



pliaKYB European Advisory Board Meeting

2nd FEB 2022 2PM

Attendees

- Bill Stephenson, Dave Lauer, Anita Karpi & Amy Scott (Urvin.Compliance / Plia)
- David Bentley (Invesco)
- Gregg Dalley (Schroders)
- Jeremy Ellis (T Rowe Price)
- Chloe Frayne (Credit Suisse)
- Jason Parrott (Franklin Templeton)
- Dan Riches (M&G)
- Sal Rodriguez (Instinet)
- Simon Steward (Capital Group)
- Apologies from Adam Conn (Baillie Gifford)

General Update

- Bill gave a general update on Plia progress since the last meeting including:
 1. We have been making good progress with both Buy and Sell side in the Europe region, as well as other regions, and we do believe that we are now reaching critical mass. We signed up 18 new clients last year.

The buy-side have been sending lots of standard questionnaires and both sides are definitely seeing the benefits of using PLIA to centralise this information.
 2. All Plato Partnership Sell Side members are now on board. We have the top 15+ brokers, and have made a lot of progress in this area.
 3. Anita Karppi (Europe) has now joined as CRO and head of ESG.
 4. Our new KYC product has been developed and launched - this was invested in by the Plato Partnership. Our existing product is KYB (Know Your Broker). The most significant part of this new KYC platform is document storage and end to end encryption, especially with regard to PII. If there's anyone at your firm we should speak to about the new platform please do let us know. We are organising demos now.

5. Last month we also launched our ESG product, which we would be happy to show you and demo to your teams/ESG functions. This will be free of charge to Jul 2022, and thereafter at a small additional fee.

Technical Update

- Dave gave a Technical update, including:
 1. New analytics functionality in development which will show against any questionnaire where you're comparing answers, if the answer is numerical, a min, max and mean of the answers from all brokers etc. Also with Yes/No answers, the majority of answers of one or the other.
 2. By questionnaire, in line with each question, there will be the distribution of the other brokers' responses next to that question/answer.
 3. We will continue to look into where we can use NLP capabilities for analytics too.

General Discussion / Q&A

Simon Steward mentioned that any help with analytics would be helpful.

He also asked how we were doing with customers - are there any gaps/anywhere they can help us to get more (especially brokers) on board.

Anita mentioned that we've been demoing with lots of people who haven't seen it for a while.

The testimonials received so far from this group were brilliant, and from a marketing perspective, anything this group can do in that vein e.g. testimonials and word of mouth introductions would be great and helpful.

Simon said that he's happy to talk to clients etc, and spread the word, but it feels like we need to approach this from all directions, and the sell side need to help too - e.g. making this our system of choice.

Sal said that he echoes the thoughts but from the sell side they will do as they're told. So the 'push' should come from the buy side. Any awareness can be helpful. If we can help to push, that would be great - perhaps if we can tell them some common pushbacks, so that we can help answer them and to move things along.

Gregg Dalley - what is the main pushback from buy side clients?

Bill said that some have said that they use other platforms, or internal platforms, we think we're the only ones doing it at scale. We really need folks to "see" the need for it. Some firms haven't found it an important enough issue to move forward with right

now. No-one has said "NO", just haven't said "Yes" yet and need a reason to make it a priority.

Simon Steward said that he is happy to mention it in the next Plato board meeting - e.g. Plato have invested in this, if you haven't seen this recently, please revisit.

When people see those friendly faces, with the testimonials it's really useful. Get the 'voice' of PLIA out there, and get champions out there mentioning it to their peer group.

Jeremy Ellis mentioned that the approach needs to be multi-faceted, but it needs to be pushed e.g. in the press etc. We have been distracted with other commitments, so if we can agree a concentrated period where we can all push it, that might be helpful. We have had some pushback from sell side, but in some cases they had legal and compliance issues with technical onboarding, and were taking time to onboard the system.

