

## Investor Solutions Working Group

08 April 2026, On Teams

### Meeting Minutes

Participants (in attendance in bold):

Julia McKenny, ISSA (CEO / PMD)

Julie Huxford, ISSA (PMD)

▪ David	Travers	Australian Custodial Services Association
▪ Peter	Miller	Australian Securities Exchange ASX
▪ <b>Resan</b>	<b>Ovat</b>	<b>Australian Securities Exchange ASX</b>
▪ <b>Karen</b>	<b>Webb</b>	<b>Australian Securities Exchange ASX</b>
▪ Isadora	Benvenuti - Tozi	B3 Brazilian Exchange and OTC
▪ Sophie	Spasky	BNP Paribas S.A.
▪ <b>Felicity</b>	<b>Howgate</b>	<b>Citi</b>
▪ Mike	Hughes	Citi
▪ Kelli	O'Brien	Citi
▪ Bulat	Nizamov	CMA Small Systems AB
▪ Fiona	Neville	Deutsche Bank AG
▪ Marco	Geisselhardt	Incentage AG
▪ <b>Ekaterina</b>	<b>Savinova</b>	<b>J.P. Morgan</b>
▪ <b>Bogdan</b>	<b>Marchis</b>	<b>Montran</b>
▪ Simon	Shepherd	MYRIAD Group Technologies Ltd
▪ Charu	Jain	S&P Global
▪ <b>Karthikeyan</b>	<b>Vuyyala</b>	<b>Standard Chartered Bank</b>
▪ <b>Debbie</b>	<b>Summers</b>	<b>State Street Corporation</b>
▪ <b>Zuzana</b>	<b>Trum</b>	<b>Swiss Re Ltd</b>
▪ Steven	Munien	The Mauritius Commercial Bank Ltd.
▪ Fionnan	Kennedy	U.S. Bank, N.A.
▪ <b>Petr</b>	<b>Vycpalek</b>	<b>UBS Group AG</b>

### Welcome and Introductions

Debbie welcomed participants to the third meeting of the working group and introduced herself as co-chair alongside Felicity, invited new participants to introduce themselves and asked all speakers to provide brief introductions for the benefit of new colleagues. Resan introduced himself as a product manager for the Chess statement service at ASX Issuer Services, responsible for equity post trade communications for investors

### Investor journey improvement

The purpose, scope, and outputs of the WG were reiterated by Debbie, confirming focus an examination of the end-to-end investor journey across the full lifecycle, with the explicit aim of identifying barriers and opportunities for improvement. She clarified that the group is deliberately taking a product-encompassing, rather than product-specific, approach so that insights can be applied broadly across markets and service models. Debbie emphasised that while onboarding is largely out of scope for now, given this is being addressed by a separate working group, a connection point will be maintained in order to avoid duplication of effort and to share findings when appropriate.

There were four submitted use cases scheduled for discussion during this meeting, one likely to be held over till next time, and additional submissions are also invited ahead of the next meeting. It was clarified that the use cases are not ends in themselves but rather form raw material from which the group will distil recurrent themes that can ultimately be articulated in a thematic position paper aimed at the broader industry.

## 1: Petr Vycpalek (UBS)

**Post-Trade Processing Optimization and Data Utilisation:** Petr presented two post-trade data-driven concepts, including optimising custody location selection at execution and using AI-based predictive settlement fails management, outlining expected benefits such as reduced CSDR penalties, fewer asset transfers and improved client experience.

