

BROADRIDGE WINS SERVICE PROVIDER OF THE YEAR

Officials at Broadridge Financial Solutions respond to questions about its Service Provider of the Year honor and some its key initiatives for the coming year.



★ Service Provider of the Year — Broadridge Financial Solutions

By Eugene Grygo

(Editor's Note: Financial Technologies Forum (FTF) recently held its gala event for the winners in its awards competition for post-trade securities operations, the 2017 FTF News Technology Innovation Awards. Among the top honors is Service Provider of the Year, which went to Broadridge Financial Solutions. Chosen by vetted industry participants, the Service Provider of the Year honor goes to the vendor that has advanced the delivery of service, demonstrated extraordinary client support, launched new synergies with key market participants and has shown extraordinary leadership in the industry. Broadridge officials recently answered questions from FTF News.)

Q: In your opinion, what strategic actions by Broadridge in 2016 caused our readers to give the company the "Service Provider of the Year" designation?

A: We continue to invest in our products and launch innovative post-trade solutions while being very client driven.

Clients are seeking partners who can help them transform their operations and mutualize investments, especially in emerging technology such as artificial intelligence and blockchain. Clients see that there is a network value benefit from using our services, which means we can do things that they cannot do on their own. They gain unique benefits from being part of the Broadridge community.

Q: What in your opinion was the single most important development in 2016 for service providers?

A: Increased willingness to mutualize their business and investment dollars with a trusted partner and thought leader, as well as the rapid acceptance and interest in emerging technology.

Q: What innovations such as cloud computing have changed the relationship between service providers and their clients?

A: For Broadridge, it is coupling our end-to-end technology and managed services with newer technology as mentioned above in a way that enables our clients to transform their business and gain the benefit of our network value.



Michael Alexander, President, North America Wealth and Capital Markets Solutions, Broadridge

For example, firms in Canada typically take 10 to 14 days to move assets between accounts/firms.

We have a very large percentage of the industry volume on our platform, and we can significantly accelerate the processing time. We can provide an improved service because these assets are already on our platform. This is something individual firms cannot do on their own, but as part of a network can gain a competitive advantage.

Q: In its role as a service provider, what were Broadridge's top achievements in 2016?

A: • Broadridge completed several transformative initiatives designed to provide capital markets firms with innovative solutions:

- In May, we launched the next generation Global Post Trade Management (GPTM) solution that streamlines post-trade processing across asset classes, markets and global business entities;
- In September, we announced that three of the world's leading financial institutions have chosen GPTM as the strategic platform to help them transform to their target operating model;
- As thought leaders in the industry, we are also very focused on investing in innovation. In blockchain, our strategy is to invest organically and through leading innovators in this space;
- In 2016, we made a minority investment in Digital Asset Holdings and acquired Inveshare to accelerate our proxy blockchain capabilities.

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Q: How are the needs of clients changing?

- A:
- ROE is still below cost of capital, firms are dealing with increased complexity from regulations, and there is less availability of investment dollars and talent.
 - Firms are realizing that their efforts, while great, are still short of where they want to be, and they want to capitalize on emerging technology such as artificial intelligence (which require significant investment)
 - These trends have created an environment where firms are more willing to mutualize their operations and partner with a firm who can invest in emerging technology and provide thought leadership to transform their business model
 - They also want ongoing investments and improvements as well as a trusted partner who can improve their speed to market and provide thought leadership to offset some of their talent drain

Q: What can you tell *FTF News* about Broadridge's service provider plans for 2017?

- A:
- We are focused on delivering network value to our growing network of clients. Network value is the next phase of our value proposition in that we believe there are revenue opportunities and competitive advantages to firms operating on a common platform.
 - Some of these initiatives may include shortening the settlement cycle beyond T+2, netting cash payable and receivable items, and leveraging fixed income data to improve liquidity in corporate bonds.
 - Most recently, we partnered with our clients (J.P. Morgan, Northern Trust and Banco Santander) and successfully completed a pilot, which employs a blockchain technology to enhance global proxy vote transparency and analytics. We continue to develop use cases in a number of areas, including bilateral repo, clearance and settlement, and other pilots with our clients, in order to fully leverage the potential benefits of blockchain.
 - We also have a significant focus on incorporating artificial intelligence, machine learning and robotic process automation into our own processes, core solutions, and services, bringing efficiency gains and more value to our clients. ★



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