

Broadening Asset Servicing in 2025

the ValueExchange 

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Key Findings

The ValueExchange



Empowering change-makers in the capital markets with expert-backed, statistical insights on the case for transformation

Leveraging our...

Hands-on experience

Over 25 years of practitioner experience in securities and capital markets

Expert community

An active and engaged community of industry leaders and changemakers across the globe

Unique industry data

Over five years of in-depth data on how and where the world is transforming its investment operations



... to empower changemakers with:



Concierge

Our personalized service to help you get the answers you need



Measure Impact

Specialist benchmarking insights to track the economic impact of your transformation in dollars and cents



Industry advocacy

Collaborative, industry-wide campaigns to make the case for transformation



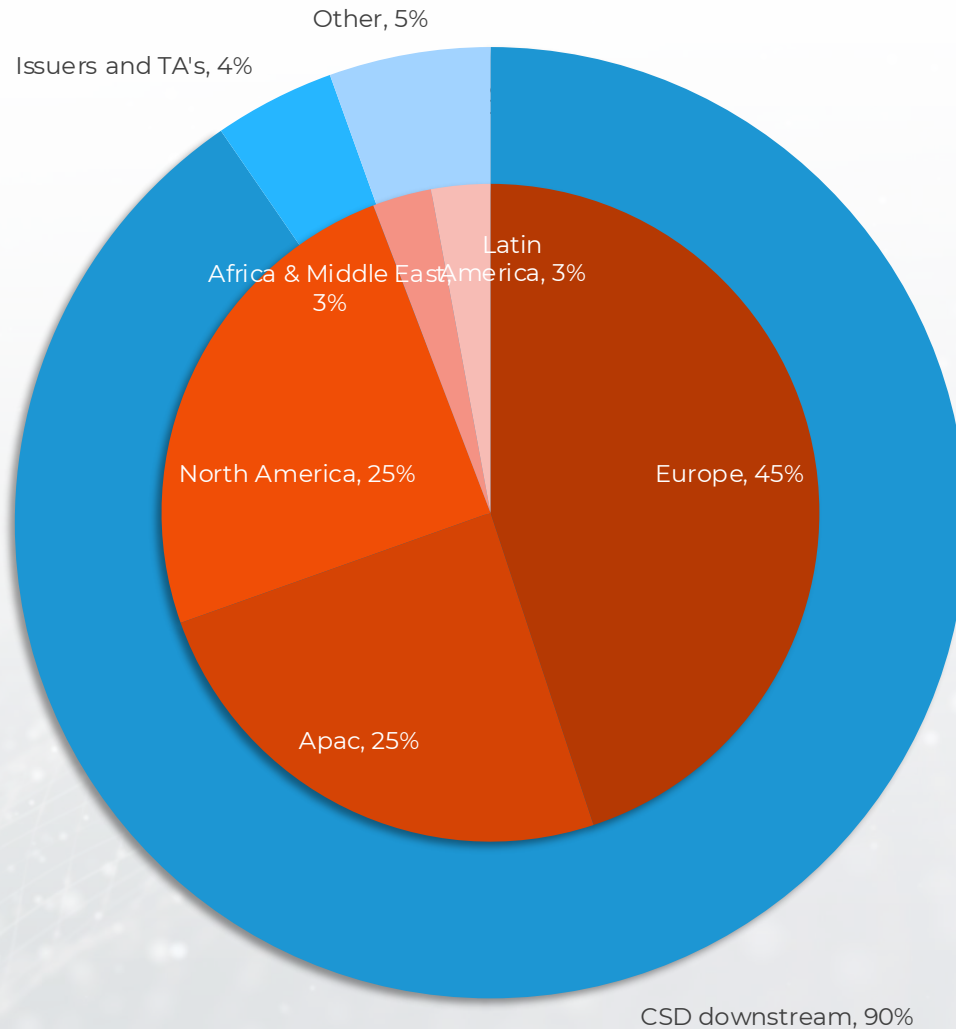
Thought leadership

Tailored whitepapers, factsheets and webinars to help you make your case for transformation

Broadening Asset Servicing in 2025



Who participated in the survey?



How is asset servicing transforming in 2025? Is the industry succeeding in realising scale and efficiency across corporate actions, proxy voting, class actions and tax reclaims?

This Key Findings summarises the data insights from the ValueExchange's "Broadening Asset Servicing" industry survey in June 2025 (in partnership with ISSA and Broadridge). The survey gathered responses from 272 leading experts around the world.

This is a discussion document – and so we look forward to talking through these results together with you soon. We would welcome your thoughts or questions at info@thevalueexchange.co

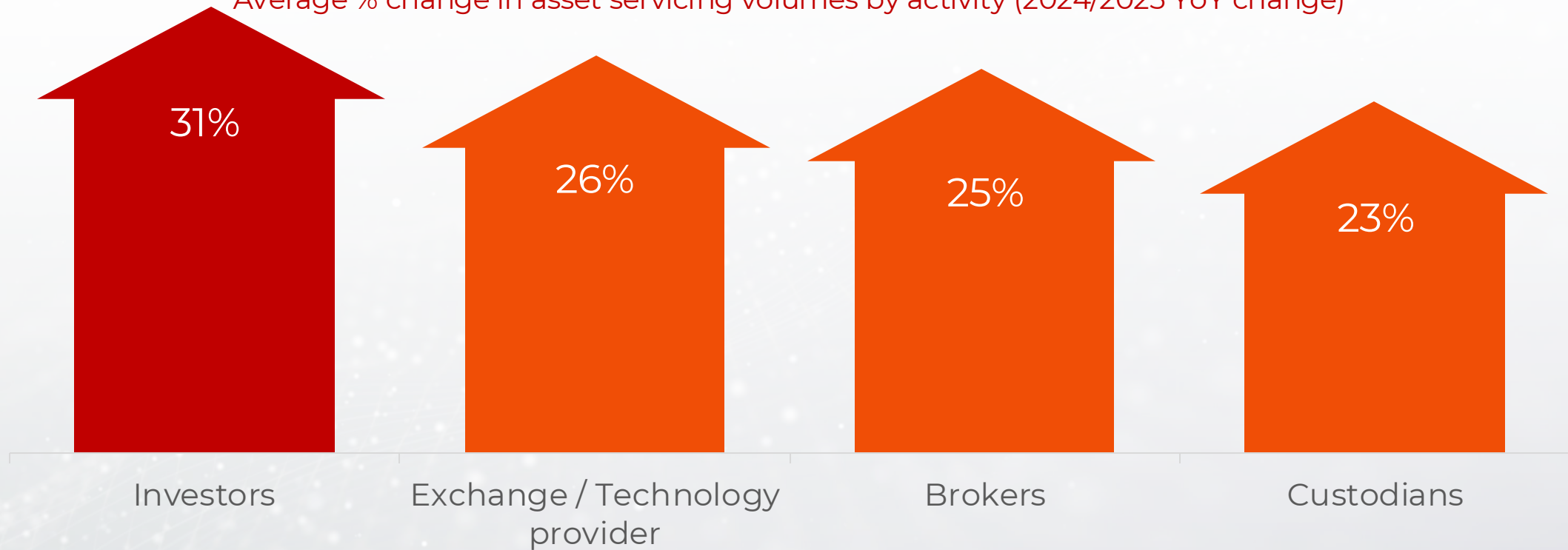
01

Asset servicing in 2025

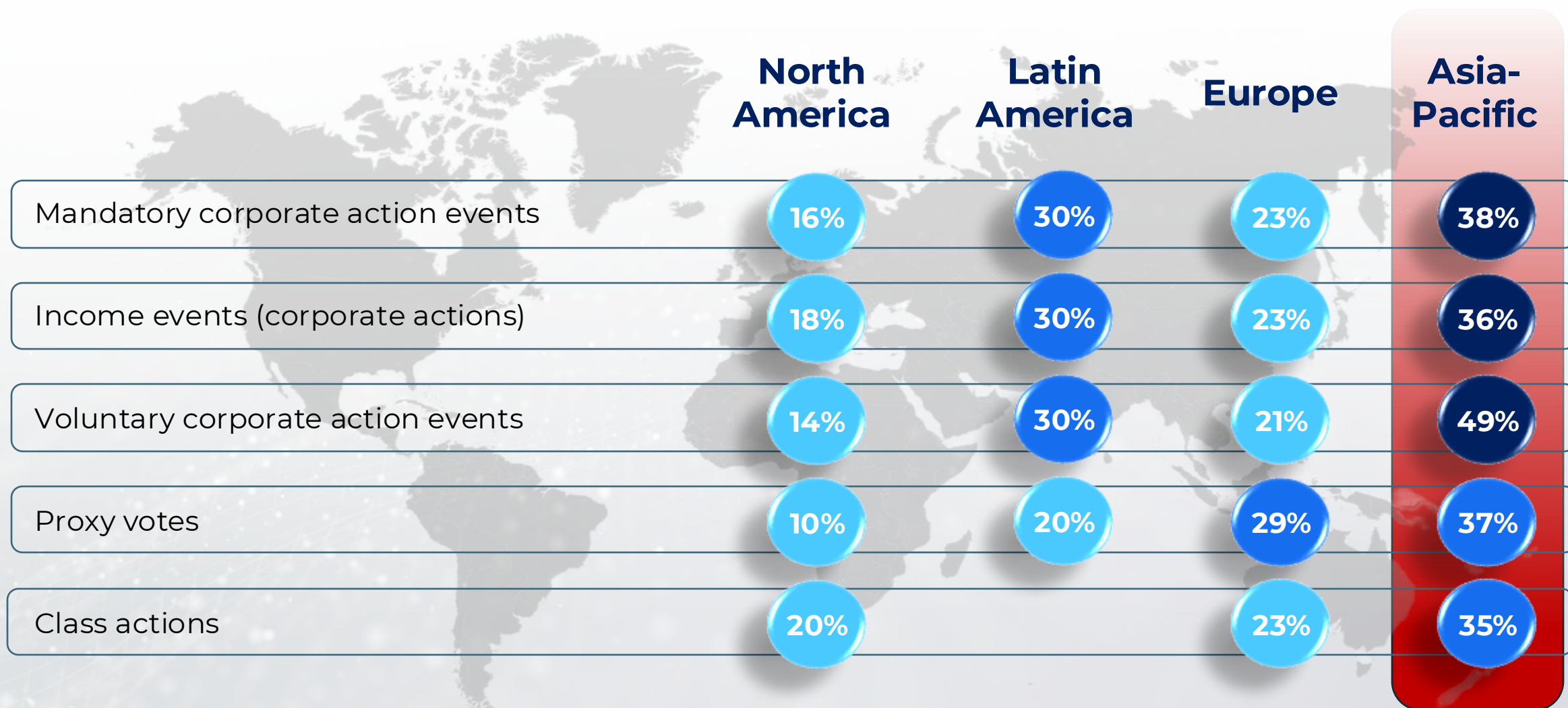
Asset Servicing volumes are growing by over 25% - most of all for investors



Average % change in asset servicing volumes by activity (2024/2025 YoY change)

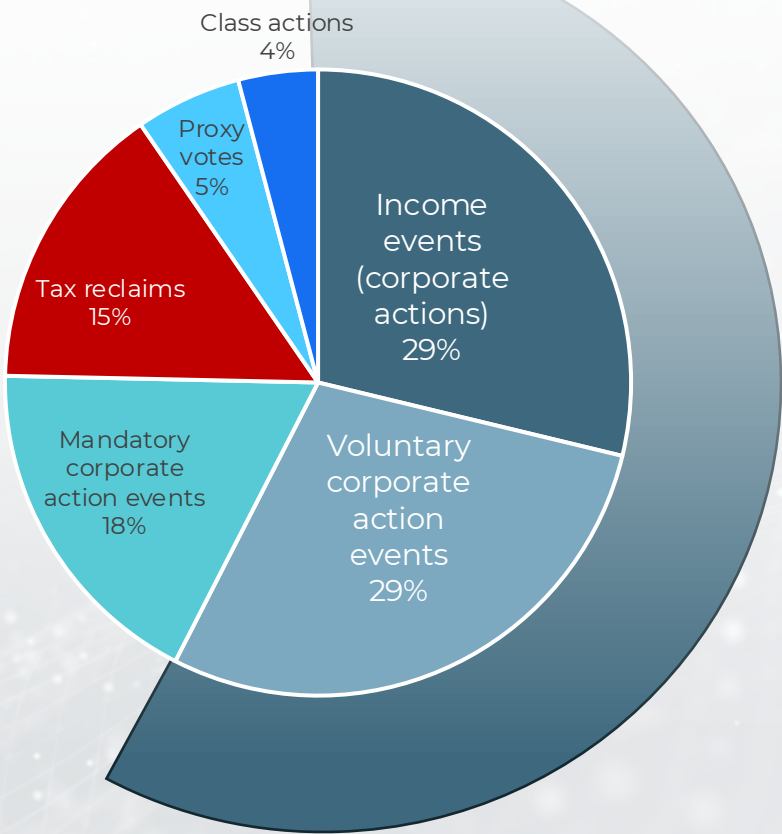


Asian volumes are growing at double the pace of other regions

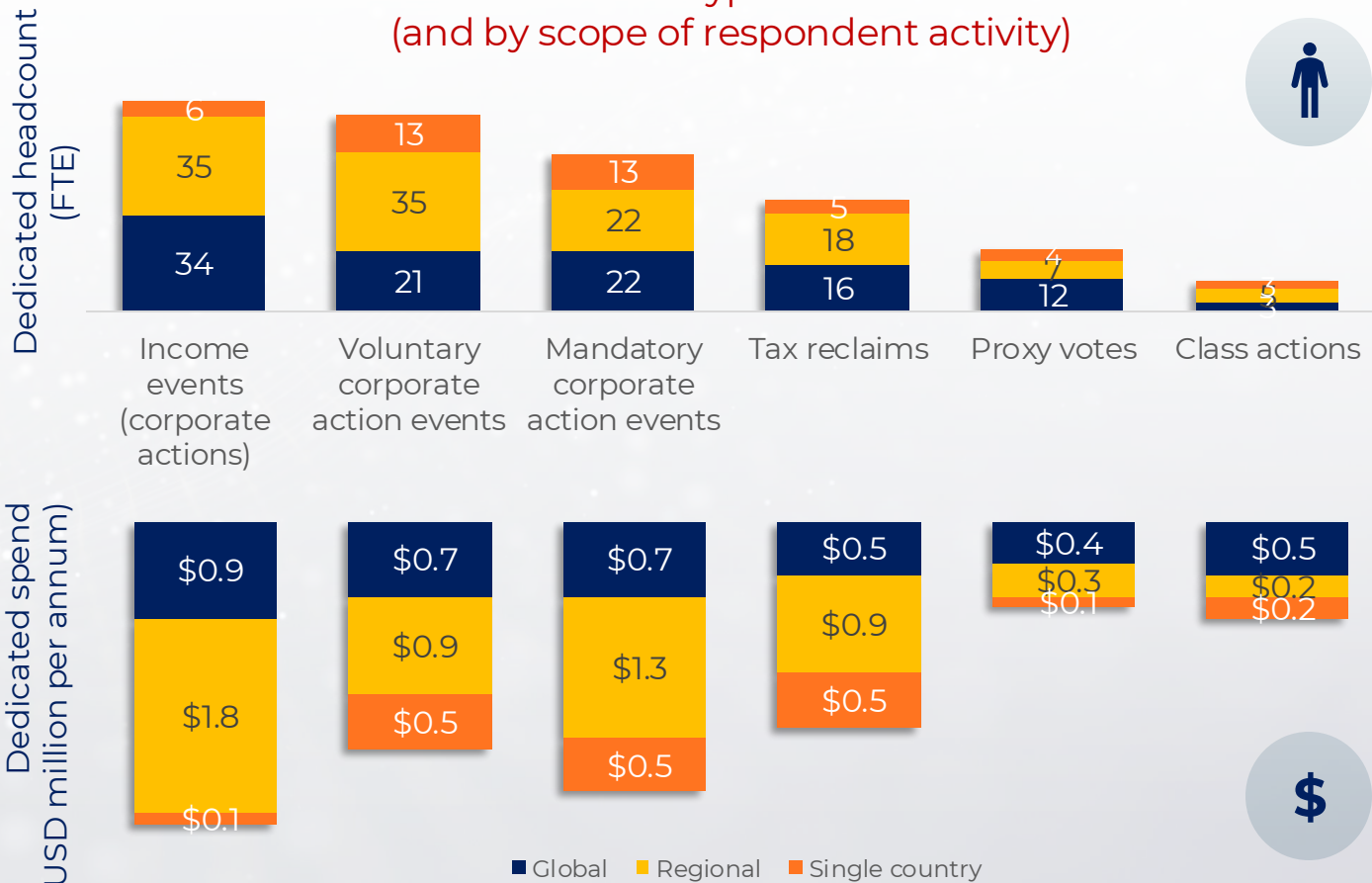


Income and voluntary events account for up to 58% of total asset servicing resources

