



Open Day 2016

Regulatory Reporting Hub
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5 October 2016

Executive summary

1. Increasing regulatory reporting requirements create high demand for one-stop shop regulatory services
2. Deutsche Börse Group committed to address market demand to support existing and new customers by offering the Regulatory Reporting Hub
3. The Regulatory Reporting Hub is also a central component for Deutsche Börse Group's own regulatory compliance

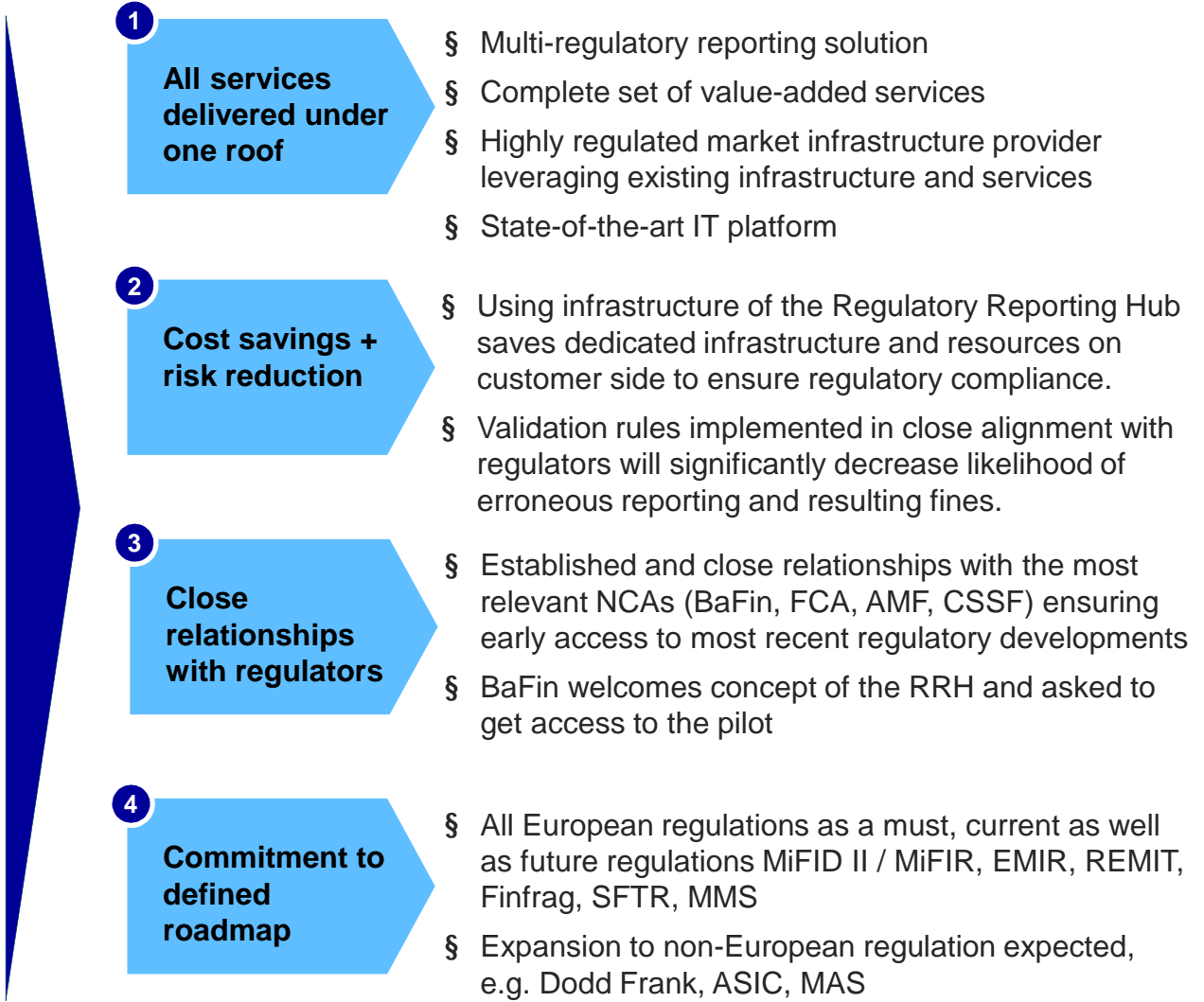
We understand that investment firms are looking for a strategic solution to their regulatory reporting requirements

§ To date, we conducted nine workshops in London, Frankfurt / Main and Paris with ~450 participants from more than 150 firms.

