Use Case 1. DLT supporting securitization and/or collateral management
      - Phase 1: Design and run the sixth annual DLT in the Real-World Survey
  - Presentations to the WG by significant Securities Services IT partners such as Google, MS, Snowflake and projects of significance to the market to enable members to see the latest application of solutions

## Asset Servicing

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## Asset Servicing



**Ann Marie Bria, DTCC**

*Asset Servicing Working Group Co-Chair*

**John Kirkpatrick, Broadridge**

*Asset Servicing Working Group Subgroup Co-Chair*

**William Hodash, ISSA**

*Asset Servicing Working Group PMO*

# Asset Servicing

## Purpose

- The Working Group's purpose is to research the key challenges and issues that continue to impact the Asset Servicing area with the aim of providing best practice guidance for existing services as well as proposing alternative business models. Through these improvements and fundamental change propositions, the Working Group can assist the Securities Services industry in adopting more accurate, efficient and cost-effective Asset Servicing arrangements

## Scope of Two Subgroups

- **Corporate Governance** is becoming increasingly important to investors. Asset Servicing related governance events – such as Proxy Voting and Class Actions – involve operational processes that are highly manual, inefficient and costly. This subgroup will explore opportunities to improve the current processes through revised practices and automation in order to improve the effectiveness, timeliness and accuracy of the service offering whilst taking into account key influences such as, but not limited to, regulation
- **Technology Enablers**: Investigate the potential for utilizing technology, to improve operational processes in Asset Servicing. Validation of the technology's potential will be achieved through a number of key use cases, including corporate governance events and complex corporate actions
- **For the rest of 2025**: The two Subgroups are now combining efforts to publish a single white paper on behalf of the full Asset Servicing WG



## Asset Servicing



- A White Paper, making the business case for collaboration with Issuers and their Agents, will be published in Q3
- It will present research on the potential for increasing the efficiency, speed, and accuracy of corporate actions announcements in general and specifically on in Proxy Voting and Class Actions processing. Key messages of the paper will include:
  - Our industry has invested heavily in standardization and automation of Corporate Actions processes for several decades. While this investment has led to improvements, it has not led to a truly scalable operating model with the optimal speed and accuracy required by Issuers and Investors
  - The required scale can only be achieved through collaboration amongst Issuers and their Agents and the Securities Services industry. We propose such collaboration to focus on automating corporate actions announcements at source and re-engineering the proxy voting process, along six Corporate Governance Principles
  - If Issuers and their Agents and the Securities Services industry collaborate on the design of a global standard solution for digitized event announcement data created "At Source", to be implemented in national markets, there will be a significant increase in the speed and quality of the two-way sharing of information and transactions between issuers and investors, maximizing the effectiveness and efficiency of Corporate Governance
- The Subgroups are currently soliciting input from publicly listed firms and Transfer Agents
- Any future implementation discussions in national markets would include leading Issuers, Agents, the Central Securities Depository, Listing Authorities, leading Custodian Banks, and key Investment Managers Investors, as well as other service providers which are interested in assisting

## Closing Remarks

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Close



**Colin Parry, ISSA**

*ISSA CEO*

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Thank you