Average asset servicing resourcing (% distribution by activity)

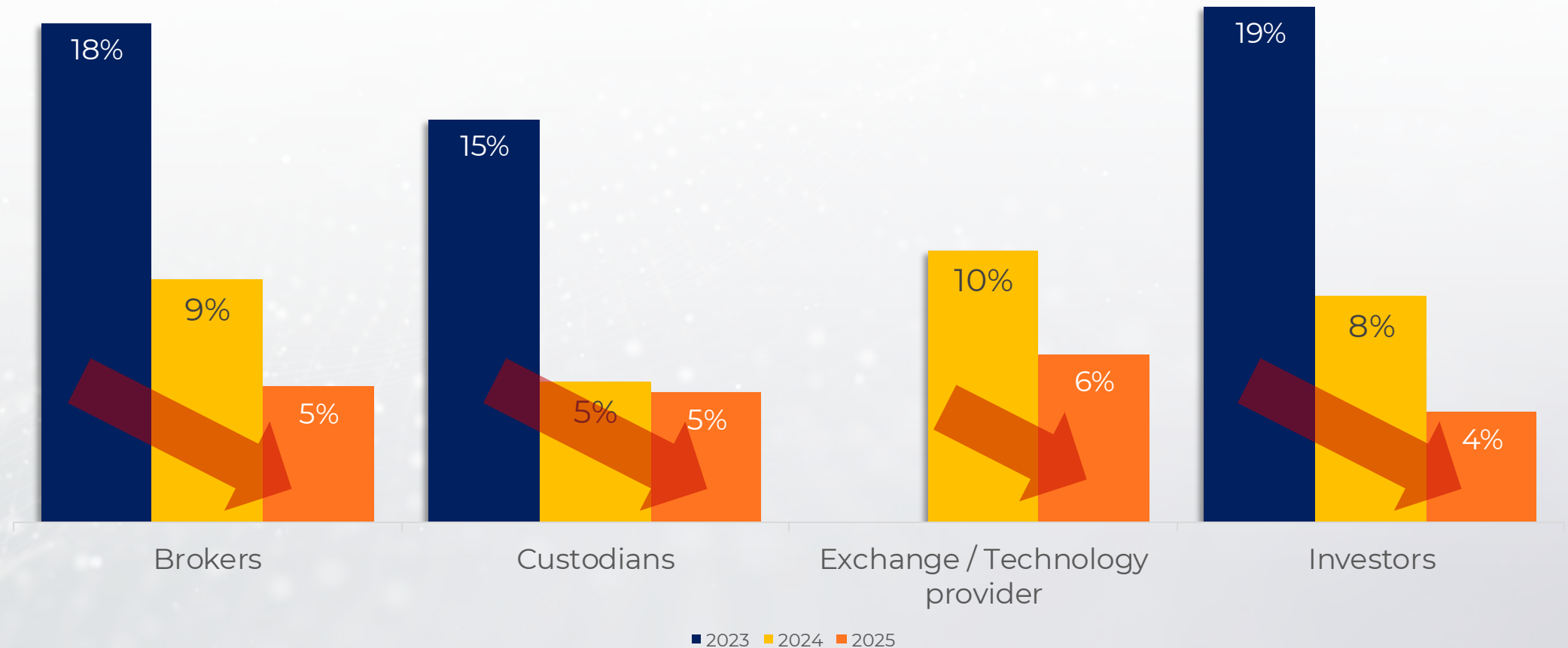


Average asset servicing headcount and spend by event type
(and by scope of respondent activity)



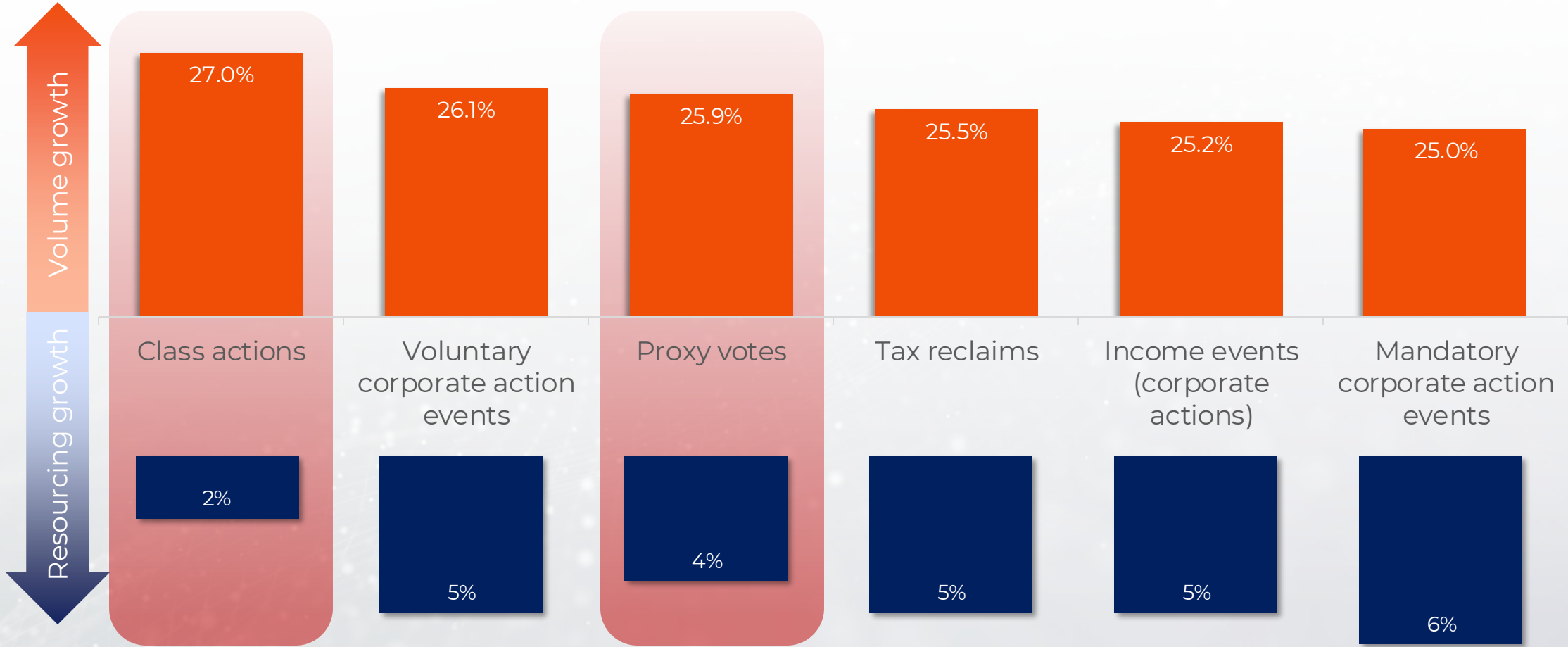
The challenge is that corporate action budgets are growing by their lowest rate in three years

Average % change in **corporate action** budgets per year



Where are we investing to grow? Are we under-investing in class actions and proxy voting?

Average change in asset servicing volumes by activity

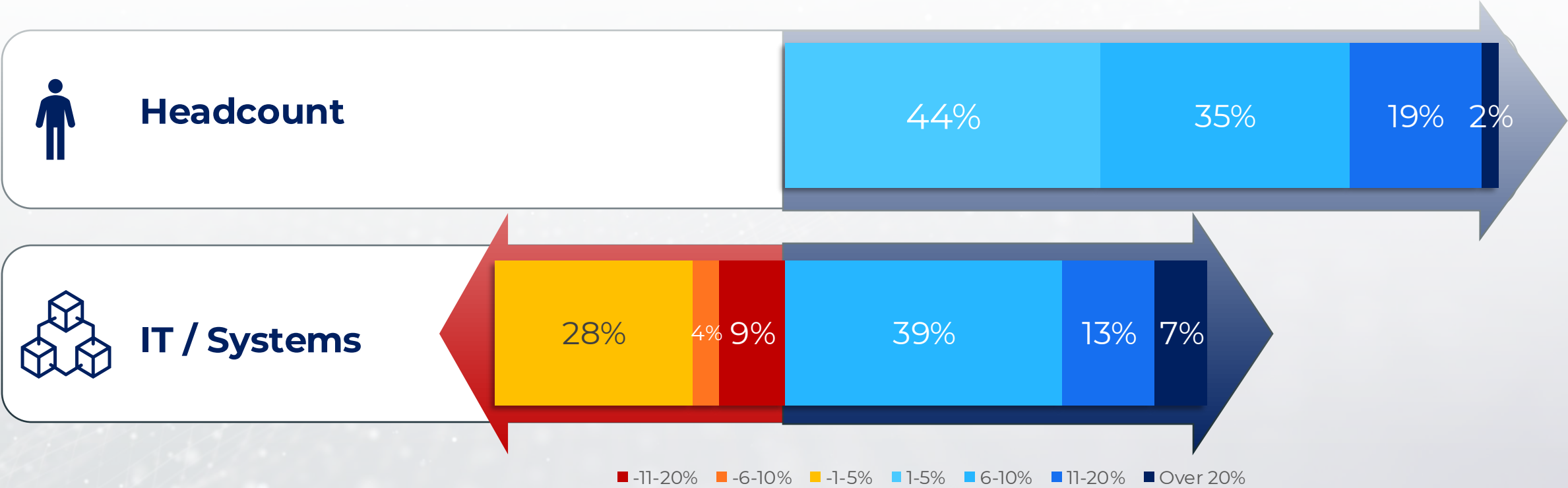


% Change in resourcing by activity (YoY 2024/2025)



The main growth is in people – whilst system spend is reducing for 41% of respondents

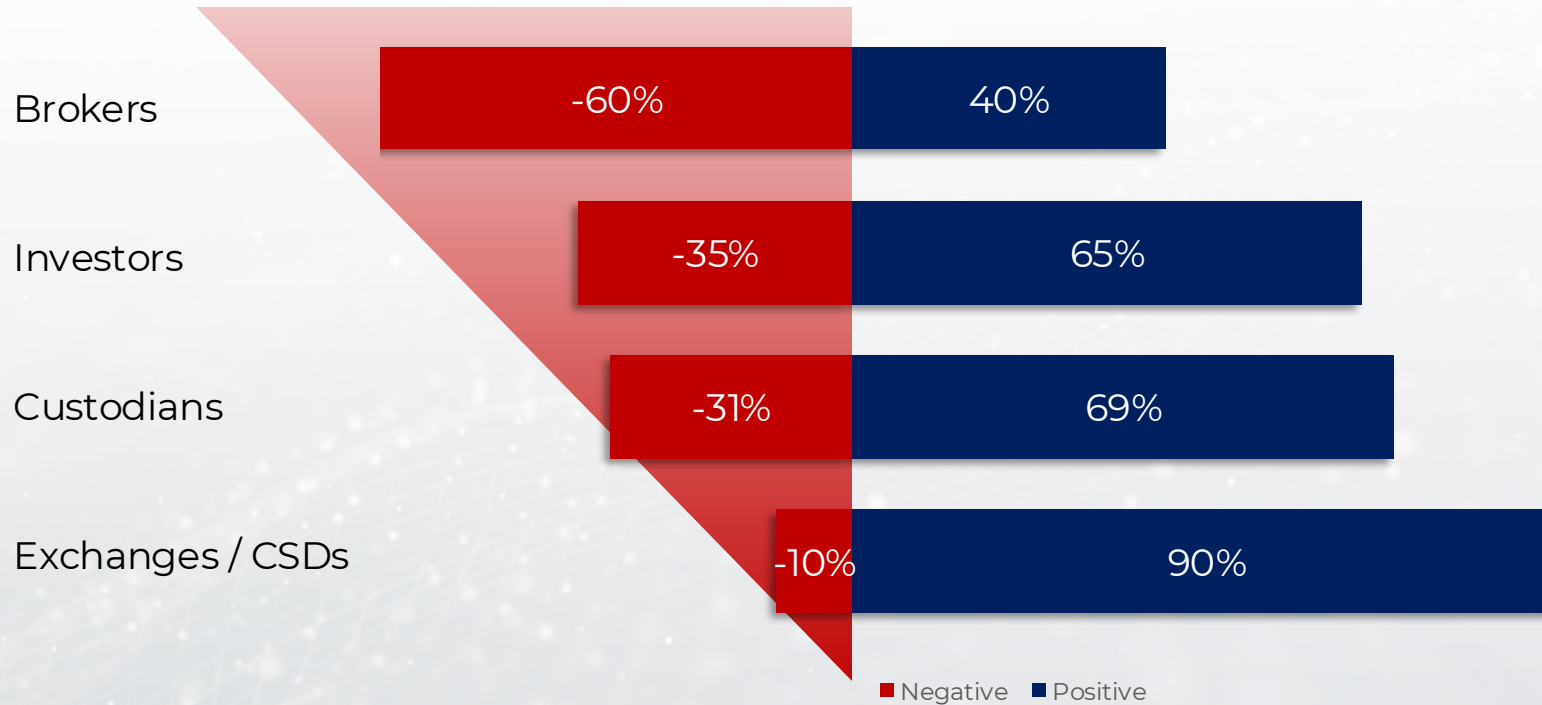
Asset servicing budget changes in 2025 (% of respondents citing each level of change, by activity)



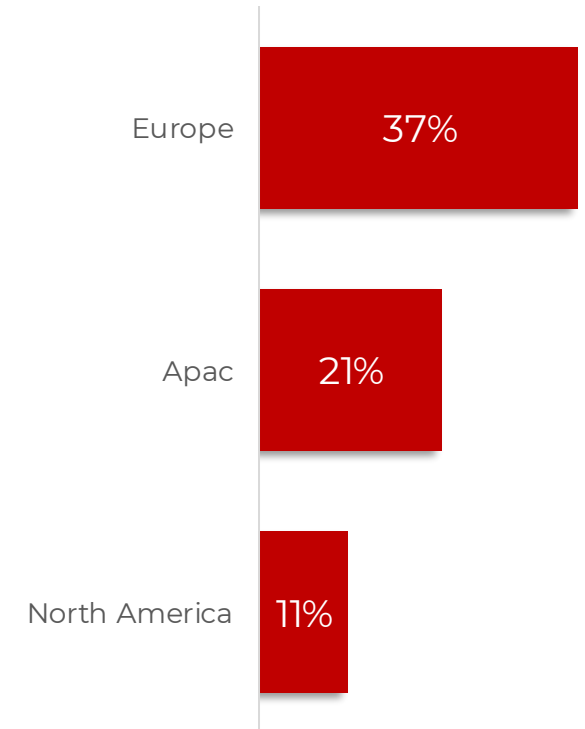
But the majority of brokers are seeing their automation levels decline...



