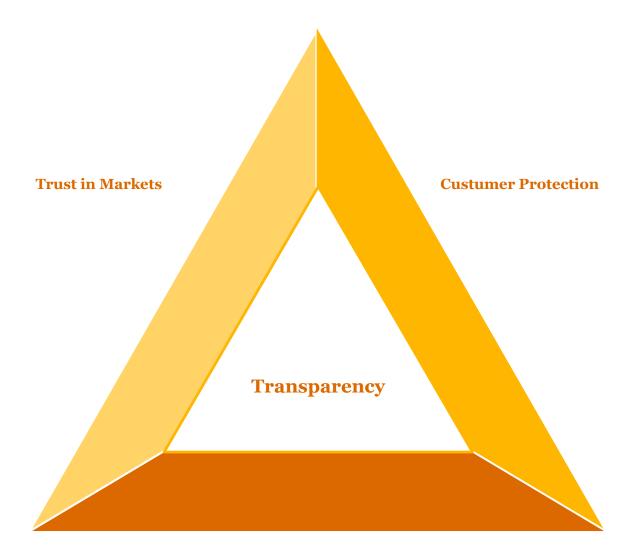
Regulatory tsunami affecting all sectors

October 2017

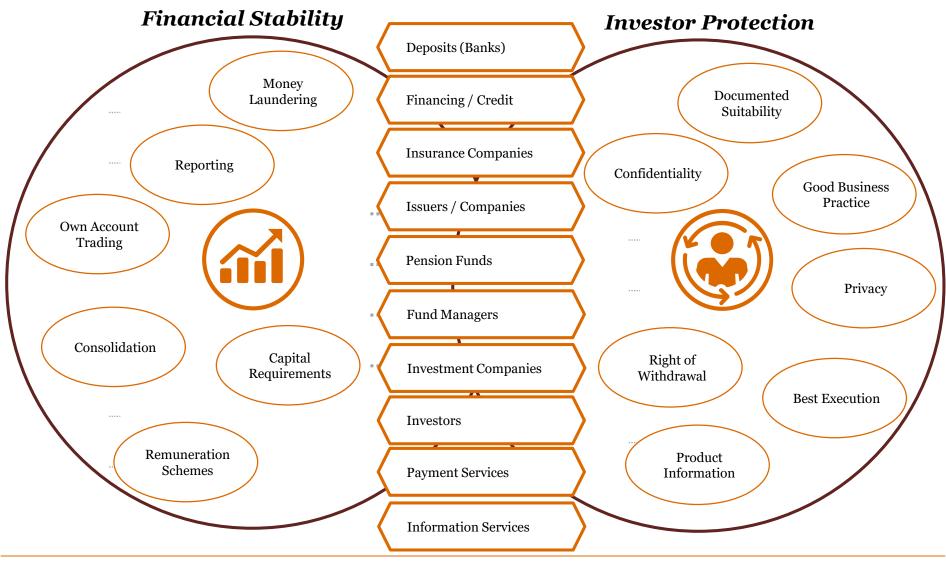


The regulation has 3 main purposes



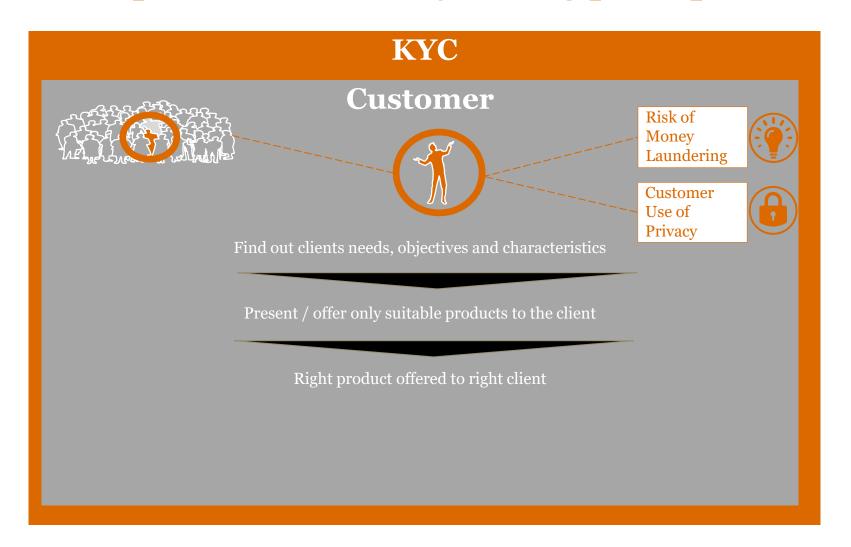
Financial Stability

Changes provides challenges along all service lines



