



Proxy Voting: Raising the standard of corporate governance

Sibos – Hong Kong

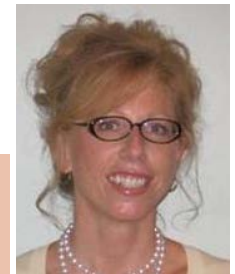
Wednesday 16 September

Introductions

Julie Wang
Taiwan Depository & Clearing Corp.



Elizabeth Maiellano
Broadridge Financial Solutions Inc



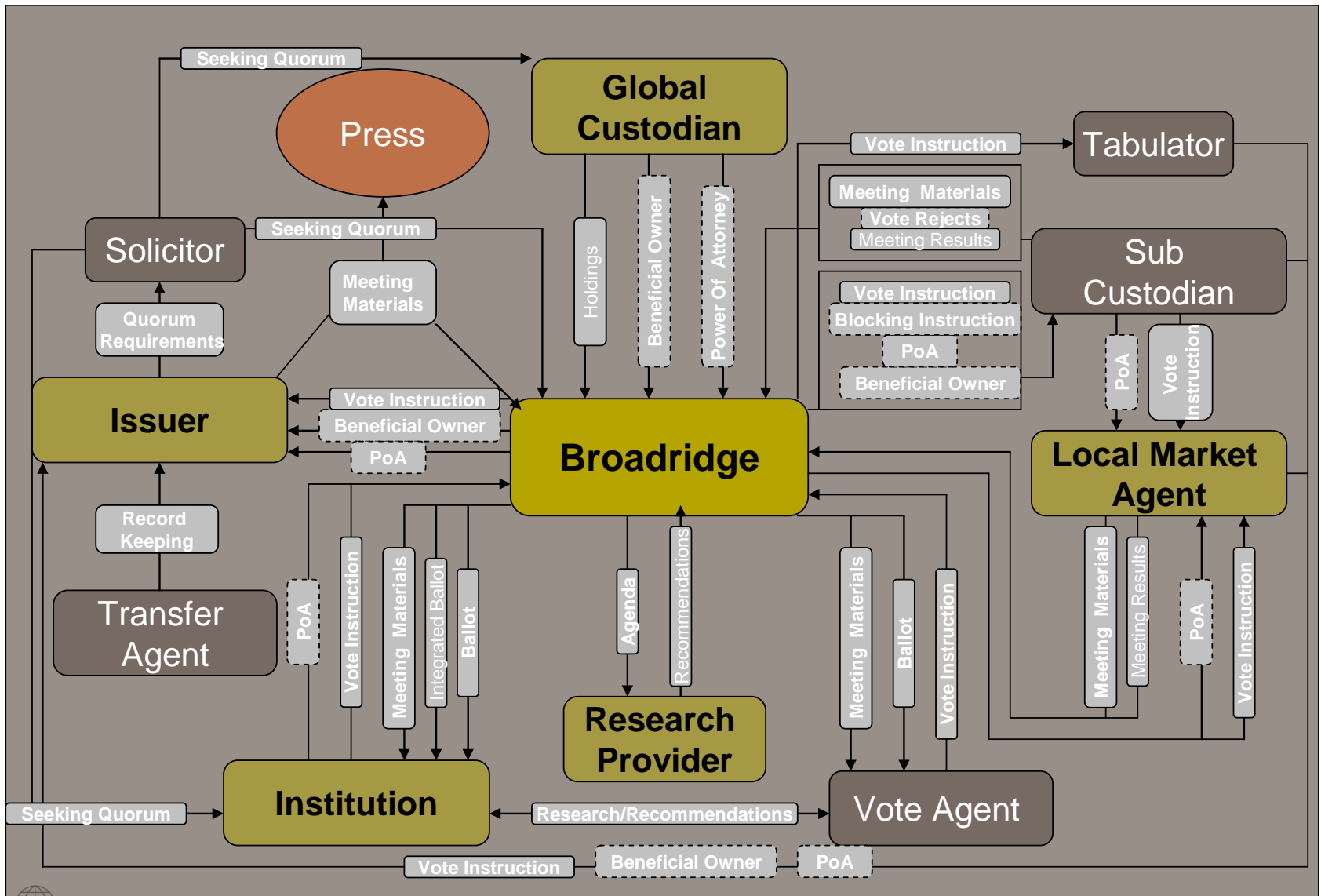
Patrick Cichy
HSBC



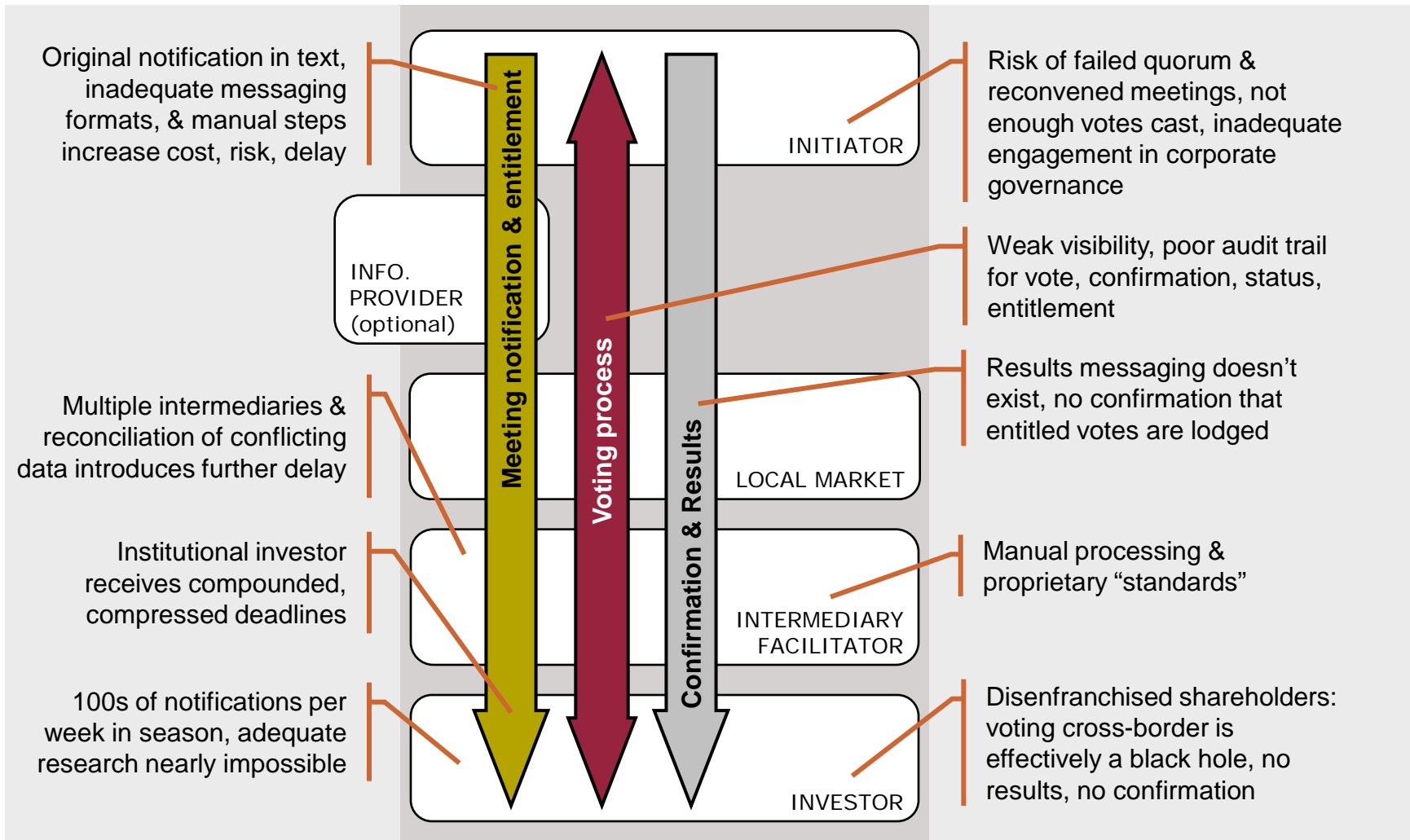
Adam Wilson
SWIFT
Moderator



The Problem: Global Proxy Voting Complexity

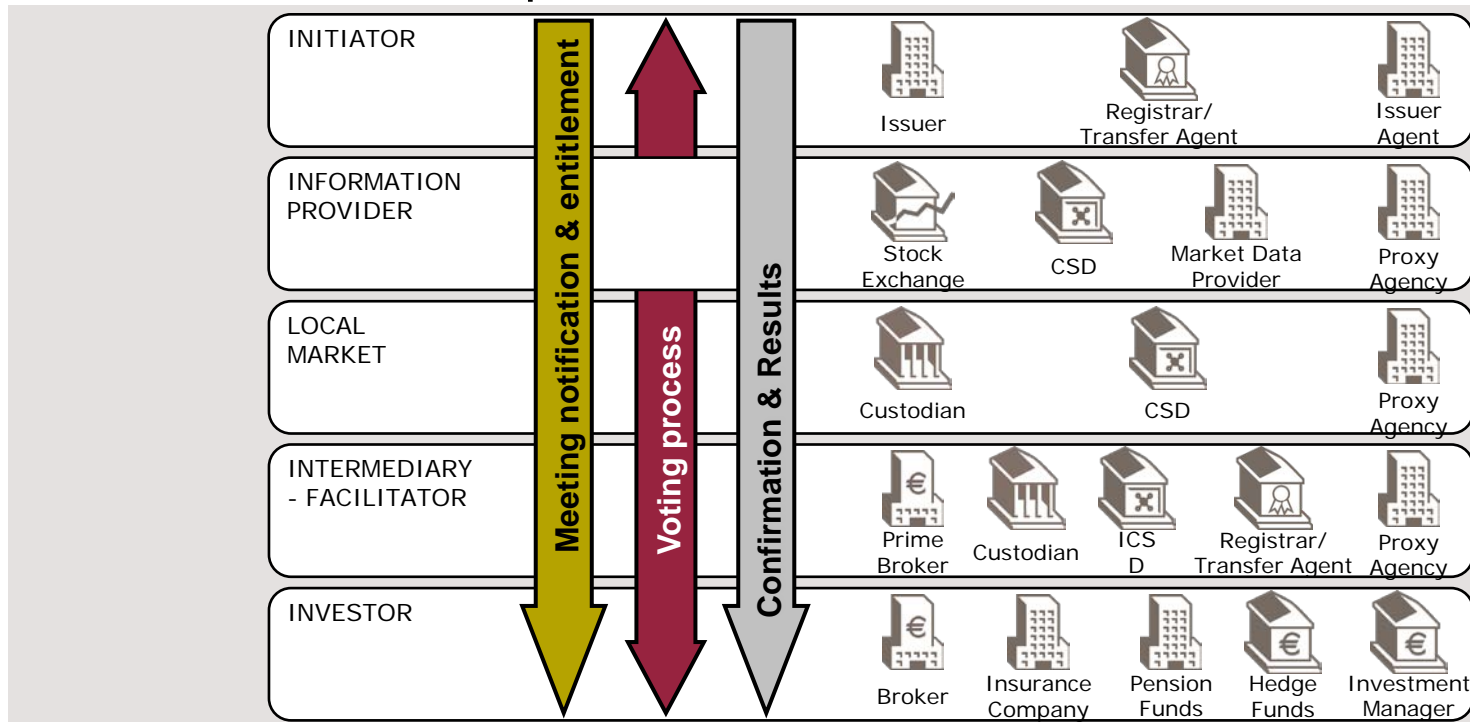


Industry Issues: Across the landscape



Solution: Improving process and increasing efficiency with end to end messaging

- 8 new MX messages, developed & piloted for 2 years
- Closed User Group with Proxy Agent membership
- InterAct with non-repudiation and validation