% of respondents who see their corporate action automation levels change as positive or negative (2024/2025 YoY)

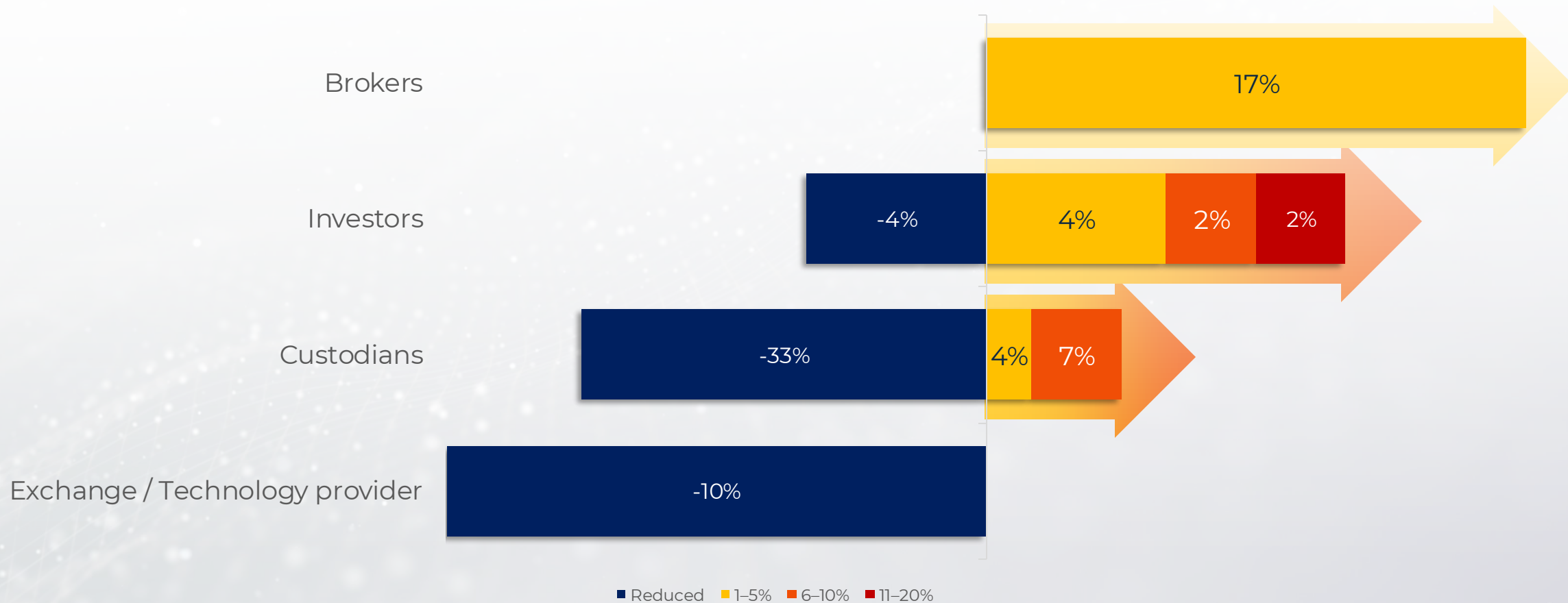


% of respondents who see their corporate action automation levels change as negative (2024/2025 YoY)



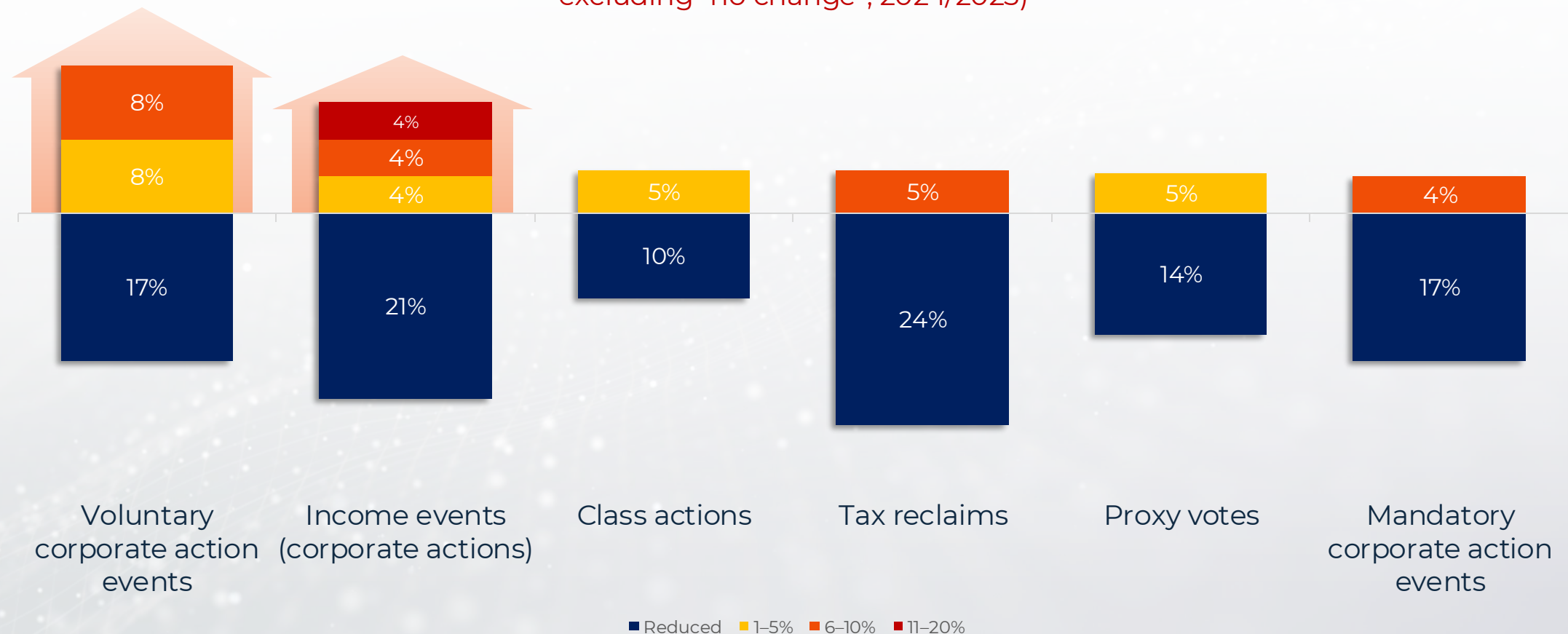
...and their error rates increase

Change in costs of errors YoY by segment (% of respondents citing each level of change excluding "no change", 2024/2025)



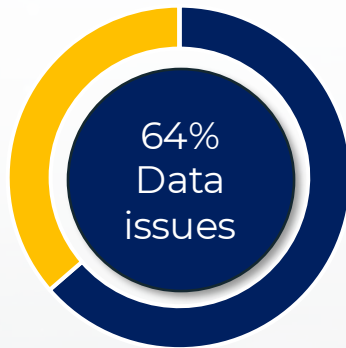
Voluntary events are not scaling and 12% of firms are seeing serious escalations in income event errors

Change in costs of errors YoY by segment (% of respondents citing each level of change excluding "no change", 2024/2025)

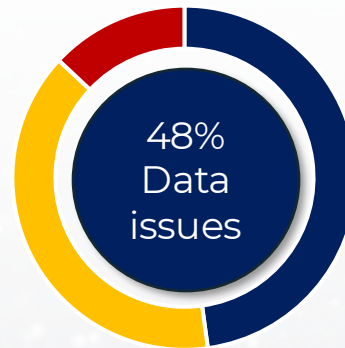


What is driving these errors? Up to 67% of errors are driven by data issues

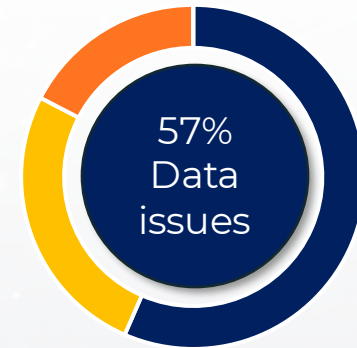
Mandatory corporate action events



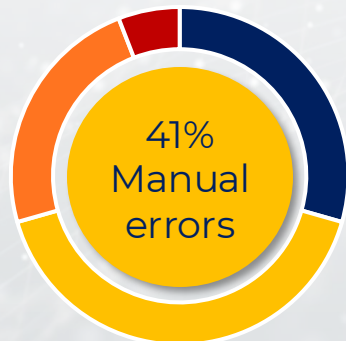
Income events (corporate actions)



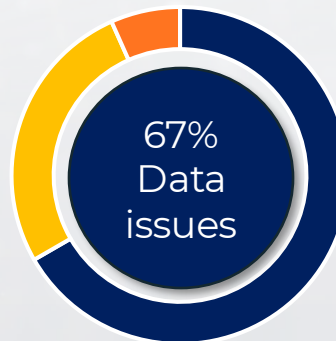
Voluntary corporate action events



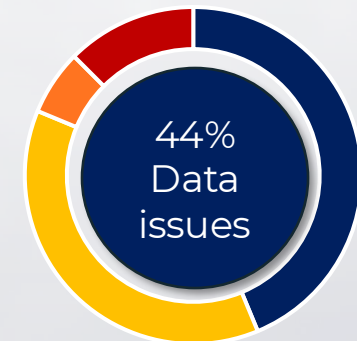
Proxy votes



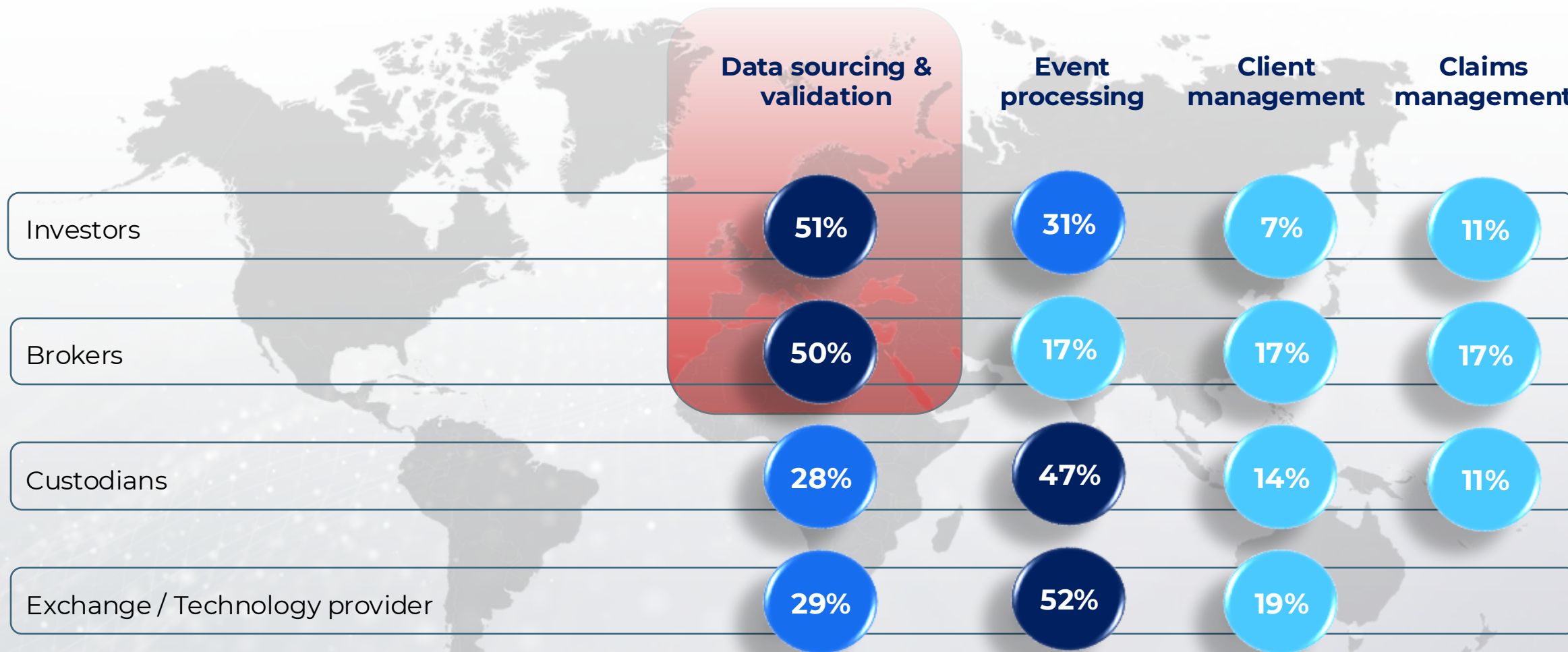
Class actions



Tax reclaims

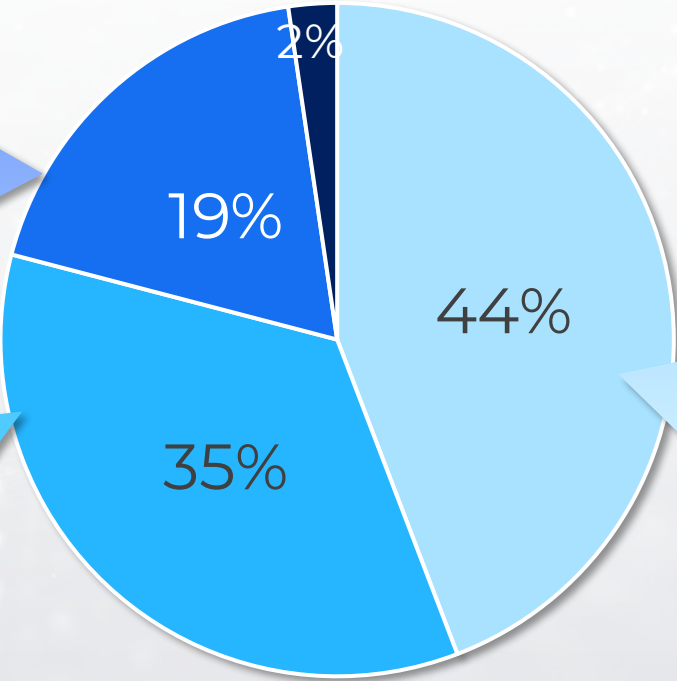


Costs are escalating: data costs are the core of the cost problem, especially for investors




Can every firm find up to 9 more people in each market for their asset servicing?