Bill said yes, some of them really do take a long time - one of them it was literally a year to go through the whole process. This can't be solved overnight, but once it's been done, it is done. It's been a challenge but it has been done fairly broadly among global brokers.

Some firms have said to us that they are getting due diligence questionnaires from all kinds of different platforms, we'd love to get them all in PLIA - please do reach out to us and we can work together to get them all onboarded.

Sal said that I, and the market should support anything that aggregates inbound and outbound questionnaires, such as PLIA – rather than random ad hoc requests. But yes, if people are not we should encourage them to use.

I think mentioning it at the Plato board meeting could help. Perhaps the offer of "contact me quietly if you want to ask about it", could work. There are multiple platforms which enable us to make more noise.

When the sell side sees clients pushing this globally, that's also helpful, so if you can get other folks in your firm using the product in other regions, that would be great.

Dan Riches said we are relatively recent adopters and needed to make the cost-benefit internally, I have used it for my broker reviews, and it's relatively easy to use, and bang, bang, bang, they went out and the replies have come back and all audit trailed. For me, it saves me a material amount of time in sending out the broker reviews. It's definitely a cost-benefit thing, and needs to be used for more than just an algo questionnaire management to make the cost-benefit worthwhile. If we can think of other labour saving use-cases. I estimate that it saves me a day, for every broker review cycle.

Gregg asked if BAML was on the platform, the answer is yes. The only broker we are waiting for agreement is Credit Suisse, although we have been told that it is now days away.

Anita mentioned that additional use cases would really help, getting into the press - especially if we can get quotes from buy and sell sides who can add gravitas to the articles/announcements, we can drip feed over the next quarter/six months, with quotes and endorsements - Anita will put together a plan, and circulate - please do let us know if you can add your name to any of them.

We are getting some tail wind from KYC and ESG demos too, for KYB. It makes it more compelling to use multiple products too (and cost savings).

We've had some good feedback - with ESG its early days but we can cross-sell and increase the coverage in a firm. Increasing awareness and cross-selling approach we can build on that this year. Obviously KYC has the Plato investment and endorsement, and that is really helpful.

With ESG it's a familiar product, but with an ESG lens, so helpful for other areas of the business.

Some firms have been using other KYC platforms, and they are much more expensive, but it can help firms to use multiple PLIA products, and give them more reasons to engage with, especially those who we haven't spoke with recently.

If we're not getting that engagement from KYB, we can get into other parts of the business for KYC and ESG and then move into the trading/due diligence product.

Simon said that there's been a huge change in our understanding of how a firm works and business proposition which allows us to move it onwards into other areas of the business as things change.

Bill mentioned that we were thinking about trying to update the standard questionnaire - let us know if we need to amend anything.

Also in terms of comparing responses, maybe we could think about editing some questions on the standard questionnaire to give them options for responses rather than leaving them open.

We could create a box for the response, and then it would be easier to compare. There is always an open-ended explanation as a choice too. This might cut down on people writing the same response in slightly different wording.

Simon said that that is a great call. The reality is that if there's one person on our side going through the questionnaires and answers, anything that makes it easier for them is going to be helpful.

Most of the sell side firms have already seen and responded to the standard questionnaire, so that if we slightly amend a question, it shouldn't be a problem and a massive time commitment to amend those answers.

Bill said we also wanted to ask you whether you think an integration with Symphony to be interesting or useful? We are hesitant to start that process if it wouldn't be helpful.

Jeremy said that they use Symphony a lot. In terms of integrating, the potential existed back then, but you'd have to canvas who uses it on both sides of the street now.

Bill asked if anyone else uses Symphony. Dan said that they don't use it.

Simon said that their Fixed Income group do, but not so much on the Equities side.

Anita said that we will investigate how this would work in reality and see whether there is enough appetite for it. The functionality may not make sense. We will let you all know how we get on.

Jason and Chloe stayed on the call to have a quick overview of the new ESG platform.

Bill and Dave thanked everyone for their time and asked for feedback.

Amy is available for support and training where required.

Next meeting TBA