Regulatory Trends: PwC

Customer protection is one of the key principles

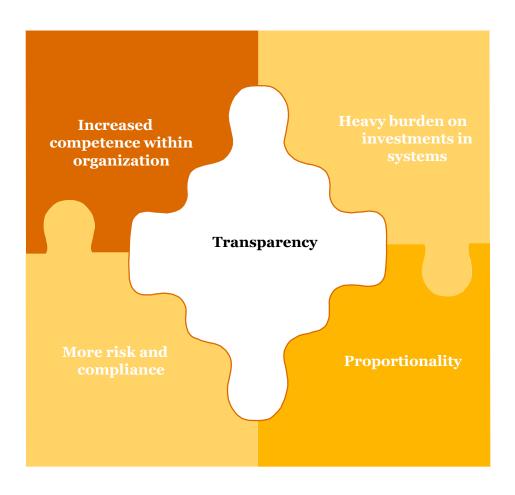


Enhanced client information – about and to clients

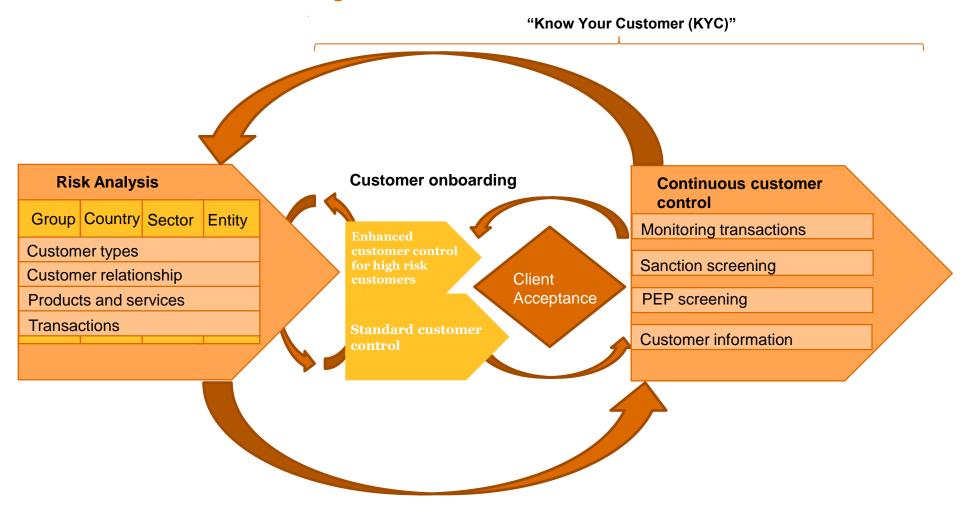


Regulatory Trends: October 2017 PwC

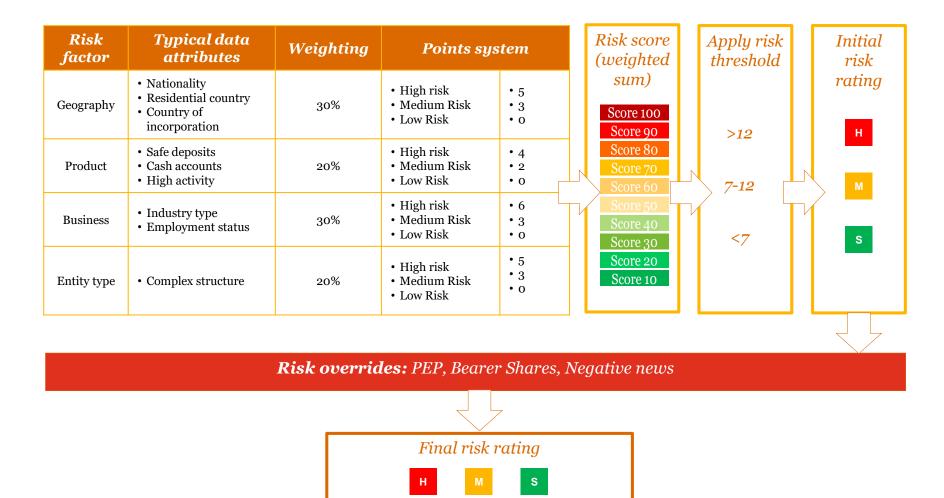
