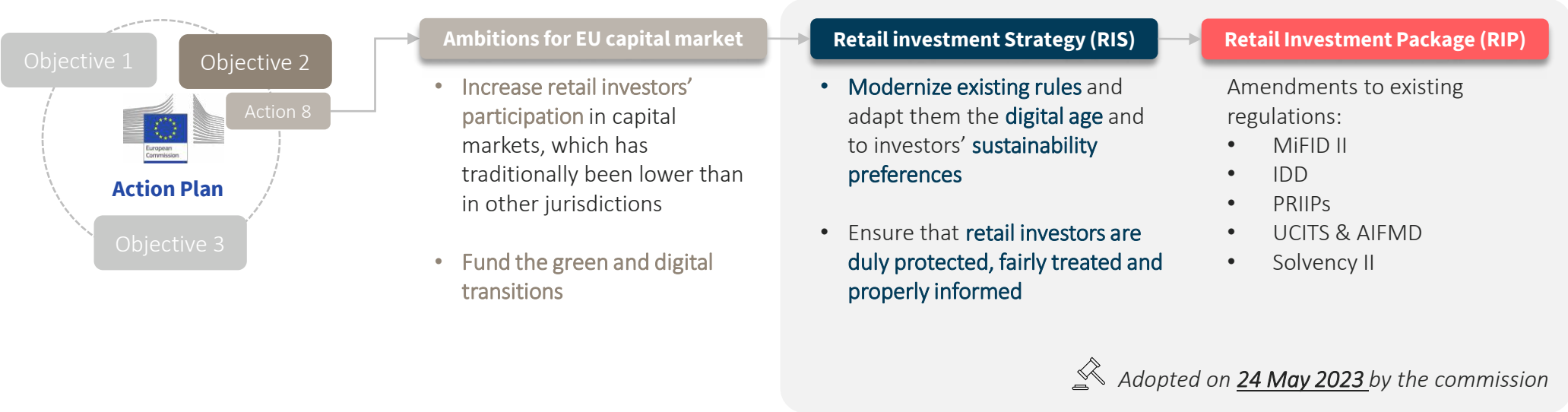


EU RETAIL INVESTMENT STRATEGY

Empowering retail investors on EU
capital markets

July 2023

EU Commission adopts its Retail Investment Strategy as part of its action plan



Modernize existing regulations to reinforce retail investors empowerment and protection across EU

The timeline shows the following key regulatory milestones:

- 21st July 2011**: AIFM
- 1st January 2016**: Solvency II
- 3rd January 2018**: MIF II
- 1st January 2018**: IDD / PRIIPs
- 1st April 2020**: UCITS V
- August, November 2022**: MIF2/IDD delegated regulation / sustainability
- May 2023**: Retail Investment Package



Analysis : scope and regulations impacted by the RIS

	Disclosures		Costs and Pricing		Marketing		Advice	
	<i>Fit disclosures to digital distribution and sustainability preferences</i>		<i>Deliver value for money and protect investors' best interests</i>		<i>Avoid misleading marketing (including on social media)</i>		<i>Better meet the needs and objectives of investors</i>	
	Manufacturers	Distributors	Manufacturers	Distributors	Manufacturers	Distributors	Manufacturers	Distributors
MiFID II								
IDD								
PRIIPs								
Solvency II								
UCITS								
AIFMs								