Asset Servicing headcount growth
(% of firms with each level of FTE growth
2024 / 2025 YoY)



1-5% 6-10% 11-20% Over 20%


New Headcount needed in 2025/2026

Global	+22	
Regional	+24	
Single market	+9	

New Headcount needed in 2025/2026

Global	+11	
Regional	+12	
Single market	+4	

New Headcount needed in 2025/2026

Global	+5	
Regional	+6	
Single market	+2	



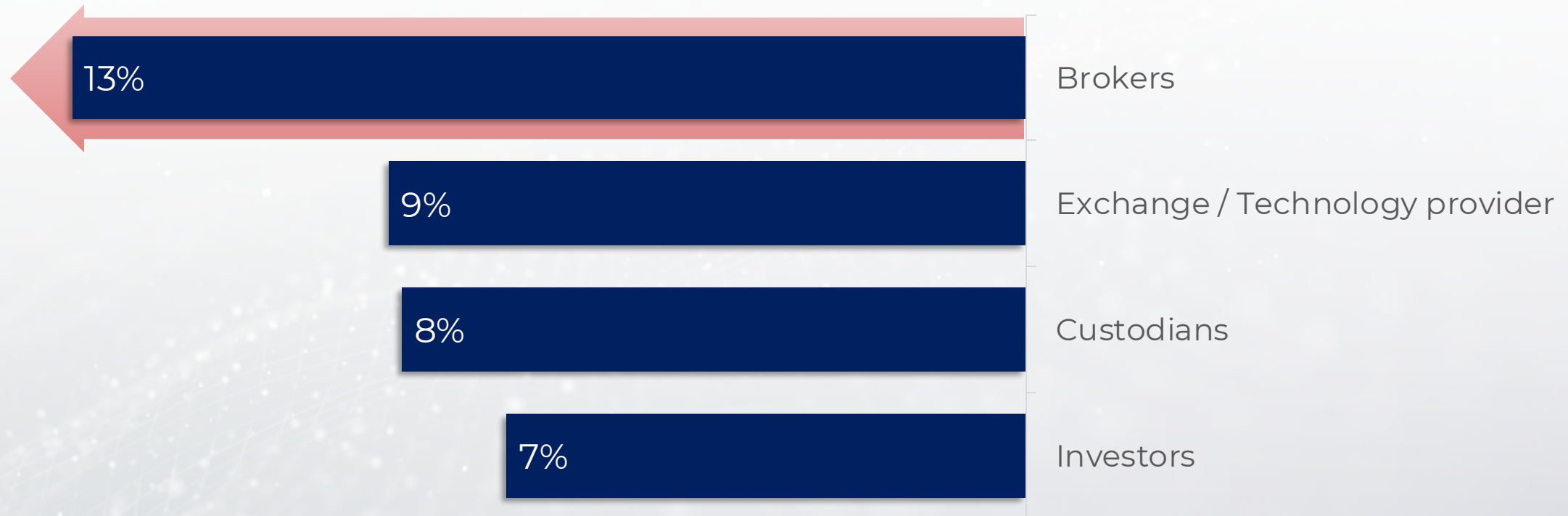
02

What are we doing to scale?

Brokers expect to reduce asset servicing costs by 13% over the next 5 years



Average cost reduction from new technologies by segment (% reduction YoY)



What are people doing to improve the P&L of asset servicing? Inside the firm tax reclaims are the new focus for investors and their custodians

Average distribution of asset servicing transformation spend in 2025 (by activity)



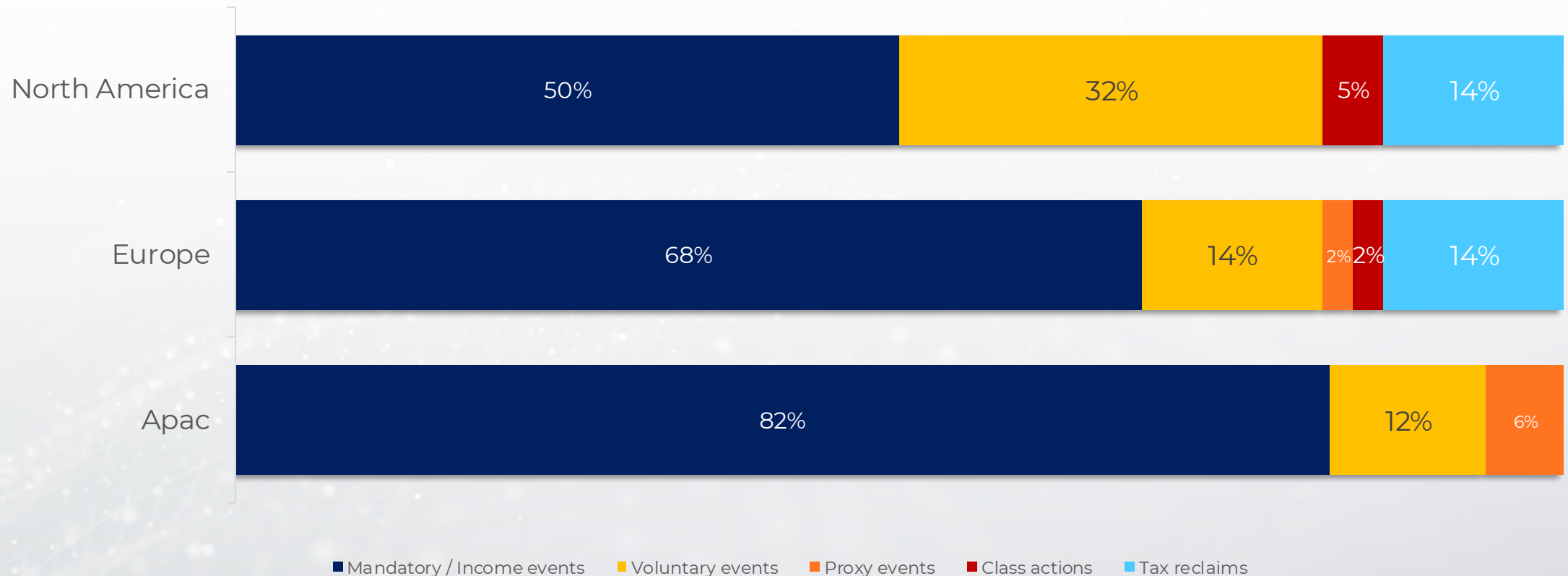
	Mandatory corporate action events	Income events (corporate actions)	Voluntary corporate action events	Proxy votes	Class actions	Tax reclaims
Investors	18%	22%	22%	13%	7%	24%
Custodians	12%	18%	16%	24%	15%	38%
Brokers	40%	10%	30%	5%	15%	
Exchange / Technology provider	29%	27%	22%	18%	11%	11%



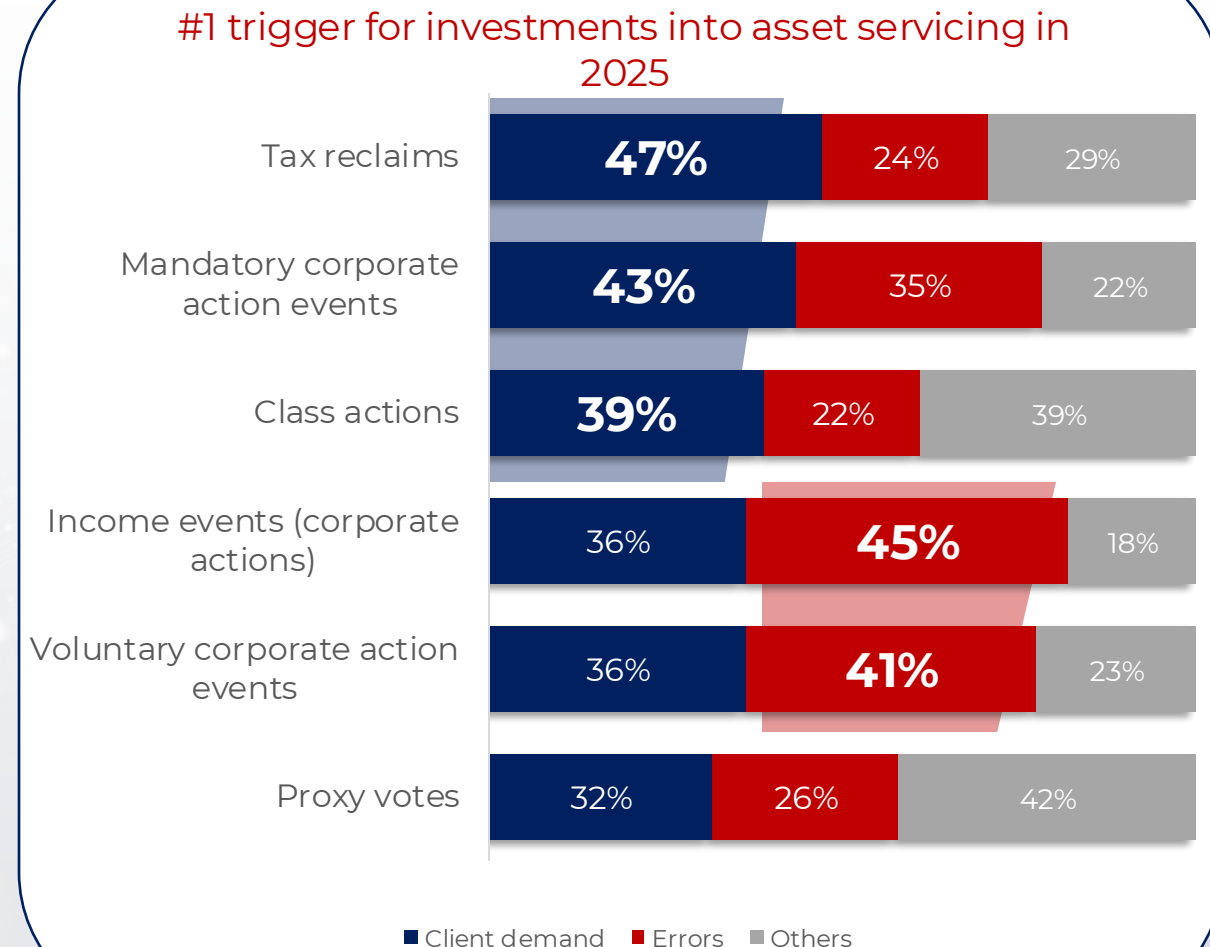
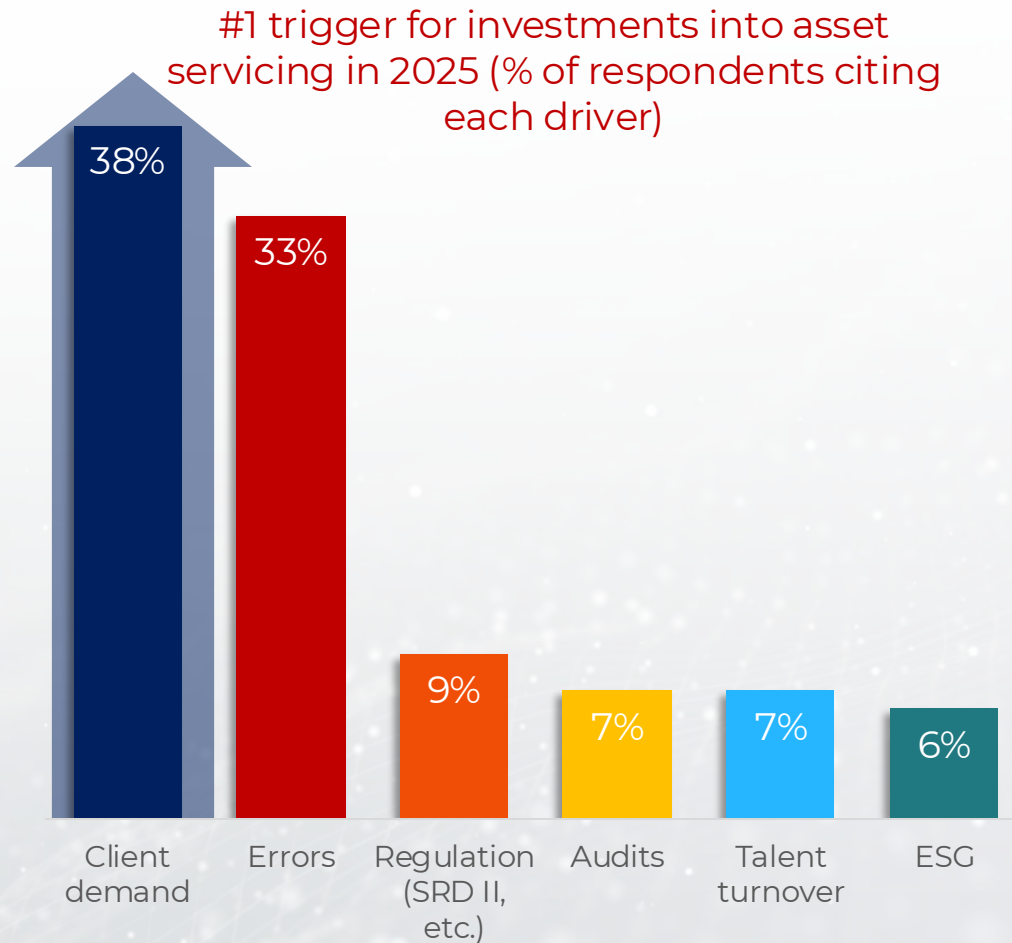
At a market level mandatory events dominate investment spend



Core areas of focus for automation in local markets in 2025/2026 (% breakdown of priorities per region)