Key impact areas for affected firms



AML IV: What's the fuzz?



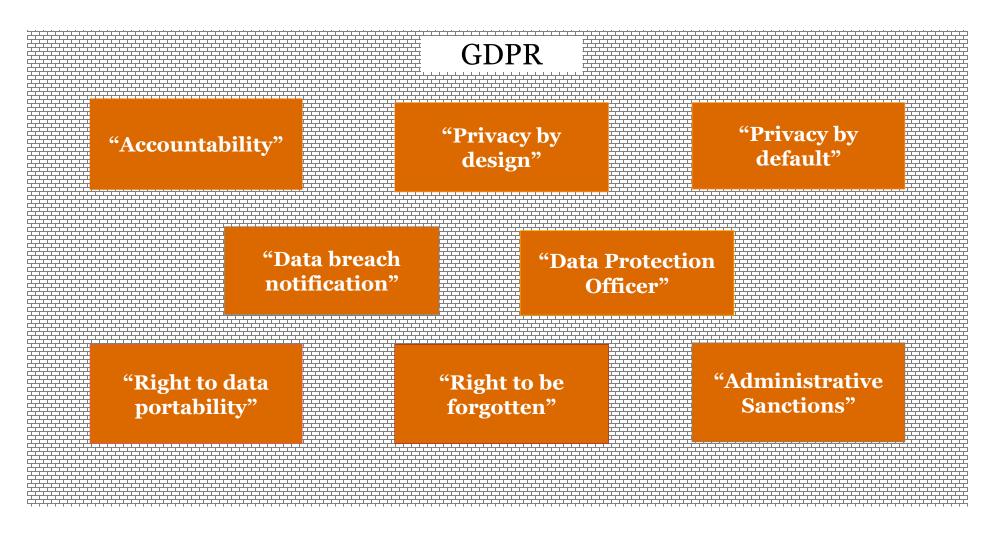
Example of a risk assessment



Market Abuse Regulations: Key changes



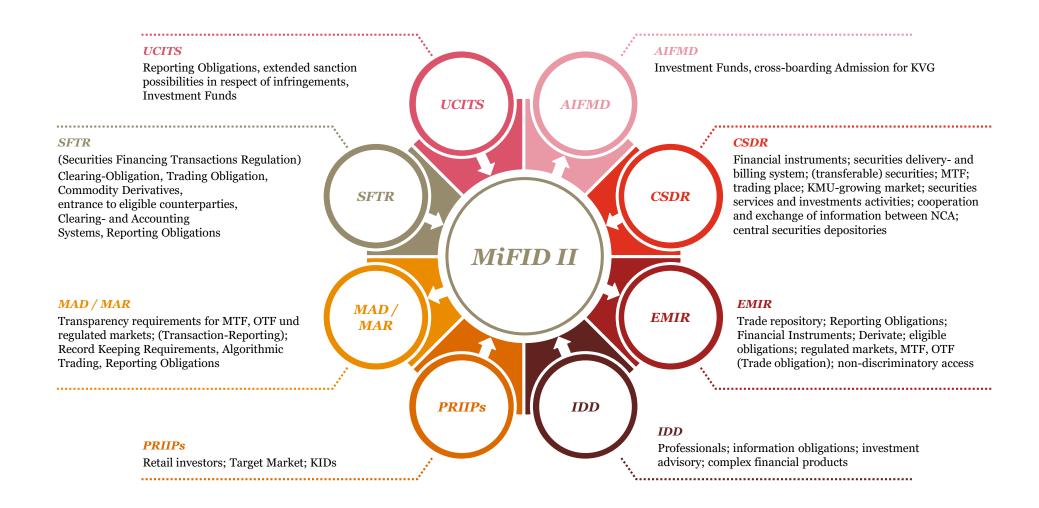
GDPR - Data Privacy: restrictions, obligations and rights