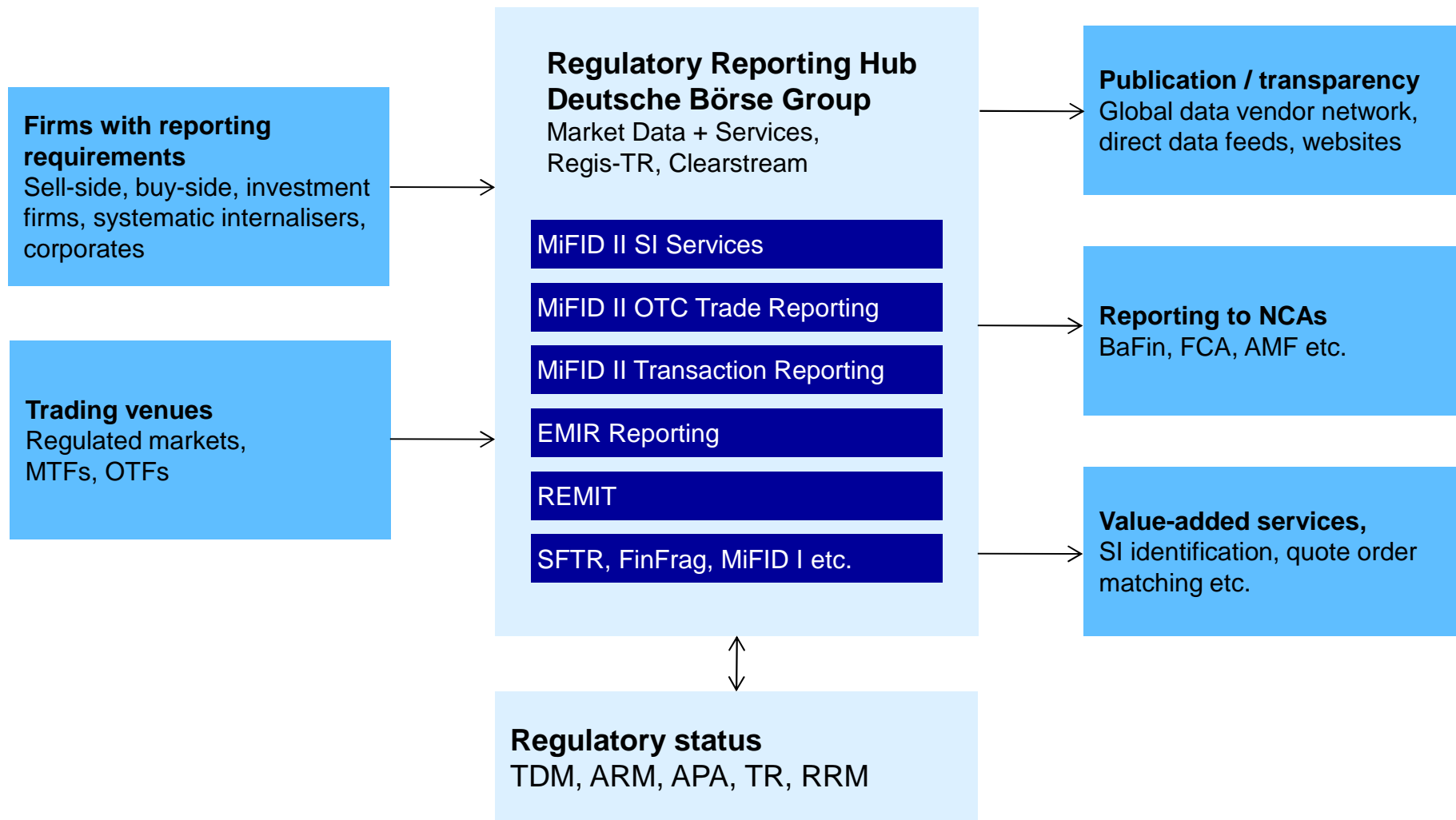
§ In addition, we conducted more than 200 individual customer meetings across Europe.