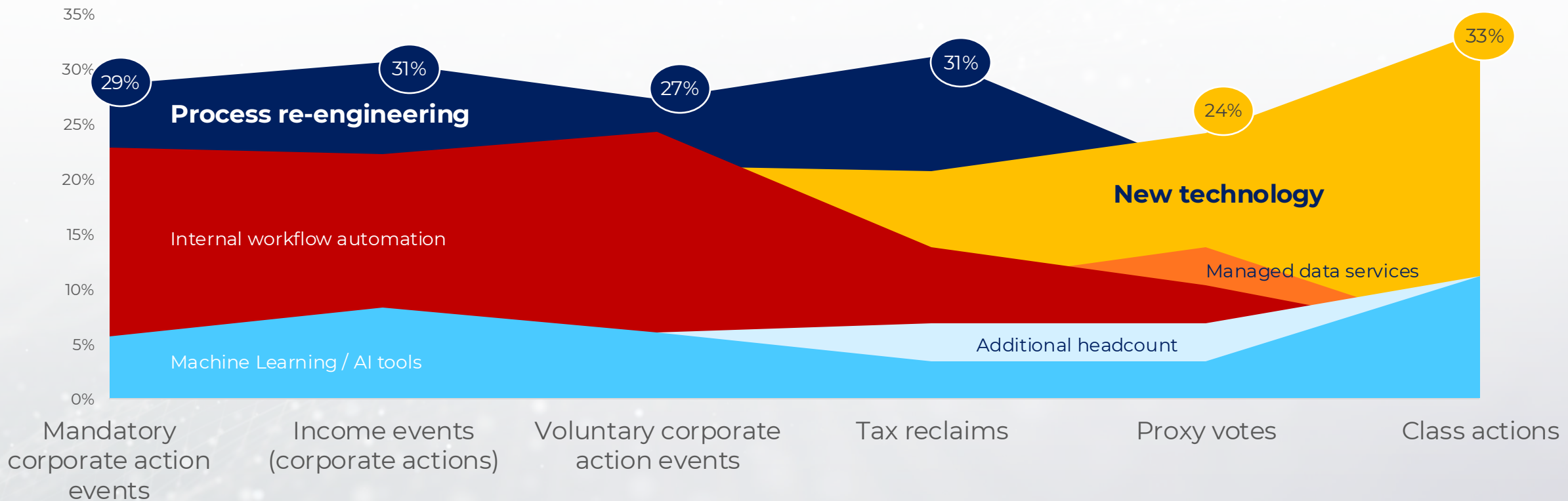
Client demand is now the biggest trigger of investments into asset servicing – especially in tax. But corporate action error rates are still core



What is the first step? Process reengineering has been the most effective change investment in the last five years



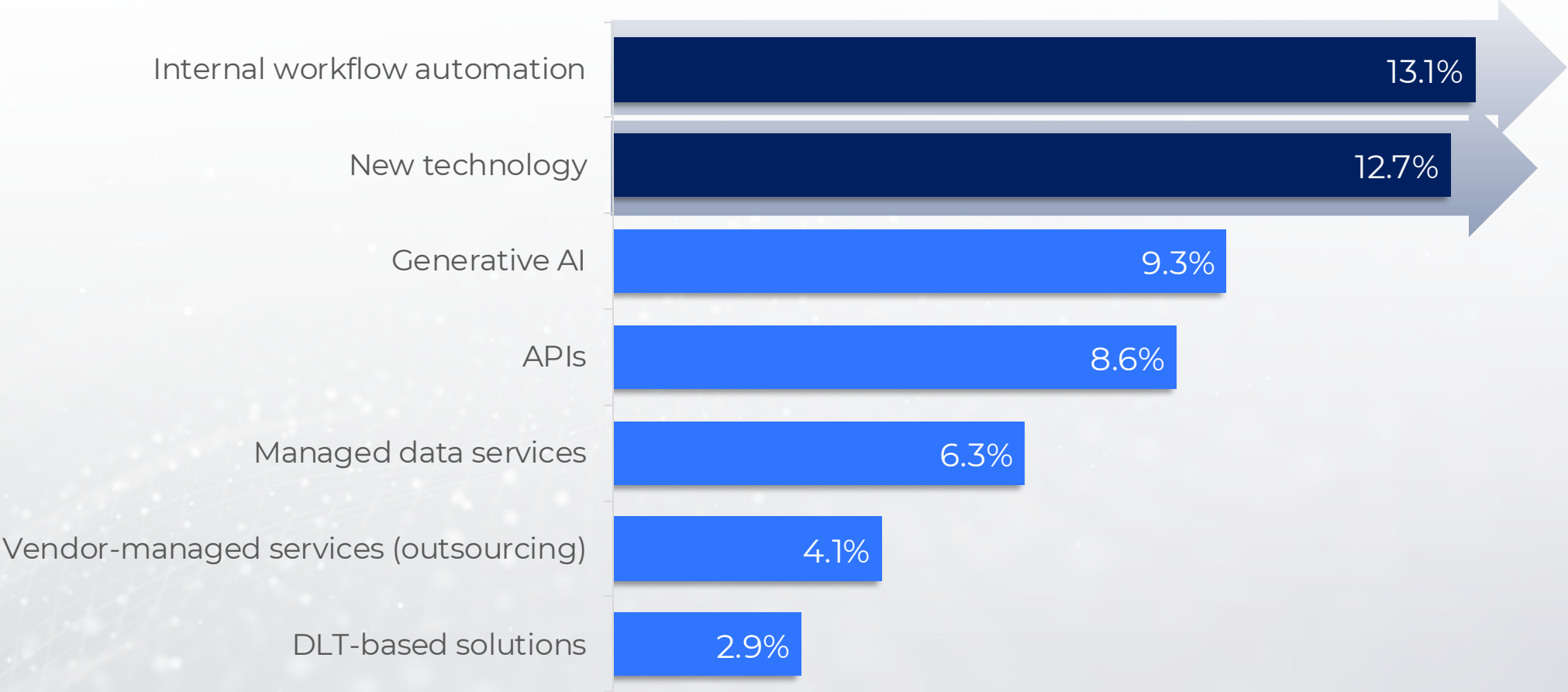
Which investment has delivered the best P&L over the last 5 years (% of respondents citing each)



Looking ahead, workflow and people investments are expected to outperform technology – but the combination can be transformational



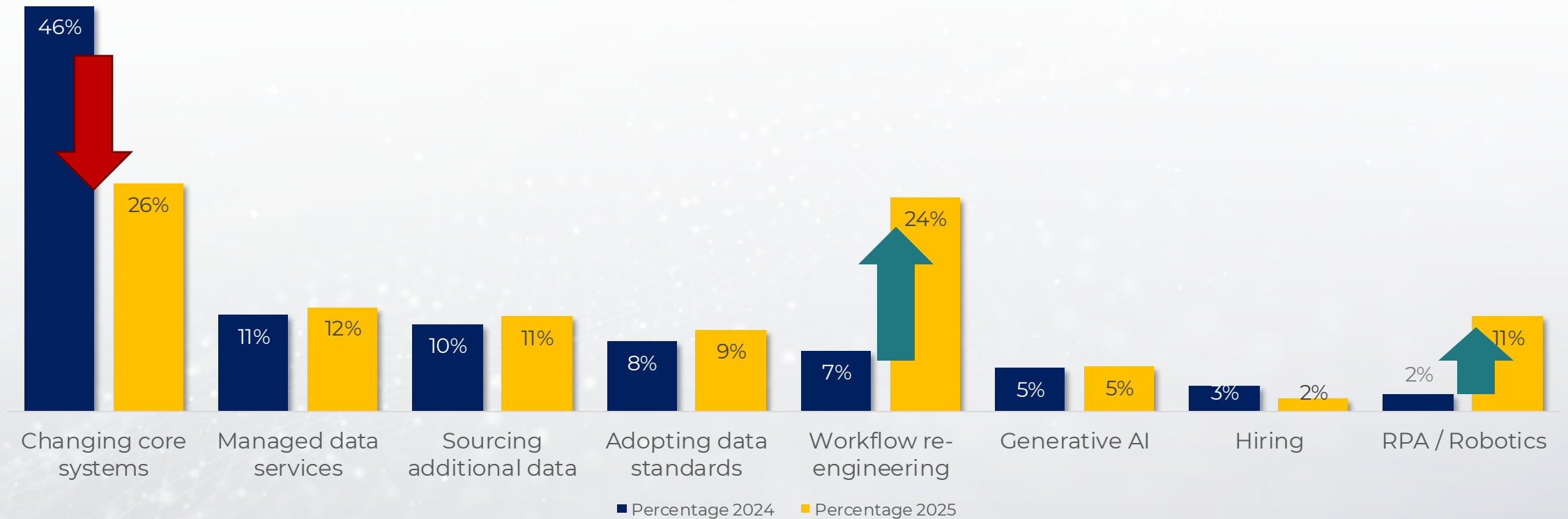
Expected cost reduction from new technologies by segment (average % ROI)



As technology budgets come under pressure, process automation is moving to the core

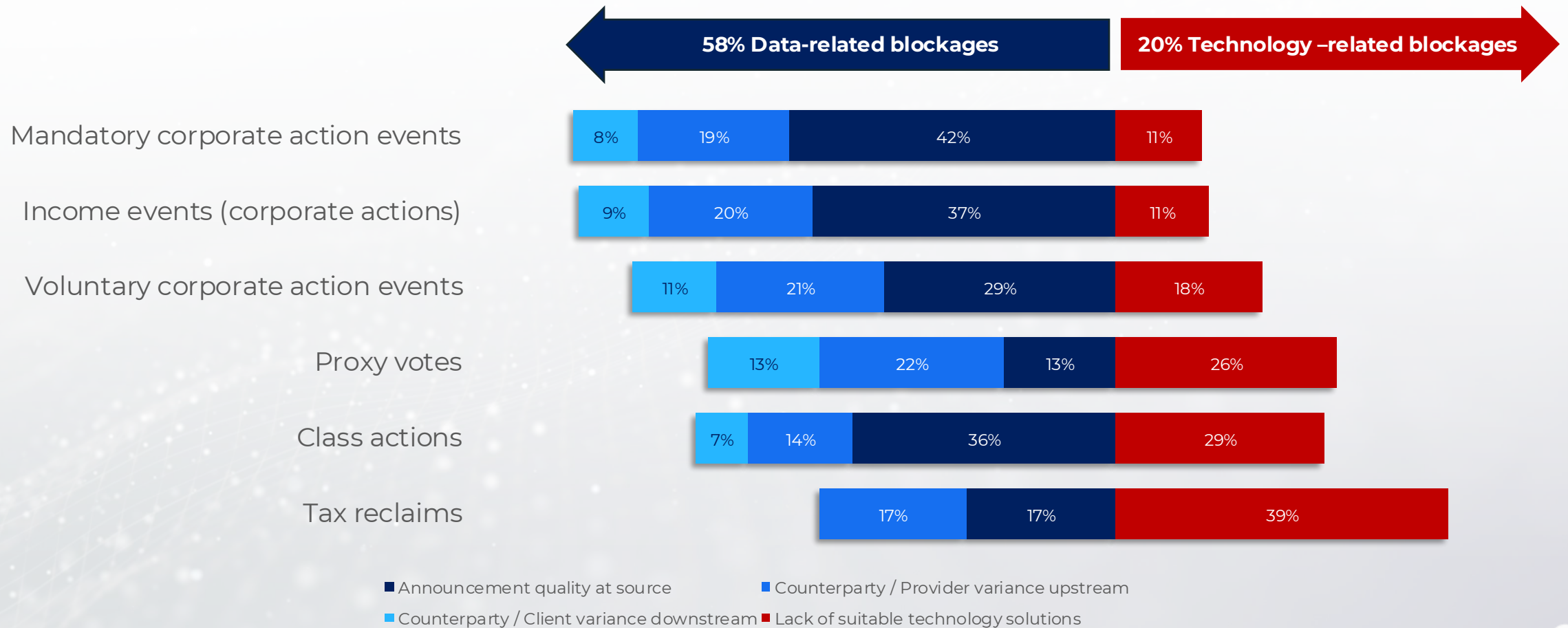


Key technologies being used to drive automation in asset servicing (% of respondents per area)



What's in the way? The data quality is core to 58% of respondents – far ahead of technology

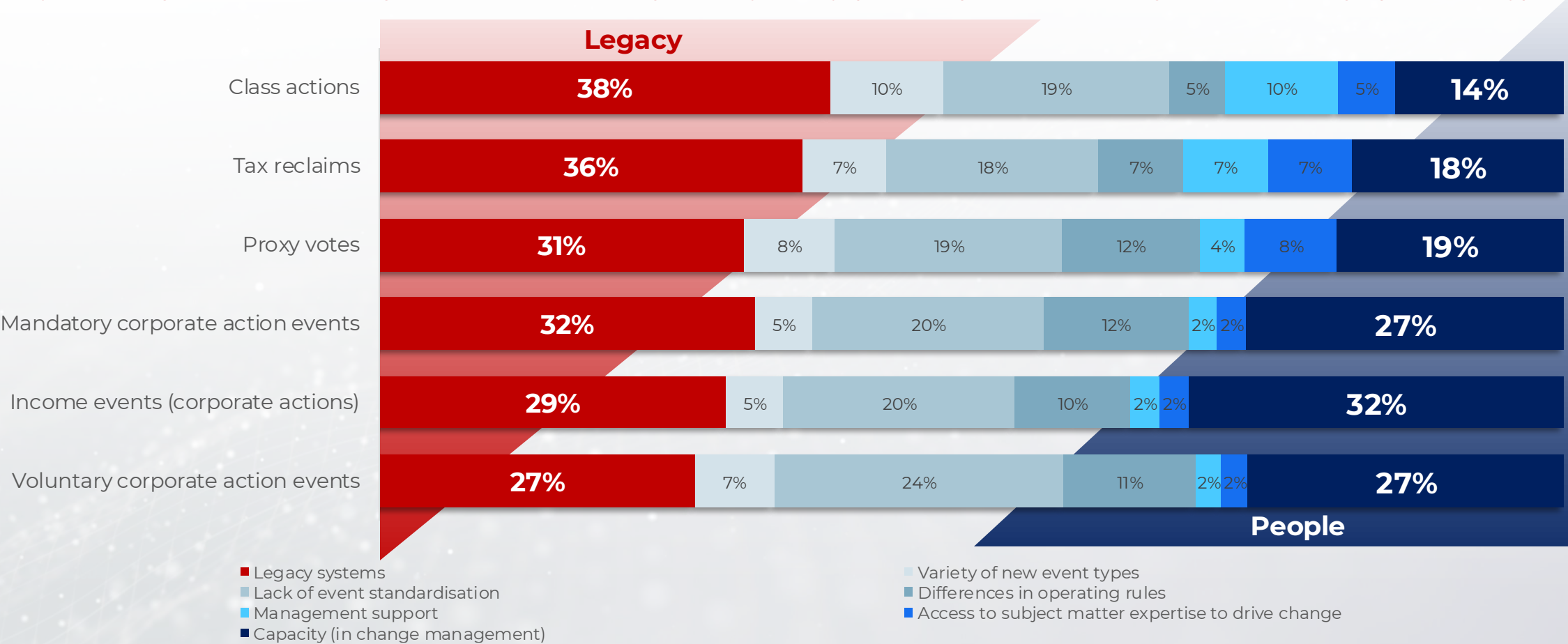
Key dependencies in driving automation (% of respondents citing each blockage per activity, excl Other)