- **Optimal Custody Location Selection:** Petr described a use case where data points are used to determine the most optimal custody location for asset settlement, considering factors such as trading patterns, incurred fees, and client preferences. The approach aims to holistically evaluate both execution and custody costs, rather than focusing solely on best execution policy, to improve client experience and reduce settlement inefficiencies.
- **AI-Driven Predictive Fails Management:** Petr highlighted the potential for an AI-driven tool that analyses historical data to predict the likelihood of successful trade settlements with specific counterparties and custody chains and suggest effective rules for asset transfers. This tool would proactively identify where settlement “legs” between central securities depositories are likely to break and suggest corrective actions before failures occur, thereby reducing penalties, manual intervention and client impact.
- **Data Cleansing and Enrichment:** Felicity asked for clarification on the connection between data management and the proposed use cases. Petr responded that maintaining a comprehensive configuration table of data points is essential for the system to suggest optimal trading venues and custody locations, ensuring seamless trade processing and respecting client preferences. Specifically, by using data on exchange venues, custody networks, fee structures, client trading patterns, and regulatory constraints, firms could select execution and settlement combinations that reduce downstream asset transfers, operational friction and cost.
- **Barriers and Incentives for Adoption:** Debbie raised questions about incentives for pre-trade participants and the impact of market-specific settlement freedoms. Petr emphasized the importance of client choice, especially for institutional clients, and noted that aligning incentives around cost and penalty avoidance could motivate broader adoption of optimal custody practices.

Petr stressed that both use cases depend on robust, well-maintained data sets, including security characteristics, exchange attributes, custody network mappings, client preferences, and regulatory timelines such as the transition to T+1 settlement. He acknowledged the operational challenge of maintaining such data, especially for new issues or IPOs, but framed it as a necessary investment to enable smarter, more holistic processing. He also extended the logic to client onboarding, noting that allocating assets to optimal custody locations at account opening could prevent future settlement failures, corporate action notification delays, and CSDR penalties. He emphasized that fragmented custody locations for the same security increase operational risk and degrade client experience, whereas consolidation supports timely notifications and smoother lifecycle management (“Get It Right First Time” approach).

In response to questions, Petr clarified that client preferences must remain paramount, especially for institutional clients that explicitly dictate execution and settlement parameters. However, he argued that demonstrating the commercial and risk-reduction benefits of optimal custody alignment creates a win-win scenario for both clients and banks, aligning better client outcomes with lower operational costs and fewer penalties.

## 2: Zuzana Trum (Swiss Re)

**Account Management Challenges for Global Investors:** Zuzana spoke from the perspective of a global asset owner and institutional investor, highlighting the persistent difficulties in maintaining accurate, real-time visibility of thousands of global custody accounts across more than 120 entities, reinforcing the need for standardised and automated lifecycle tracking.

- **Complexity of Account Lifecycle Management:** Zuzana described the challenge of tracking the status of over 4,000 accounts across more than 120 entities globally, noting the lack of real-time, end-to-end visibility into account opening, maintenance, and closure as a significant and persistent problem. Errors such as incorrect account types, accidental closures, or accounts remaining open longer than intended were also cited as recurring issues with tangible operational consequences. She pointed out that while some custodians offer digital solutions, most still rely on manual processes and email notifications.

- **Account Type, Regional and Provider Variability:** Zuzana explained that under her remit, the challenge is amplified by scale, with over 4,000 accounts across omnibus and beneficial owner models, and by variability across markets. Karthik asked about regional differences, and Zuzana noted that Asia, and particularly more complex beneficial owner markets, tend to present greater challenges than more homogeneous regions such as parts of Europe. However, she cautioned against overly simplistic regional generalizations, pointing out that provider quality and process maturity often matter as much as market structure. Julie added that manual processes and billing cycles often delay account closures, regardless of region.
- **Current Solutions and Limitations:** Zuzana mentioned the use of Master Data Management (MDM) systems for internal tracking but noted the absence of fully automated, real-time solutions from most providers. Quarterly reconciliations and human intervention remain common, leading to errors and inefficiencies.

Zuzana underscored that poor account hygiene has downstream impacts on settlement, servicing, and client confidence. Delayed or incorrect account actions can disrupt investment activity and increase operational risk, reinforcing the need for standardised, transparent and more automated account lifecycle management across the industry.

### **3: Ekaterina Savinova (JPM)**

**Holistic Data Standardisation for Investor Experience:** Ekaterina outlined a holistic approach to improving the investor journey beyond onboarding by standardising data and processes across discovery, ongoing KYC maintenance, servicing, and exception handling. She emphasised that standardised data and consistent status codes were prerequisites for scalable digital platforms, with relevance for industry-level standards rather than firm-specific solutions and noted that meaningful improvement requires looking across the entire lifecycle rather than at isolated touchpoints.

