

Domestic CSD WG (CSD DDQ subgroup)

14 September 2026 Teams Call

Meeting Minutes

Participants (in attendance in bold):

▪ Julia	McKenny	ISSA, PMD
▪ Julie	Huxford	ISSA, PMD
▪ Palesa	Banda	Standard Bank
▪ Gemma	Campbell	NZX
▪ Esther	Chen	Standard Chartered Bank
▪ Sohayla	Ezzat	Egyptian Central Securities Depository
▪ Lavinia	Gheorghe	Depozitarul Central S.A.
▪ Jim	Harris	RBC
▪ Tarek	Khorshid	Egyptian Central Securities Depository
▪ Jiahua	Liu	Macao Central Securities Depository and Clearing Limited
▪ Ahmed	Marzouk	Egyptian Central Securities Depository
▪ Jim	Micklethwaite	Thomas Murray Network Management Ltd
▪ Fraser	Moodie	Australian Securities Exchange ASX
▪ Matthew	Pallett	Euroclear
▪ Adeyinka	Shonekan	CSCS PLC
▪ Ewan	Sturgeon	RBC
▪ Catherine	Tinavapi	Standard Chartered Bank
▪ Kenneth	Woo	CMU OmniClear Limited

Meeting purpose

Regular weekly meeting of Domestic CSD WG subgroup to catch up on status / tracking on review of CSD DDQ questionnaires (including AFME, AGC, PFMI), with a particular emphasis on determination of the appropriate (consolidated) Questionnaire for CSDs.

Discussion

Overview

The meeting focused on reviewing and refining the structure of a consolidated due diligence questionnaire by assessing how related requirements, governance topics, operational resilience content, and disclosure expectations should be organised. Discussion centered on improving questionnaire usability, reducing duplication, clarifying materiality principles, and ensuring that questions align with their intended purpose rather than historical placement. Subgroup participants also examined the relevance of inherited question sets, particularly where content appeared to originate from other assessment frameworks and considered how future revisions should be approached. The session progressed through requirement-grouping, governance placement, public disclosure expectations, and disaster recovery/business continuity topics in preparation for further review.

Key updates

- **Requirement Restructuring:** Julie started by reviewing WG-ISSUE-034, referring to her explanatory email of 9 September, and explaining that roughly 20 underlying questions had been grouped into two overly broad organisational requirements. The WG supported restructuring the content into more focused categories such as legal entity information, regulatory/prudential standing, insurance arrangements and material business/strategic developments, in order to improve clarity and maintenance.

- **Governance Question Placement:** The governance-related questions currently located within ESG sections were discussed, including board composition and independence topics. The WG agreed that while these questions historically entered the questionnaire through ESG requirements, they are more logically aligned with governance and should likely be relocated there.
- **Public Record and Disclosure Principles:** Various questions about fines, enforcement actions and other regulatory matters were examined. The discussion identified a key principle for future guidance: determining whether respondents should provide information directly within responses or simply reference publicly available sources, with further consideration deferred (a comment has been placed in the 'Notes' tab of the working draft spreadsheet to this effect).
- **Shareholding and Materiality Review:** Jim raised concerns about questions relating to ownership changes and shareholder disclosures, noting that publicly listed entities can experience frequent changes. The WG agreed that materiality thresholds and the intent of the question require further review when the generated questionnaire is examined.
- **Group Structure Relevance:** Catherine and Lavinia questioned the relevance of extensive parent-group information for infrastructure entities, noting that assessments are typically performed at the individual entity level. WG participants concluded that much of the group-level content may not be relevant for CSD assessments, although potential parent-support considerations should be retained and checked elsewhere in the questionnaire (*JH postnote:* Have done a word search on the obvious candidates (parent / parental / support / guarantee / guaranty within each of the underlying questionnaires and don't see anything obvious).
- **Updated Questionnaire Version:** It was noted that a newer version of the AFME questionnaire had now been published. Julie agreed that future work should be based on the updated version, with document alignment and reference mapping to be completed before additional questionnaire generation work proceeds. Jim undertook to send Julie the new version (*done*).
- **Business Change and Risk Reporting:** Questions about business changes during the previous 12 months were reviewed. The WG favoured focusing on material changes affecting client risk and services, potentially using a negative-affirmation approach for changes not already communicated through established channels.
- **Information Security Disclosure:** The question asking whether an organisation had appeared in the media due to an information security event was challenged. The WG agreed that regulatory disclosure requirements provide a stronger measure of material incidents than media coverage and recommended framing the topic around regulated disclosure obligations and reported incidents.
- **Operational Resilience Structure:** The team reviewed WG-ISSUIE-35 concerning disaster recovery (DR) and business continuity planning (BCP). Participants agreed to keep DR and BCP as separate operational concepts while consolidating common testing, assurance and invocation-history content under a shared operational resilience structure.
- **DR and BCP Question Quality:** The WG examined several DR and BCP questions, including test success reporting, invocation history, remediation disclosure, and testing arrangements. The WG generally concluded that organisations are unlikely to share detailed remediation results with clients, but supported retaining high-level governance and testing questions and identified wording that may require clarification in later revisions.

- **Next Steps and Remaining Review:** Julie confirmed that one remaining block of questions still requires review, primarily involving ESG and governance categorisation. Catherine will continue reviewing the remaining section with the WG next week. Ahead of that, Julie will clean up comments, look to assess the updated AFME CSD questionnaire version if time permits, and prepare updated materials before the group reconvenes.

Summary of Follow Up Actions

No.	Action Description	Responsibility	Deadline
1.	Julie to send latest Working Draft of current spreadsheet to the 14 September meeting attendees once tidy ups have been made.	Julie	Done
2.	Julie to review updated (2027) AFME CSD questionnaire (vs the 2026 version that work to date has been based on). Will bring back to the group if there are any changes of substance. (Note that ahead of moving to question generation, the entire AFME questionnaire will need to be fed back into the model, so there will need to be some rework / realignment ahead of then as a result of the updated questionnaire being included)	Julie	Upon return from leave