Legacy technology is the single-biggest obstacle to automation – especially in class actions and tax. But the human element is core to corporate actions



Key challenges in automating each asset servicing activity today (% of respondents citing each challenge per activity)



03



**Outsourcing as protection
against growth?**

Where are the protections against volume growth? Outsourcing slows cost growth by a quarter

2025 average system **spend** change by
operating model

6.7%

Outsourced

8.1%

Non-
outsourced

2025 average **headcount** growth by
operating model

9.1%

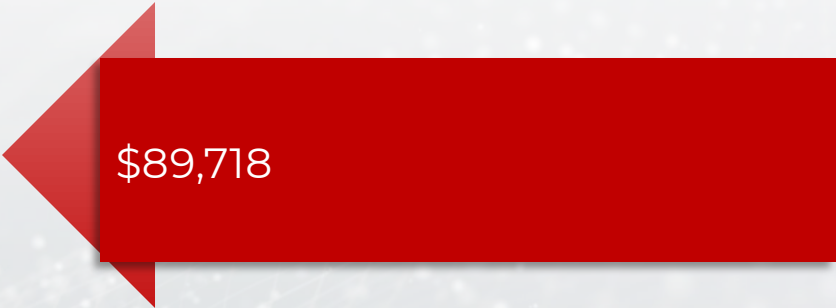
10.5%

...with lower error rates

2025 average cost of errors by
operating model (USD per annum)



Outsourced



Non-
outsourced

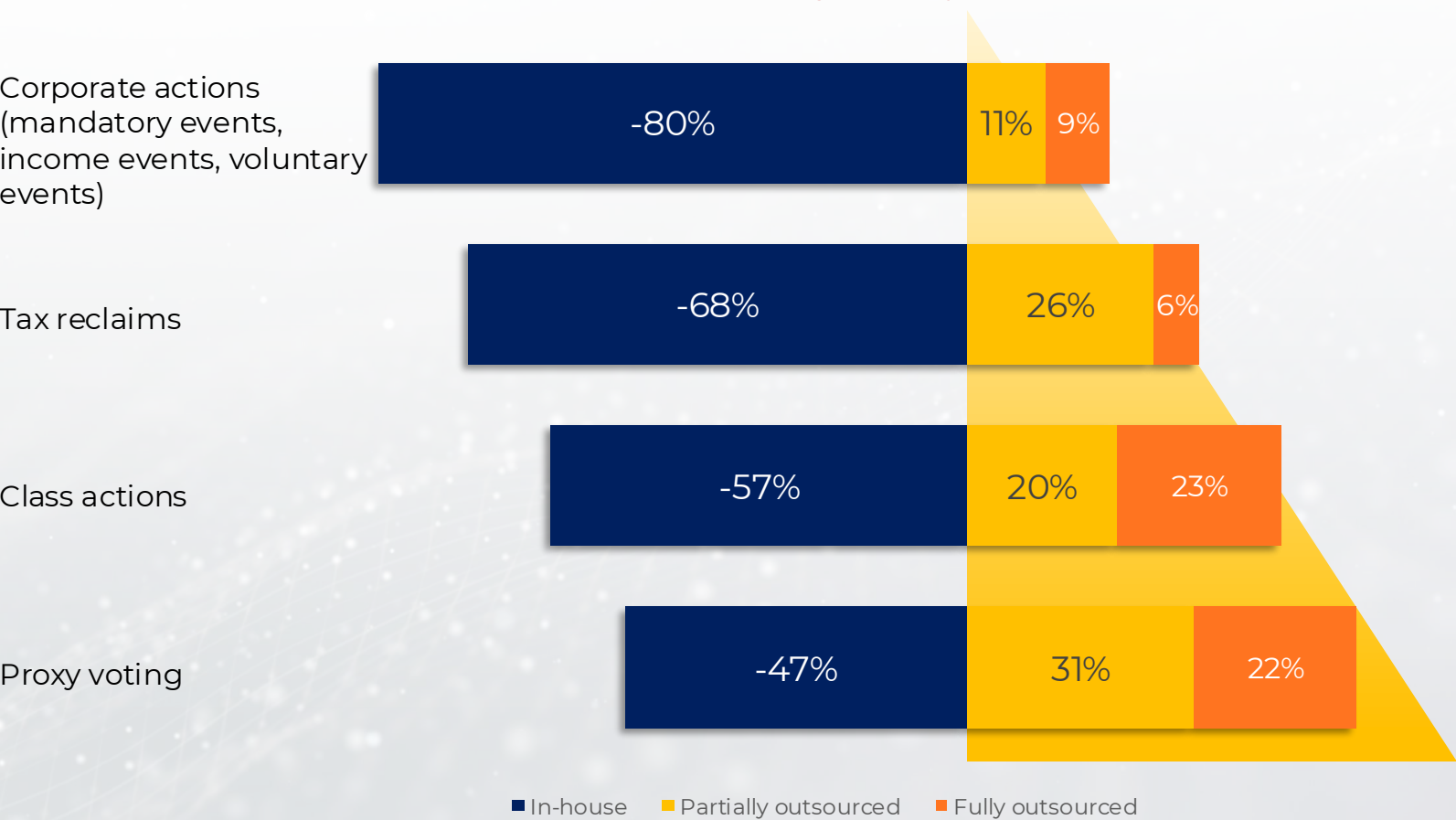
2025 error rate change by operating
model (excl no change)



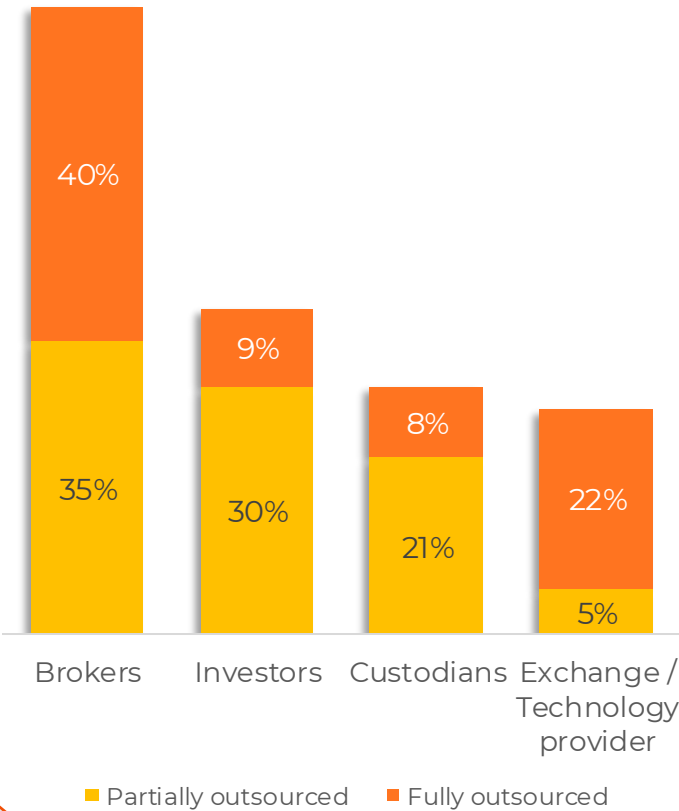
■ Reduced ■ 1-5% ■ 6-10% ■ 11-20%

Where is outsourcing most viable? Proxy and class actions

% of respondents using each operating model per asset servicing activity

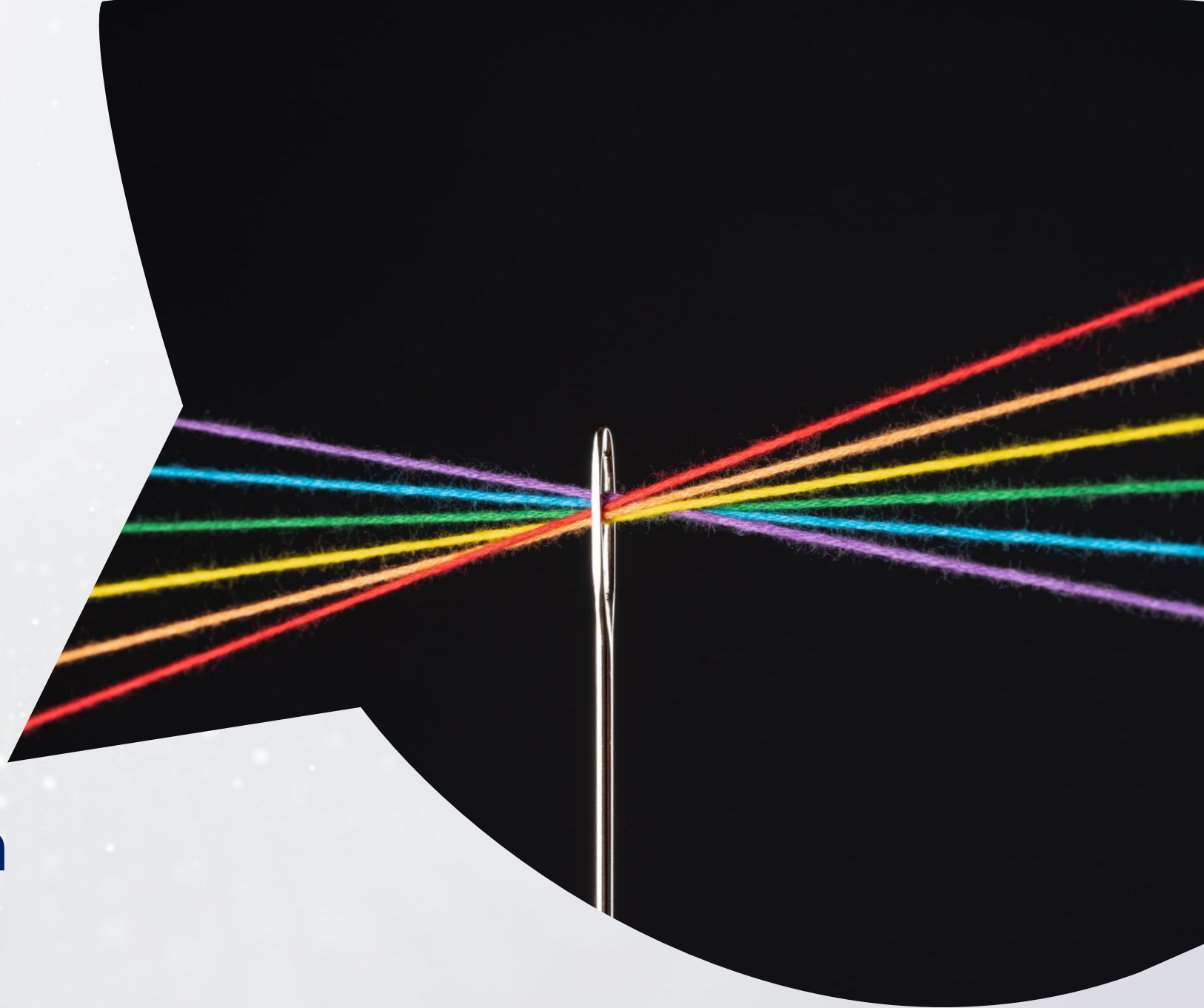


% of respondents using each operating model



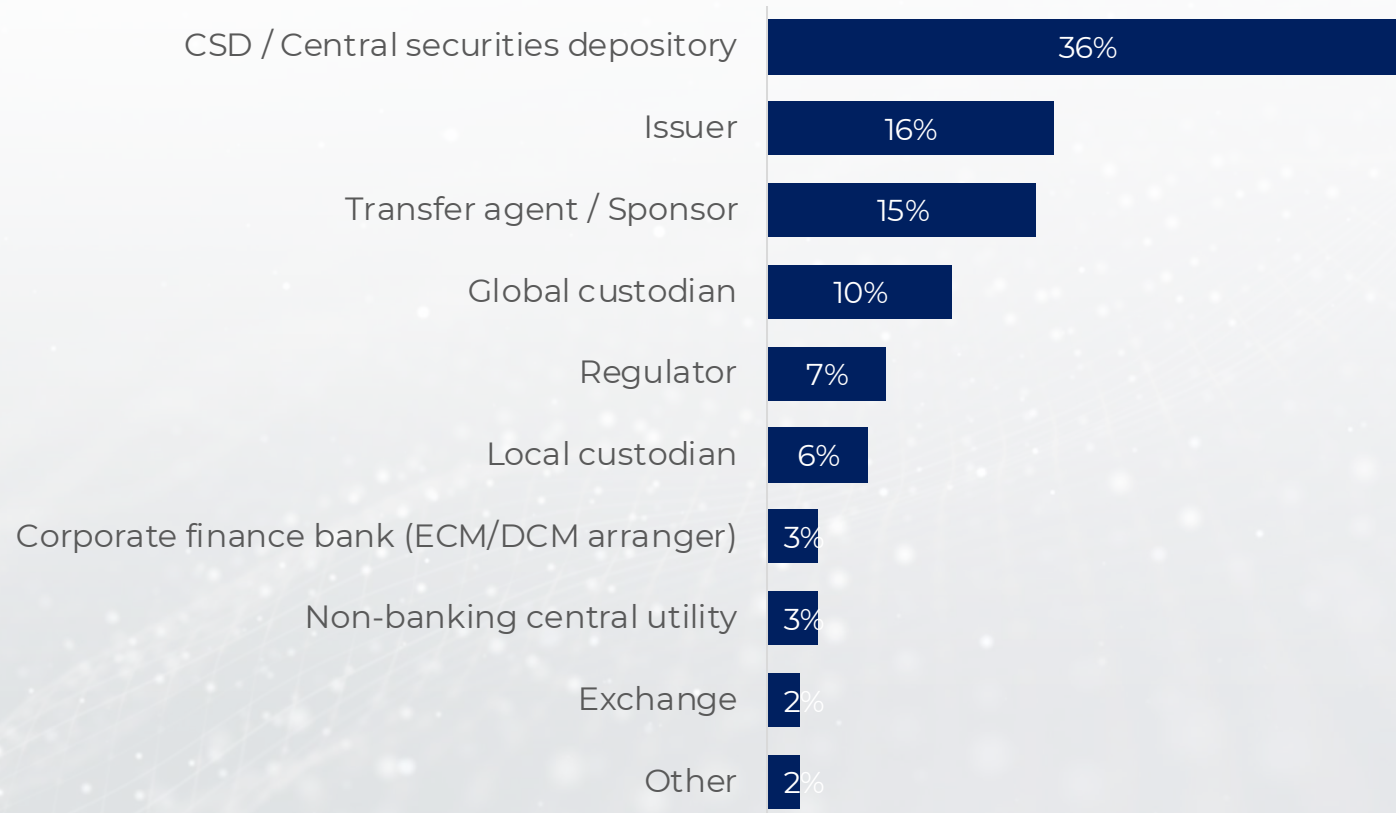
04

**Delivering an
industry golden
record**

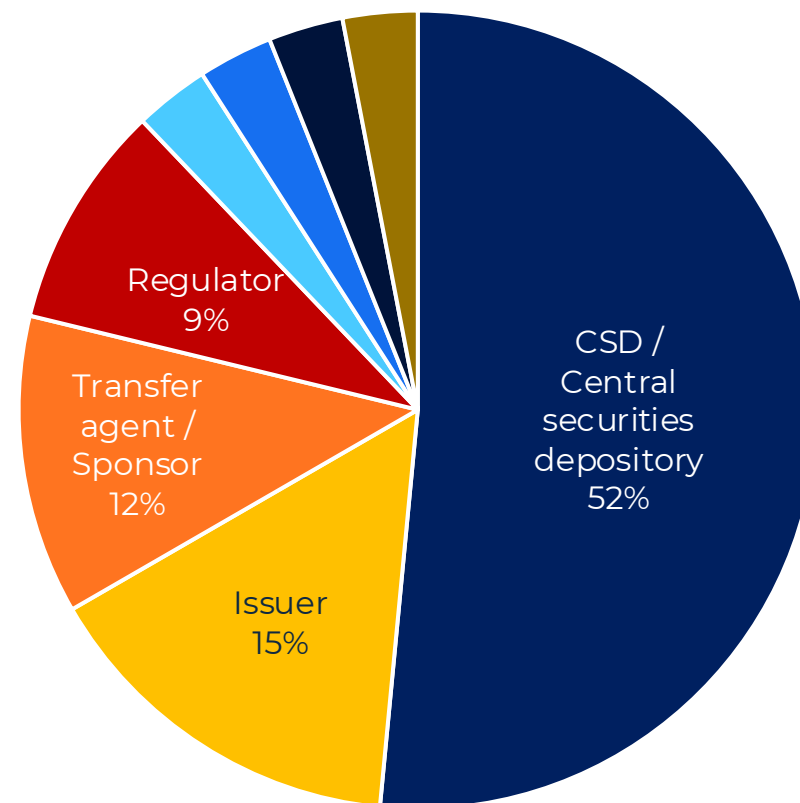


36% of firms believe CSDs should be responsible for golden copy event data – and CSDs agree