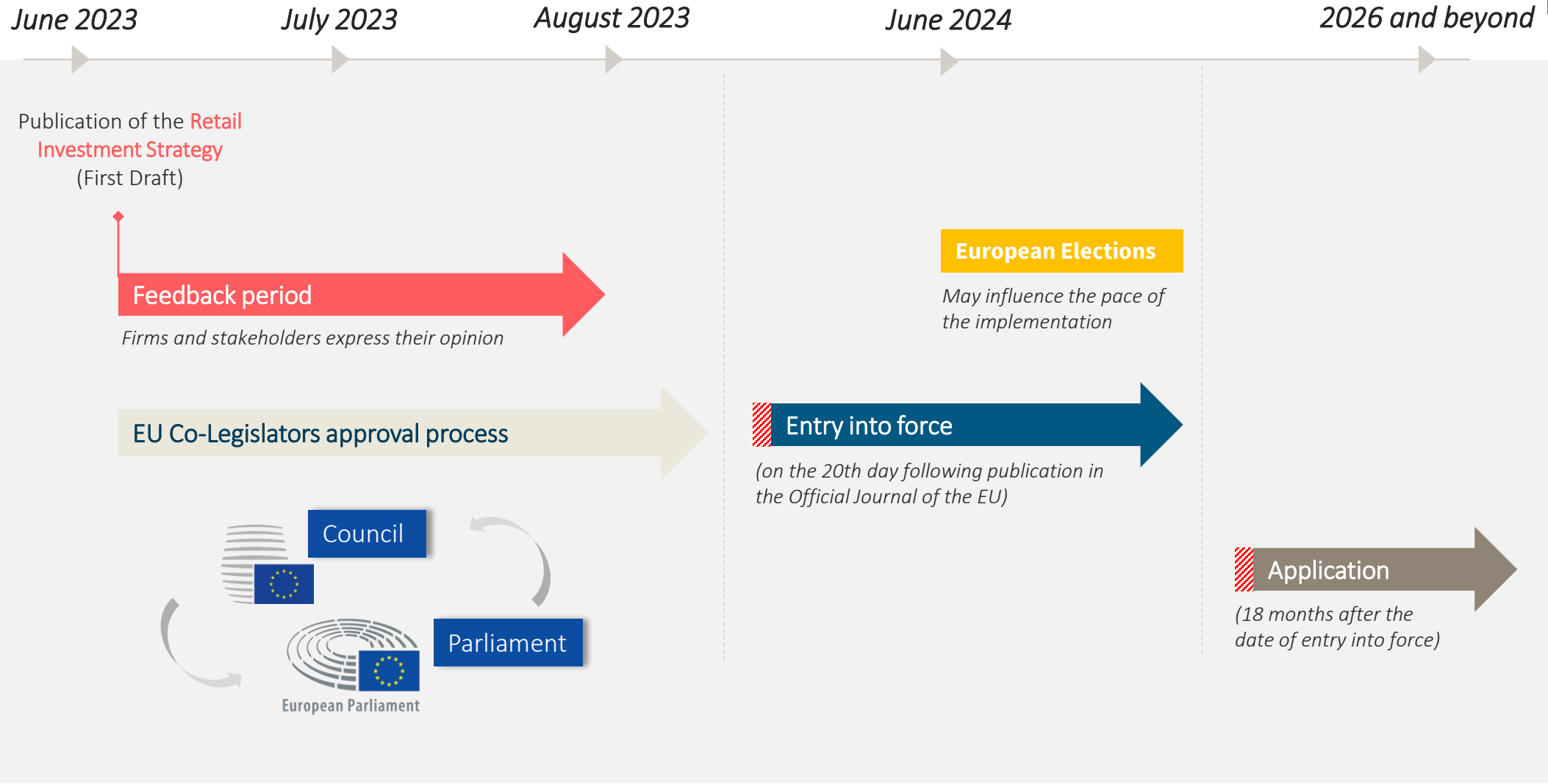
Analysis : key impacts on firms (Asset and Wealth Management, Retail Banking, Insurance)

	Disclosures <i>Fit disclosures to digital distribution and sustainability preferences</i> <small>Manufacturers Distributors</small>	Costs and Pricing <i>Deliver value for money and protect investors' best interests</i> <small>Manufacturers Distributors</small>	Marketing <i>Avoid misleading marketing (including on social media)</i> <small>Manufacturers Distributors</small>	Advice <i>Better meet the needs and objectives of investors</i> <small>Manufacturers Distributors</small>
Business		<div style="border: 1px solid red; padding: 2px;">Ban of inducements cause pressure on margins</div> <div style="border: 1px solid orange; padding: 2px;">Benchmarking of cost & performance by ESMA</div>		<div style="border: 1px solid red; padding: 2px;">Recommend cost-efficient product</div>
Compliance	<div style="border: 1px solid red; padding: 2px;">KID: new sections and digital requirements</div>			<div style="border: 1px solid red; padding: 2px;">Reinforcement of suitability and appropriateness</div>
Legal				<div style="border: 1px solid orange; padding: 2px;">Client categorization</div>
Risks & Reporting	<div style="border: 1px solid orange; padding: 2px;">Costs and performance annual statement</div>		<div style="border: 1px solid red; padding: 2px;">KID: new sections and digital requirements</div>	<div style="border: 1px solid orange; padding: 2px;">Warnings on risky financial instruments</div>
HR & Training				<div style="border: 1px solid green; padding: 2px;">Extensive training on professional standards for advisors</div>
IT	<div style="border: 1px solid red; padding: 2px;">KID: new sections and digital requirements</div>		<div style="border: 1px solid green; padding: 2px;">Record keeping of all marketing communications for 5 years</div>	<div style="border: 1px solid red; padding: 2px;">Reinforcement of suitability and appropriateness</div>

Magnitude
■ High
■ Medium
■ Low



Next Steps



starting date unknown



— Strategy — What we do —

Compliance

“Adapt early”

- Participation and follow-up for the drafting of summary notes related to the regulations concerned by the RIS
- Impact analysis on the scope of products and services concerned

Regulatory change and revision

“Adapt efficiently”

- Support of experts (investment teams, products team, actuaries, risks department, legal,...) in operational impact analyses and strategic choice
- Proposal of compliance scenarios, on "costs and charges" transparency, and customer journeys for investment advice
- Steering and coordination of work: organization of committees, workshops
- Drafting of expressions of needs for the changes to be carried out
- Costing with IT teams; follow-ups

Change Management

“Transform first”

- Formalization of the main impacts
- Product documentation in particular transparency of costs and charges
- Customer Journeys
- Drafting of support materials for end users (networks of advisors, retail investors,...)



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