§ Ongoing conversations with international investment banks, national champions and buy-side firms

§ Discussions were also held with main national competent authorities (BaFin, FCA, AMF).

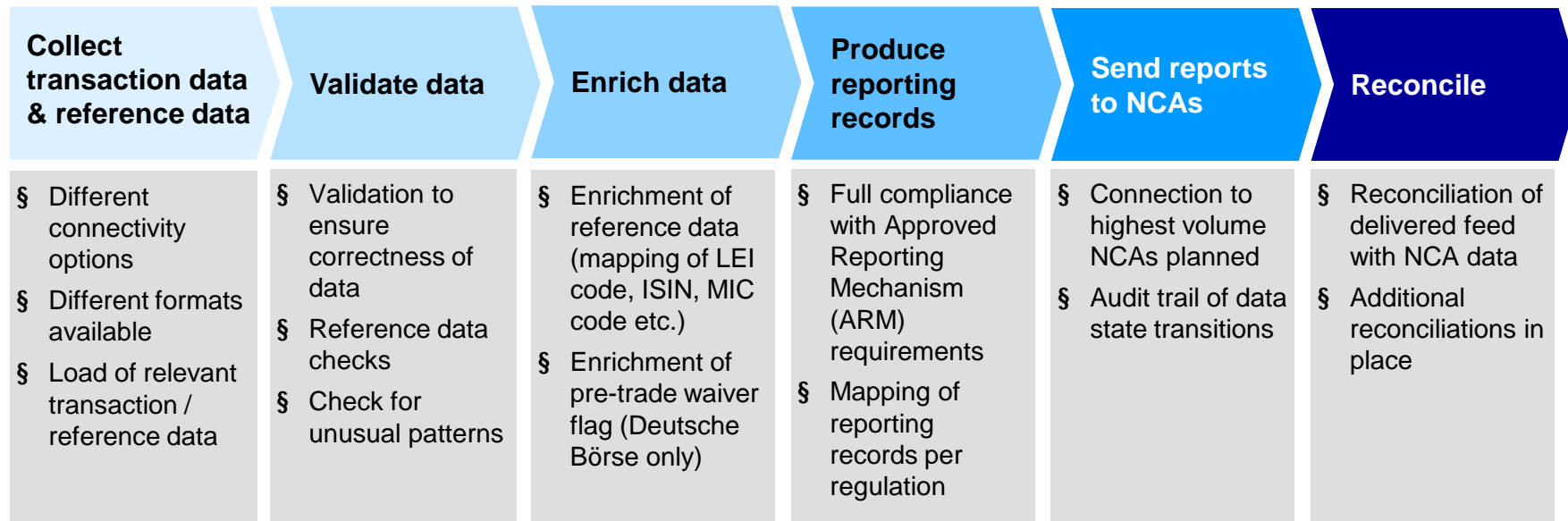


We are the Hub: the one-stop shop for regulatory reporting services



MiFID II / MiFIR transaction reporting