From Corporate Actions MT messages, inadequate for PV, to holistic MX messages

Function of Message	MT ISO 15022	MX messages ISO 20022	
Meeting Announcement or modification	MT564 with event type CAEV = MEET, CMET, XMET, or OMET (or MT568/599)	MeetingNotification seev.001.001.02	
Cancellation of Meeting or Meeting Notification	MT564	Meeting Cancellation seev.002.001.02	
Confirmation of Entitlement	MT564	MeetingEntitlementNotification seev.003.001.02	
Voting Instruction (incl voting registration, meeting attendance, appointing proxy,...)	MT565	MeetingInstruction seev.004.001.02	
Cancellation of voting instruction	MT565	MeetingInstructionCancellationRequest seev.005.001.02	
Status on voting instruction	MT567	MeetingInstructionStatus seev.006.001.02	
Confirmation of vote execution	n/a (nominal use of MT568/599)	MeetingVoteExecutionConfirmation seev.007.001.02	New
Results of meeting	n/a (nominal use of MT568/599)	MeetingResultDissemination seev.008.001.02	New

Benefits: The Proxy Voting solution with ISO 20022 messaging

- Messages designed to standardise and automate the proxy voting process, reducing risk, increasing voting levels, and strengthening regulatory compliance capabilities.
- Significantly reduce risks associated with errors
- **Reduce costs and errors** - less manual intervention
- **Streamline** and decompress **deadlines**
- Help **eliminate** **‘under’/‘over’ voting** with increased precision
- Maintain audit trails
- Provide transparency
- **Increase voting levels**
- Comply with regulatory requirements
- Integrate new customers/agents rapidly
- Accommodate funds voting

Proxy Voting: Call to action

- **Availability**

- Release 1.1 in Pilot environment since 24 July, Live Nov 2009
- Smart Test Messages available
- Supports emerging regulatory attention in EU, UK, US and corporate governance concerns in Asia Pacific

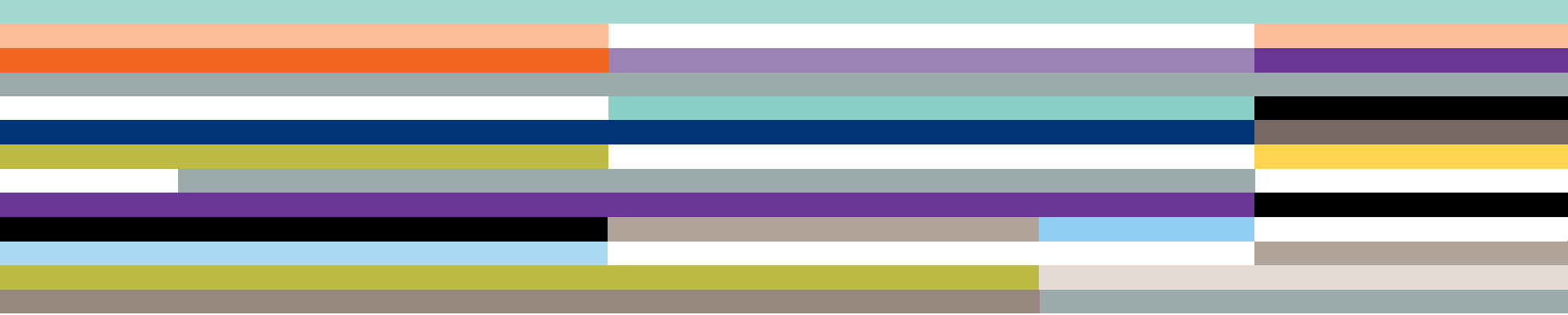
- **Practical steps**

- XML messaging
- Counterparty development and commitment
- Proxy Agents committed and supporting
- Vendors / Partners on board



Audience questions and answers





Thank you