IDD objectives and main impacts

Main objectives • EU-wide minimum Advised sales harmonization Strengthening consumer protection Identifying and avoiding conflicts of interest **IDD** Introducing distribution channel standards • A level playing field for different distribution channels **Product** Product Product development planning and maintenance launching Compliance

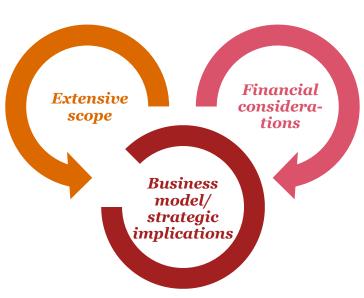
MiFID II has significant impact on other regulations



MiFID II is strategic in nature due to financial impacts

MiFID II challenges

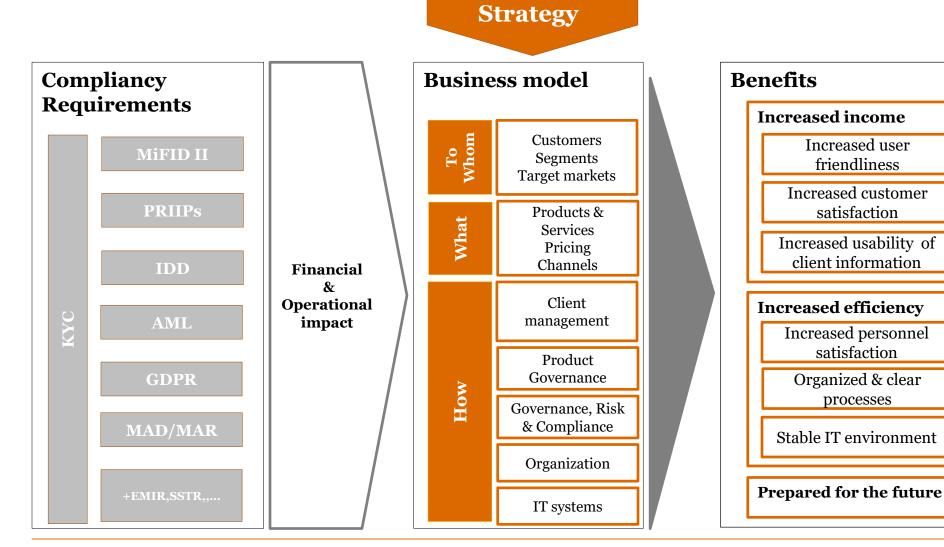
- Extensive scope, touching players across the industry: "manufacturers", distributors, traders and service providers
- Detailed regulations may not be finalized, but increasing clarity provides the basis for decisions



- MiFID II changes the attractiveness and viability of alternative business models
- Real implications become increasingly visible as implementation proceeds – and sector & competitive dynamics change

- High implementation costs: e.g., c.€0.5m (small players) to >€350m (global players)
- Many institutions still finding extended deadlines hard and expensive to meet
- Opportunities remain for step back and strategic rethinking

Regulations has significant impact, both operational and financial



Regulatory Trends:

14

Is your regulatory infrastructure ready to accommodate anticipated changes?



Regulatory Trends: PwC

October 2017