Deutsche Börse Group to offer the entire process chain of services



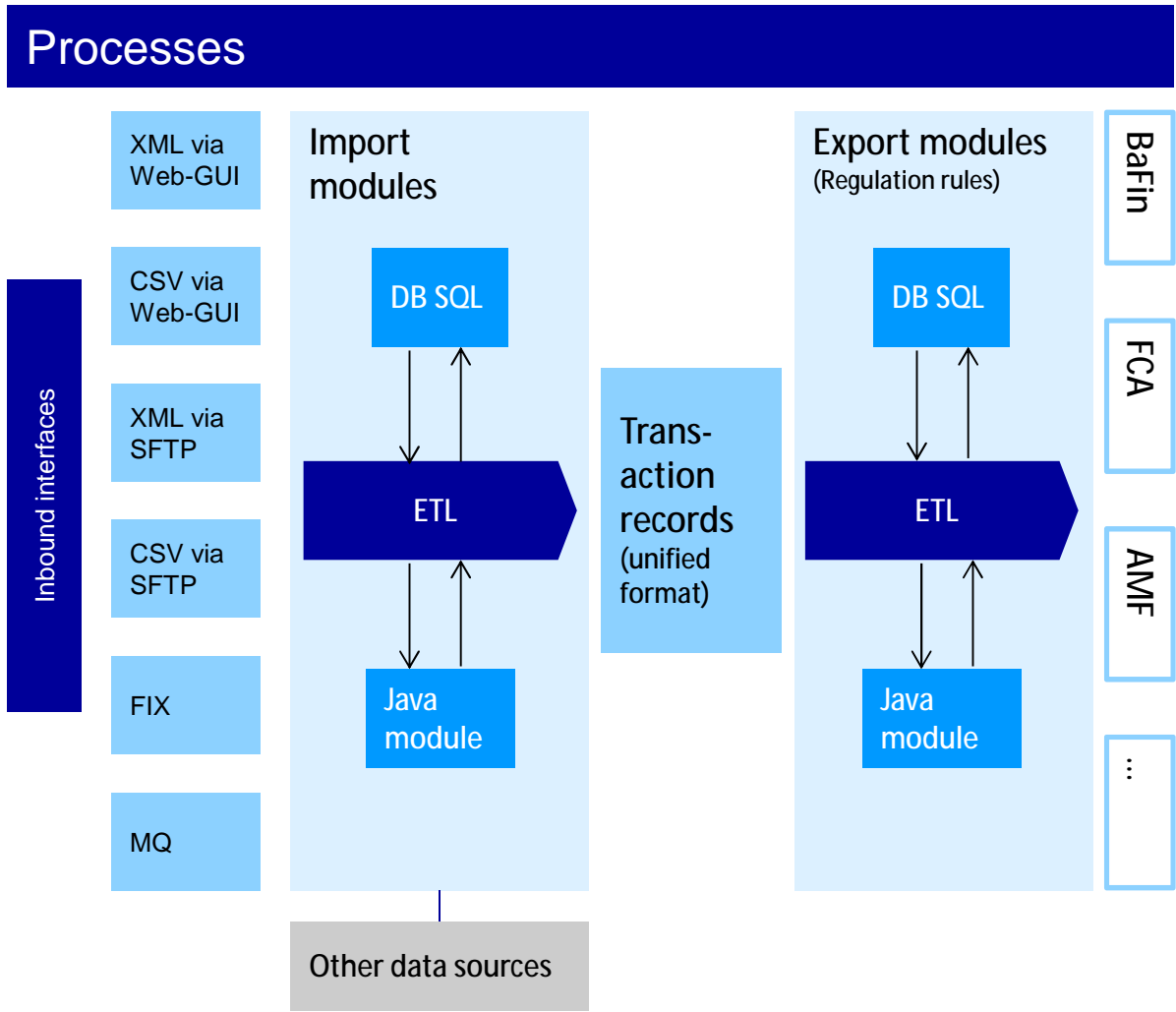
Deutsche Börse Group's offer:

- § Regulatory core competence
- § High economies of scope and scale
- § Business intelligence
- § Data warehouse and IT competencies
- § Proprietary high security technology
- § Official status: ARM / APA / RRM / TR

Customer benefit:

- § Significant cost savings
- § Reduction of risks (e.g. sanctions)
- § Improved productivity and data quality
- § Enhanced compliance in alignment with frequent regulatory changes

Processes and technologies



Technologies

Data access	§ Database SQL
Data filter	§ Database SQL § Informatica ETL
Reference data enhancement	§ Informatica ETL
Simple field mapping	§ Informatica ETL
Complex field mapping	§ Informatica ETL § Java module
Aggregation	§ Database SQL § Informatica ETL
Loops	§ Java module
Validation of relationships	§ Informatica ETL
File in- and output	§ Flat file: Informatica § XML: mainly Informatica
Parametrisation	§ Informatica ETL

MiFID II / MiFIR OTC trade reporting (APA service)

<p>Reporting obligation check</p>	<ul style="list-style-type: none"> § In order to avoid double reporting of trades, customers need to make sure that only one party of the trade is reporting. § Deutsche Börse to implement the defined rules which party has to report
<p>Instrument scope check</p>	<ul style="list-style-type: none"> § Deutsche Börse to load all necessary instrument reference data from ESMA and additional data from trading venues § Customer can submit all its trades (even without ISIN in case of OTC derivatives), with Deutsche Börse filtering the trades in scope of MiFIR
<p>Trading obligation check</p>	<ul style="list-style-type: none"> § MiFIR includes a trading obligation meaning these instruments cannot be traded OTC § If detected, customer will receive a notification of the violation “after the fact”.
<p>Automatic deferral calculation</p>	<p>Deferrals will be calculated based on respective ESMA and NCA rules and deferral related flags derived from submitted trade information.</p>
<p>OTC trade reporting</p>	<p>Deutsche Börse to utilise existing data dissemination environment for publication of OTC trade information (CEF system, data vendor network)</p>

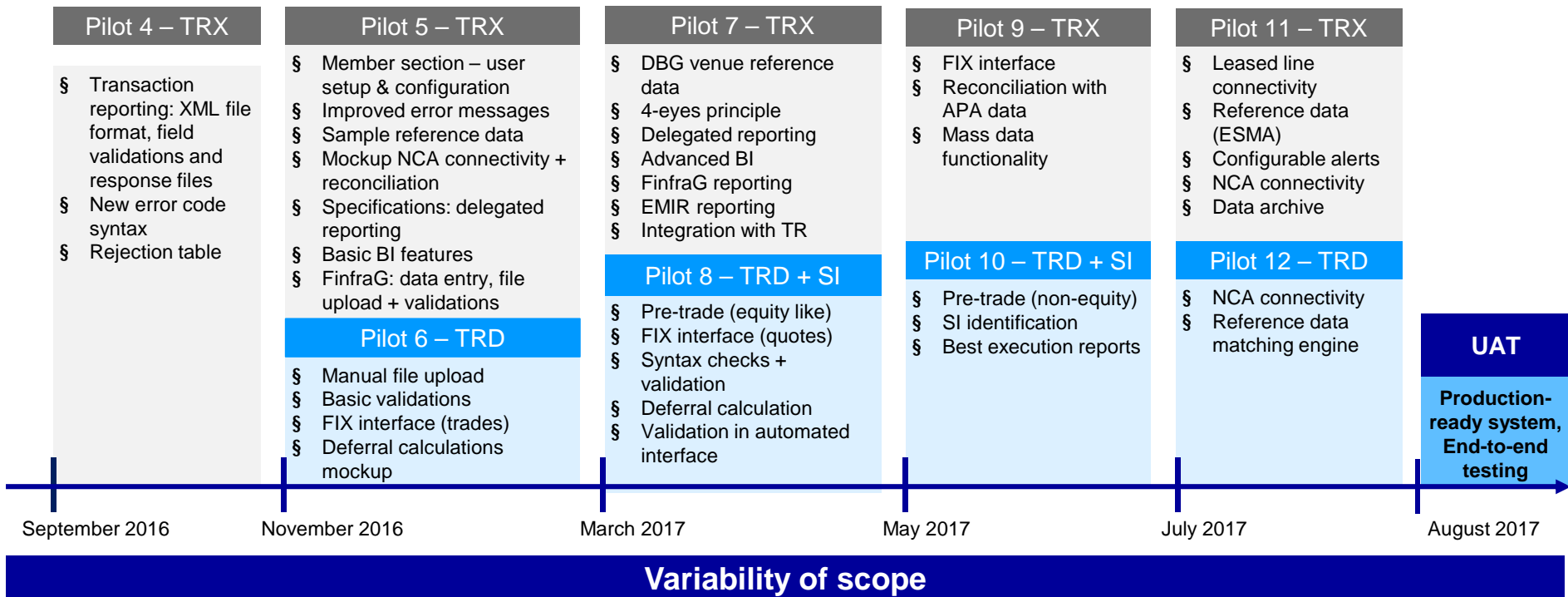
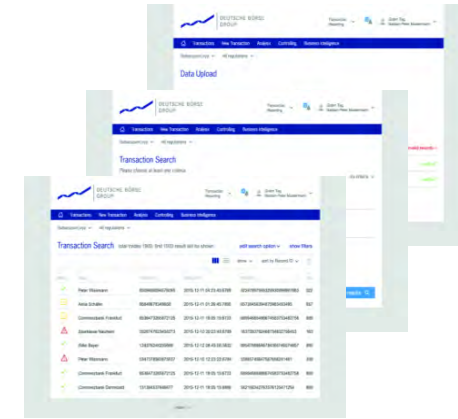
MiFID II / MiFIR service for systematic internalisers (SI service)