% of respondents naming each party as ideally being responsible for creation, maintenance and liability of golden copy asset servicing event data



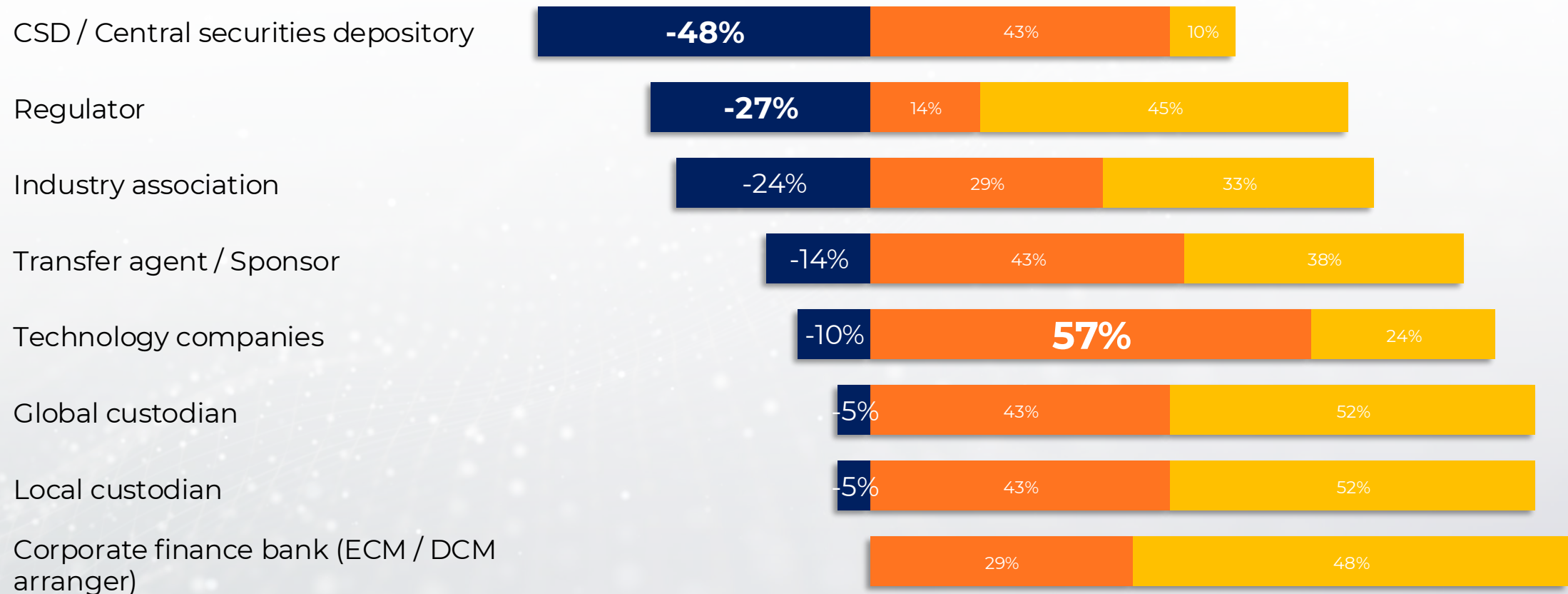
% of CSDs naming each party as responsible



Who should drive change? CSDs and regulators – with tech firms as enablers



% of respondents citing each profile and role in an industry-wide creation of a golden record

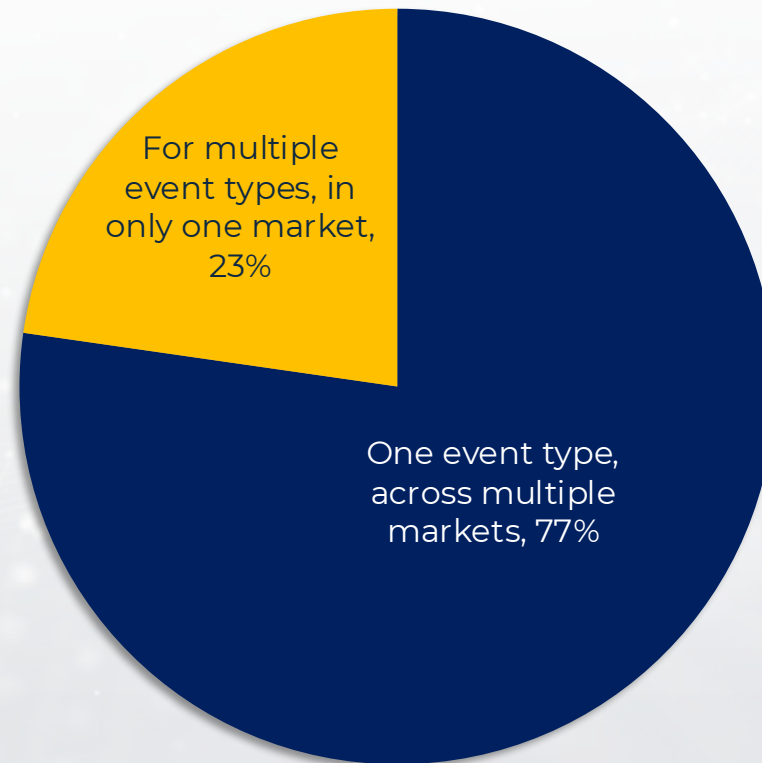


■ Ecosystem coordinator ■ Critical enabler ■ Important contributor



Markets need to work together: Golden copy data needs to be multi-market first of all

% of respondents choosing each method of golden copy deployment



04

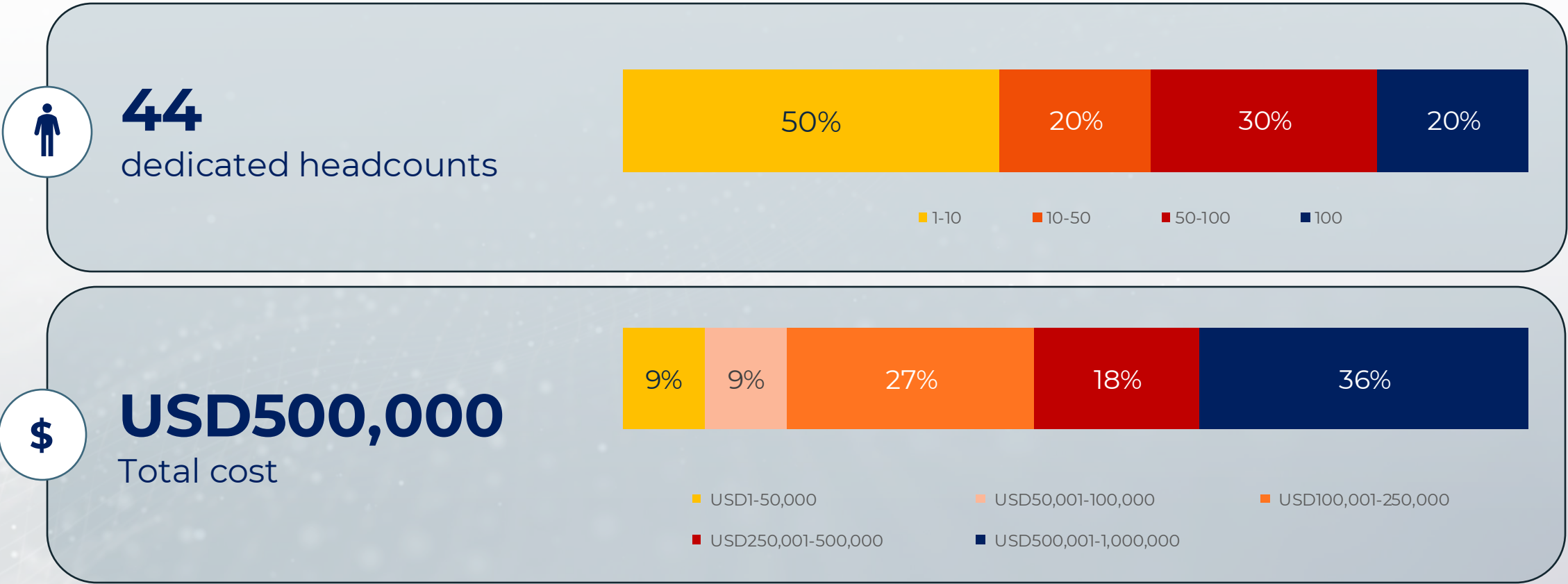
Fixing the data issue: the issuer's perspective



It costs USD500k to communicate a single corporate event today to shareholders



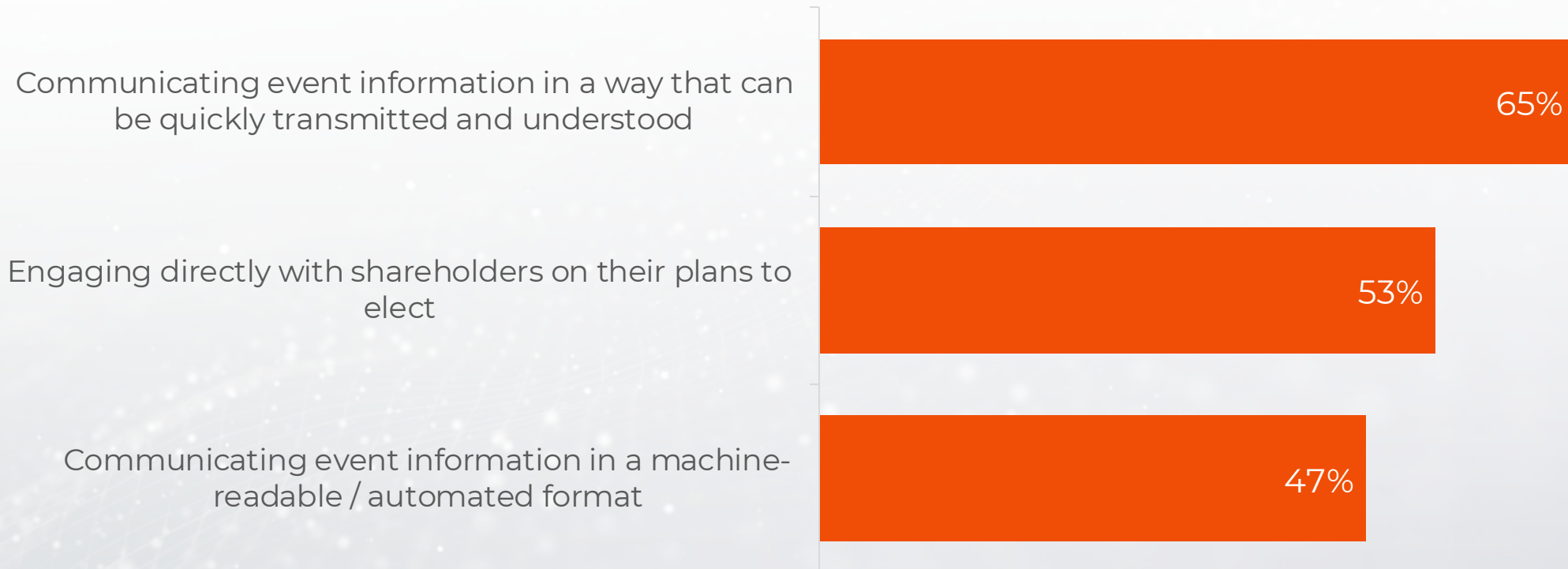
Distribution of costs and resources required to communicate corporate events (% of issuers by level)



Speed and ease of communication is critical for 65% of issuers – ahead of automation