- **Lifecycle Data Streams:** Ekaterina identified four key streams for improvement: discovery (market entry information), KYC documentation maintenance, servicing (instruction capture and status tracking) and exception handling. She described opportunities to improve early-stage investor decision-making by providing aggregated, transparent, and user-friendly access to information on market infrastructure, access models, regulatory requirements, participant roles and product types. She suggested that such information could exist either within provider platforms or perhaps as part of a broader industry marketplace to support faster and more informed market entry decisions. She emphasised the need for aggregated, transparent, and user-friendly data to facilitate investor decisions.
- **Platform Solutions and Data Standardisation:** Ekaterina highlighted the importance of standardised data, consistent status codes, and API-based connectivity to enable seamless instruction capture, tracking, and servicing across providers. She explained that investors currently bear the burden of normalising disparate data feeds and that industry-level standards could materially improve transparency around positions, balances, cash availability and settlement readiness. In response to Debbie's question, Ekaterina clarified that both platform solutions and standardised data are necessary. Standardised data enables consistent investor experiences across providers, while platform solutions facilitate seamless digital interactions and status tracking.
- **Exception Handling and Automation:** Ekaterina suggested embedding AI-driven tools for exception management, KPI monitoring, settlement performance analysis, and trend identification, which could automate feedback loops and enhance transparency in settlement cycles and investor queries.

### **4: Karthik Vuyyala (Standard Chartered)**

**Centralised KYC Registry Implementation in India:** Karthik shared the Indian market experience with a government-backed Central KYC Registry enabling “KYC once, use anywhere” across banking and capital markets, explaining how cross-regulator alignment and shared data governance reduced redundancy and improved financial inclusion. He offered to invite a colleague from India with direct product experience to provide deeper insights to the next session to add to the discussion.

**(Action point:** Julie to share Karthik’s case study along with the Minutes – please all note that details and statistics will require further validation before external publication).

- **Fragmented Regulatory Environment:** Karthik explained that India's multiple financial regulators previously required separate KYC processes across banking, capital markets, insurance, and pension sectors, resulting in redundancy and operational complexity for both investors and institutions.
- **CKYCR Solution and Implementation:** The government established the Central KYC Registry (CKYCR), which assigns investors a unique 14-digit KYC identification number, underpinned by a national identity system, allowing one institution’s KYC verification to be relied upon by others. He described the significant initial effort required to onboard institutions and de-duplicate records, followed by ongoing obligations for firms to update the registry when they refresh client information.
- **Risk-Based Updates and Regulatory Alignment:** He explained how investors are categorised by risk level, with update frequency aligned to that classification, and how all regulators agreed to a common baseline standard. This harmonisation enables firms to confidently rely on shared data while maintaining regulatory compliance.
- **Operational Impact and Ongoing Enhancements:** The CKYCR initiative has materially reduced redundancy, accelerated account opening, and supported broader financial inclusion in a large and historically underbanked population. Karthik noted that the system continues to evolve, with recent updates and ongoing stabilisation, and noted that the case study was a good example of how strong regulatory sponsorship and shared infrastructure can enable scalable, industry-wide data solutions.

### Next Steps

Debbie closed the meeting by summarizing next steps, including circulating the Indian case study, inviting further use case contributions, and planning to continue unresolved discussions in the next session. She agreed to defer Simon's use case summary and a broader discussion on data strategy (including a short summary of the State Street approach) to the next meeting, ensuring adequate time for each topic and speaker.

### Summary of Follow Up Actions

No.	Action Description	Responsibility	Deadline
1.	Submit written input on investor journey pain points (including onboarding, maintenance, trading, settlement and so forth)	All remaining participants	Within ~2 weeks
2.	Document and share / provide perspective on data quality, digitisation, and governance	Simon Shepherd	(Done; Presentation held over to next meeting)
3.	Circulate case study: “Centralised KYC Registry Implementation in India”	Julie Huxford	n/a – will circulate with Minutes
4.	Liaise with Investor Onboarding WG to align scope and avoid duplication	Julia McKenny	Ongoing