<p>SI identification</p> <p>MiFID II article 4 (20)</p>	<ul style="list-style-type: none"> § Monitoring of transaction and trade data submitted by customer § Use of transaction reporting / ARM data for on-venue volumes § Warning messages if approaching registration criteria
<p>Pre-trade reporting</p> <p>MiFIR article 14</p>	<ul style="list-style-type: none"> § Application of large-in-scale waivers § Verification of minimum quote size § Usage of APA real-time infrastructure for publication
<p>Quote and trade matching</p> <p>MiFIR article 15</p>	<ul style="list-style-type: none"> § Continually monitoring the consistency of quotes and trades § Validation in case of quote and trade deviations § Daily reports to customer
<p>Best-execution reporting</p> <p>RTS 27 of MiFID II</p>	<ul style="list-style-type: none"> § Extracts corresponding relevant information from pre- and post-trade reporting streams submitted by SI § Assembles quarterly reports to support best execution reporting obligations
<p>Reference data reporting</p> <p>MiFIR article 27</p>	<ul style="list-style-type: none"> § Assembles reference data reports relating to those OTC derivatives for which customer is SI § Submits the reference data to NCA's end-of-day

Pilot feature roadmap

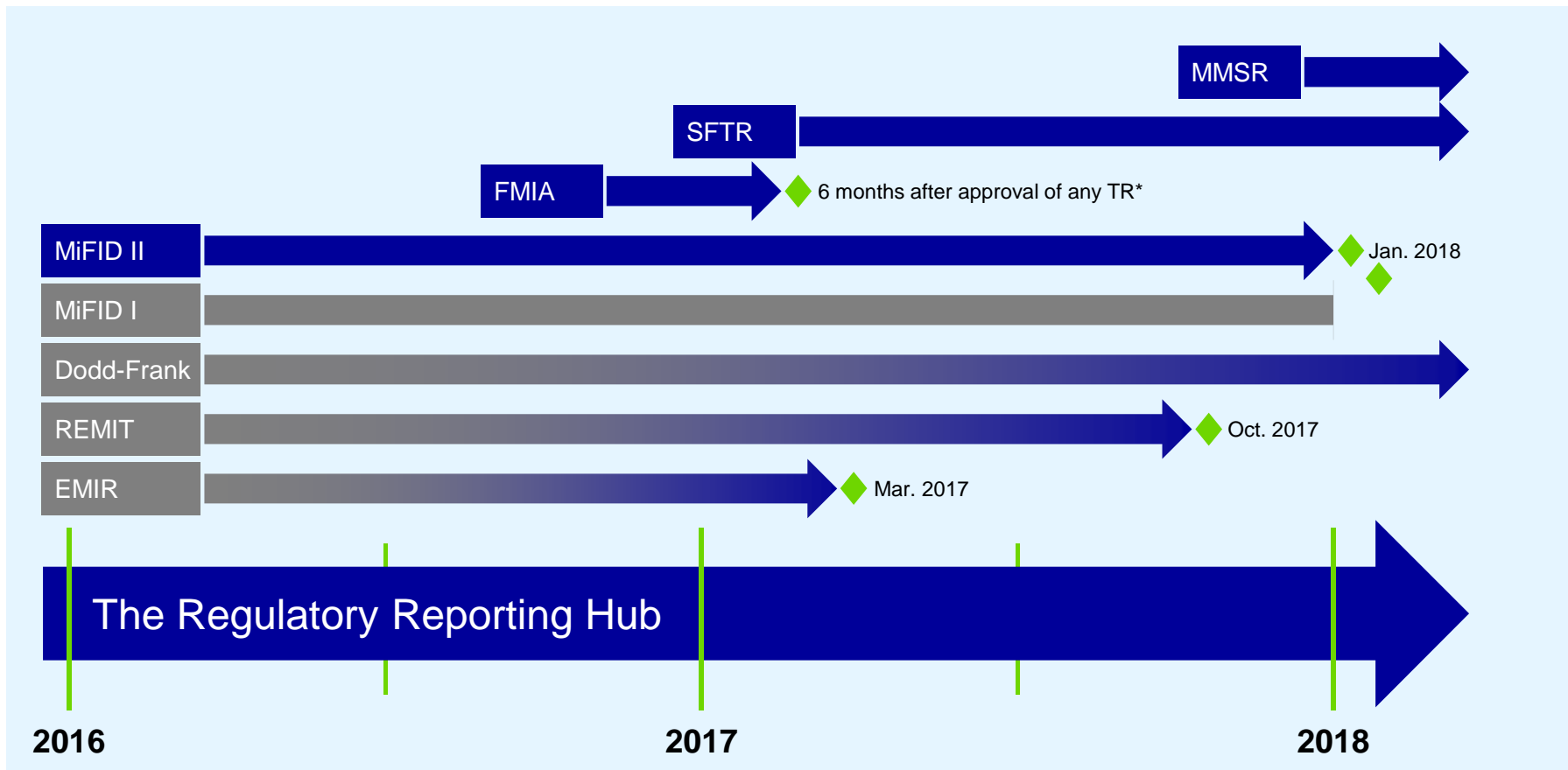
Pilot 3 – functionality snapshot :

Transaction reporting	OTC trade reporting	SI service
§ Improved set of validations	§ Trade report	§ Quote summary report
§ Feed supporting multiple regulations	§ Dashboard basics	§ Quote detail report
§ Audit version history		§ Dashboard basics
§ Dashboard + GUI enhancements		§ SI identification details
		§ SI traffic light



The Regulatory Reporting Hub: our solutions roadmap

Reporting services across multiple regulations and jurisdictions



- Future regulations planned to be supported by our solutions
- Currently supported regulations
- Launch of regulation solution within the Regulatory Reporting Hub

*Approval by FINMA pending

As of September 2016 | final timelines depending on relevant regulatory requirements.



Contact

Deutsche Börse Group, Regulatory Services

For more information about the Regulatory Reporting Hub and Deutsche Börse's regulatory reporting solutions please visit our dedicated website for frequently updated news at

<http://www.deutsche-boerse.com/regulatory-services>

Continue emailing us at regulatory-reporting@deutsche-boerse.com