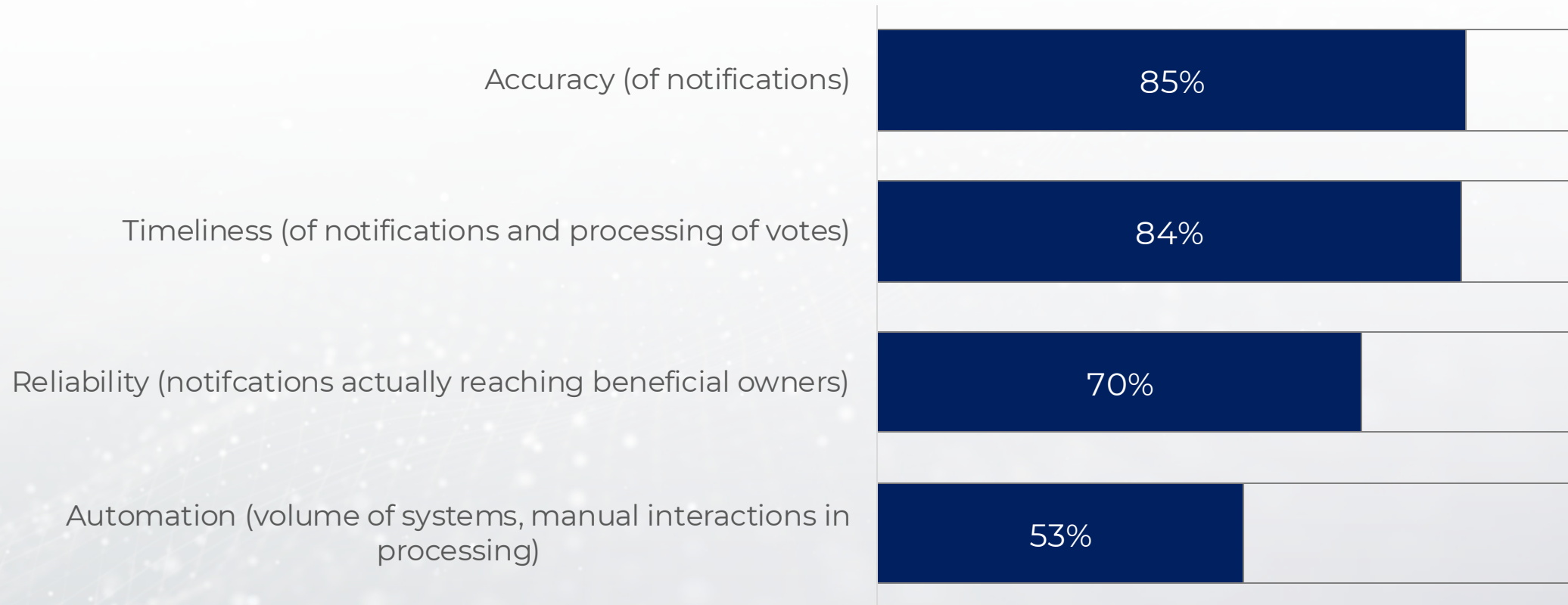
% of issuers citing each outcome as highly important



Issuers believe they are delivering accuracy and timeliness – but 53% know that they are not enabling automation

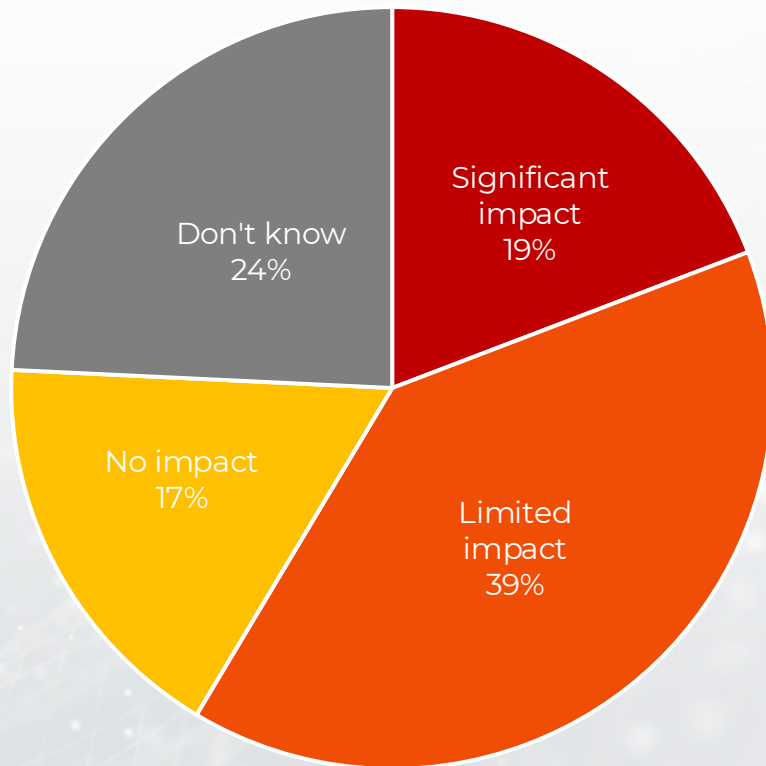


% of issuers scoring each process as very efficient today



What is wrong with voluntary events for issuers? Visibility and time are issues – but not critical ones

% of respondents citing issues in shareholder engagement for voluntary events – by level of impact



% of respondents citing each key challenge in shareholder engagement (for voluntary corporate actions)

Poor visibility on event responses (until just before deadline)

32%

Inability to identify beneficial owners

30%

Inability to engage with leading shareholders in a timely way before deadline

15%

Lack of active engagement from investors (i.e. majority resorting to default options)

15%

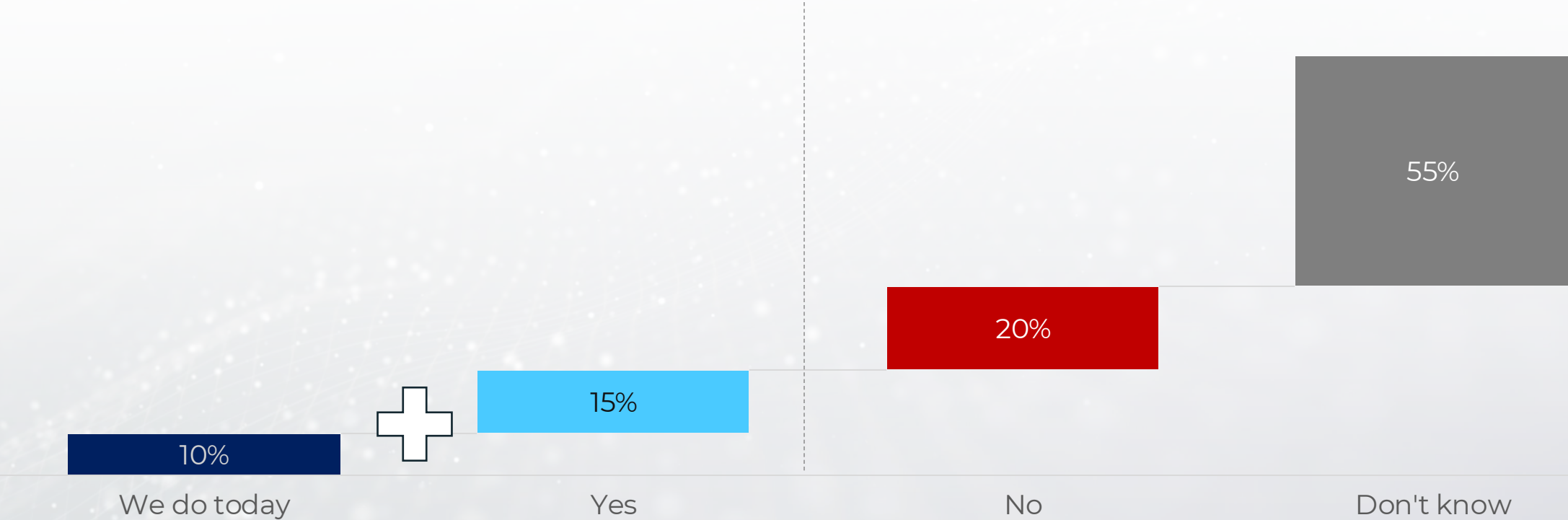
Investors asking for last minute extensions / work around processes

5%

Can we expect any change? Only 25% of issuers plan to transmit corporate actions in a machine readable format by 2028 – whilst twice as many don't know

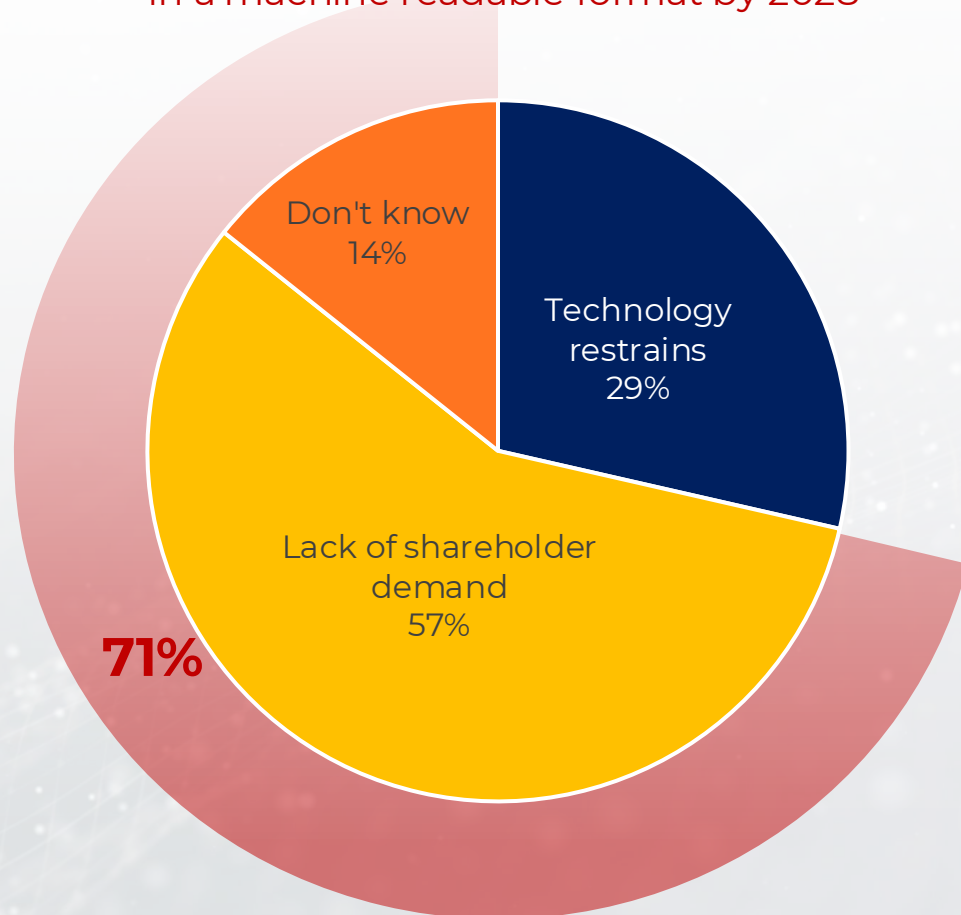


% of issuers' plans to transmit corporate event notifications in a machine-readable format within 3 years



Why not automate? Because it doesn't matter today to 71% of issuers

% of firms citing why they do not plan to distribute corporate event information in a machine readable format by 2028



Perceived downside risk of making no changes to investor communications

Definite downside risk / unclear case for investment / no obvious incentive

13%

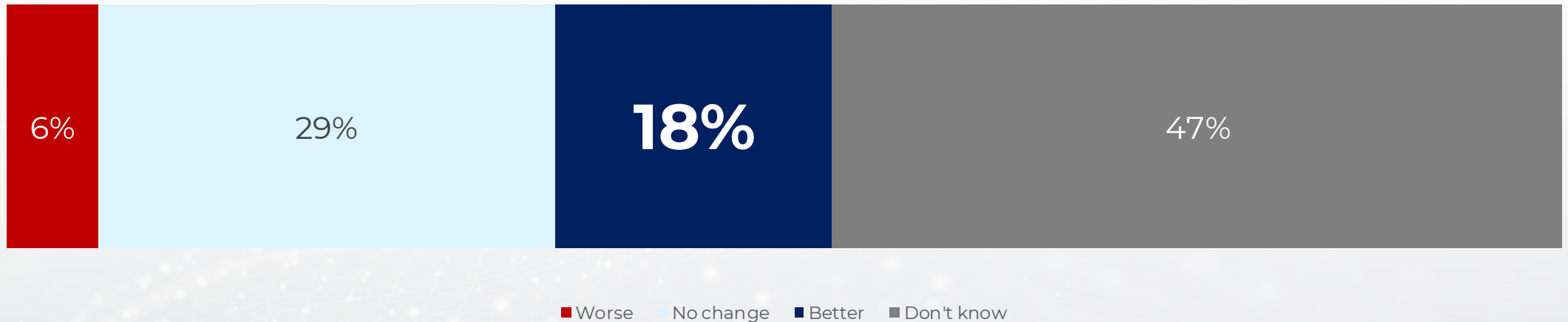
No downside risk / no case for investment / no present obligation to provide

62%

Don't know

25%

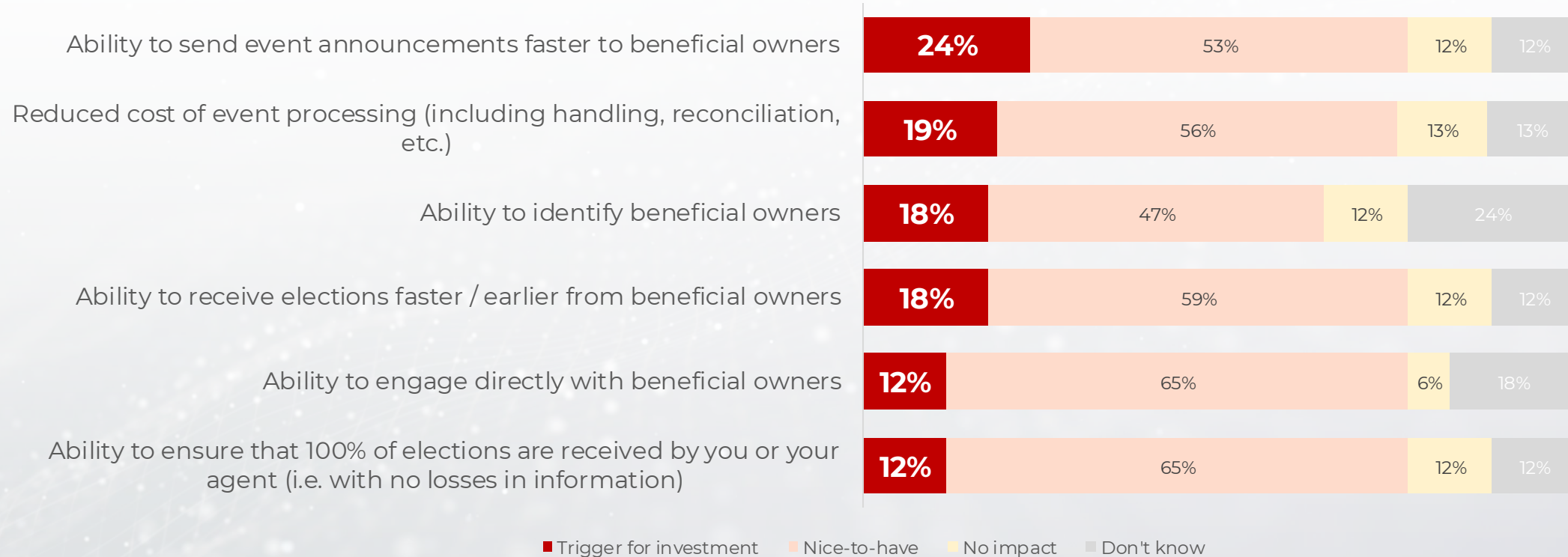
What is the case for investment? 18% of issuers believe that machine readable event notifications would benefit them



What would trigger investment in automation? Faster communications would get 24% of issuers to invest



Key triggers in driving investment into machine readable event notifications to shareholders (% of respondents citing each)



Thank you!

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