FundNet : Core Platform in Fund Market

8 September 2016

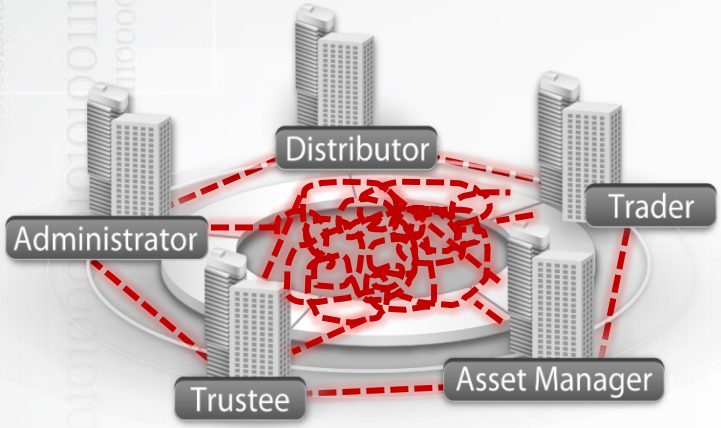
Roundtable:
Special depositories' role on financial market operations

FundNet

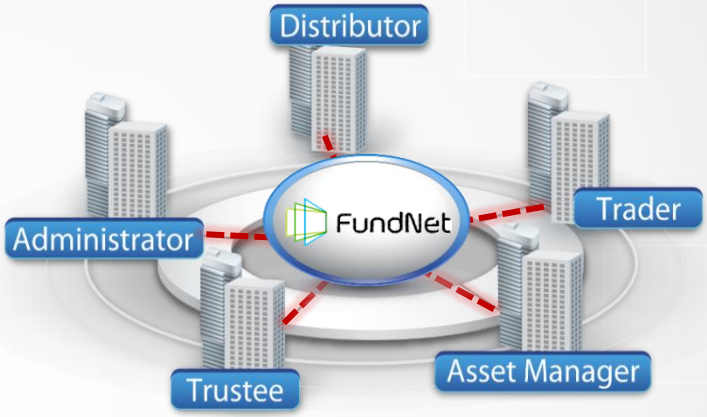
Implementation of a New Platform

KSD

FundNet was established as a platform for the Korean fund market in 2004.



N to N linkage, Spaghetti Problem



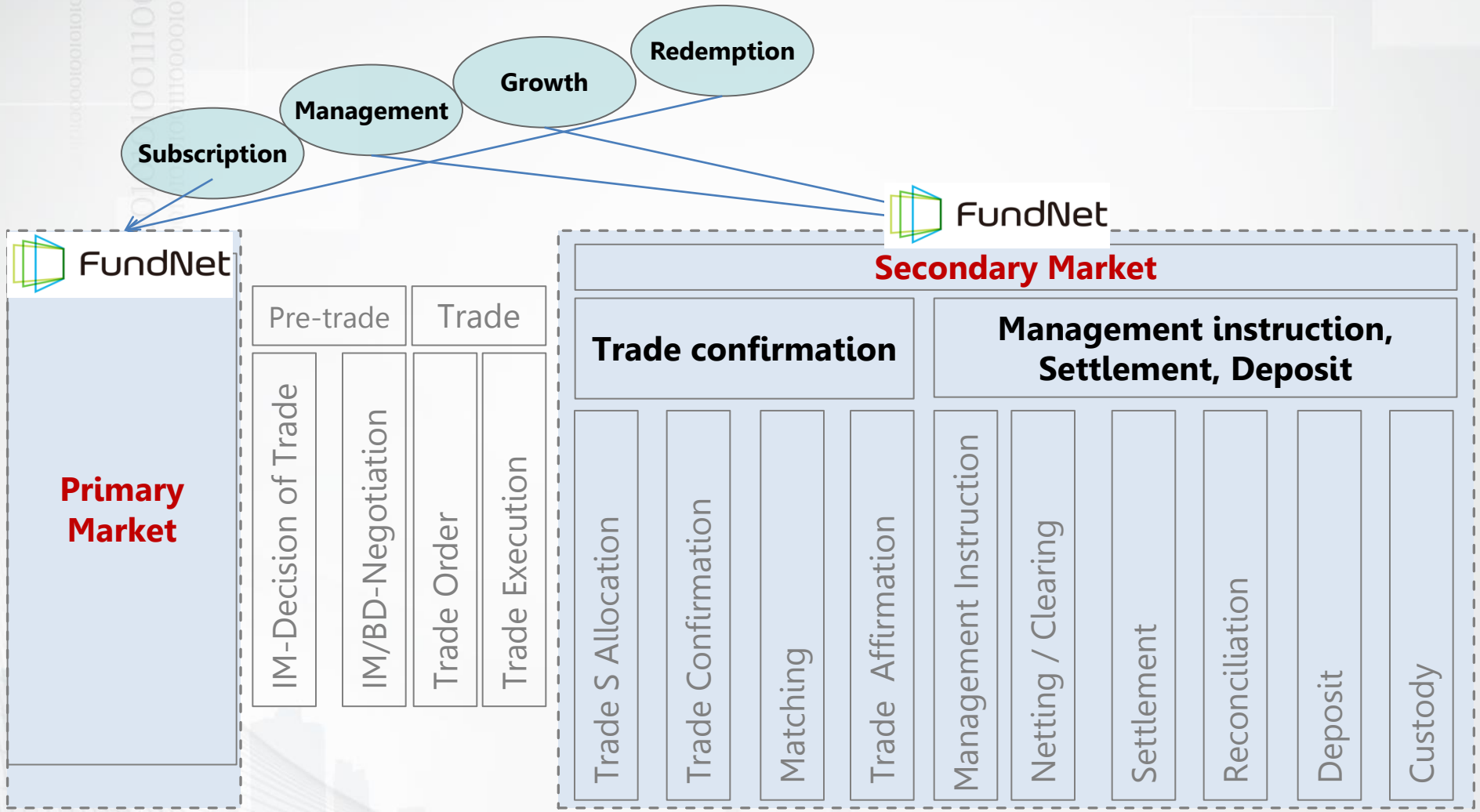
Innovation

Common, Concentrated, Consolidated

Low Reliability	High Reliability
Low Transparency	High Transparency
High Operational Risk	Low Operational Risk
High Cost, Low Efficiency	Low Cost, High Efficiency

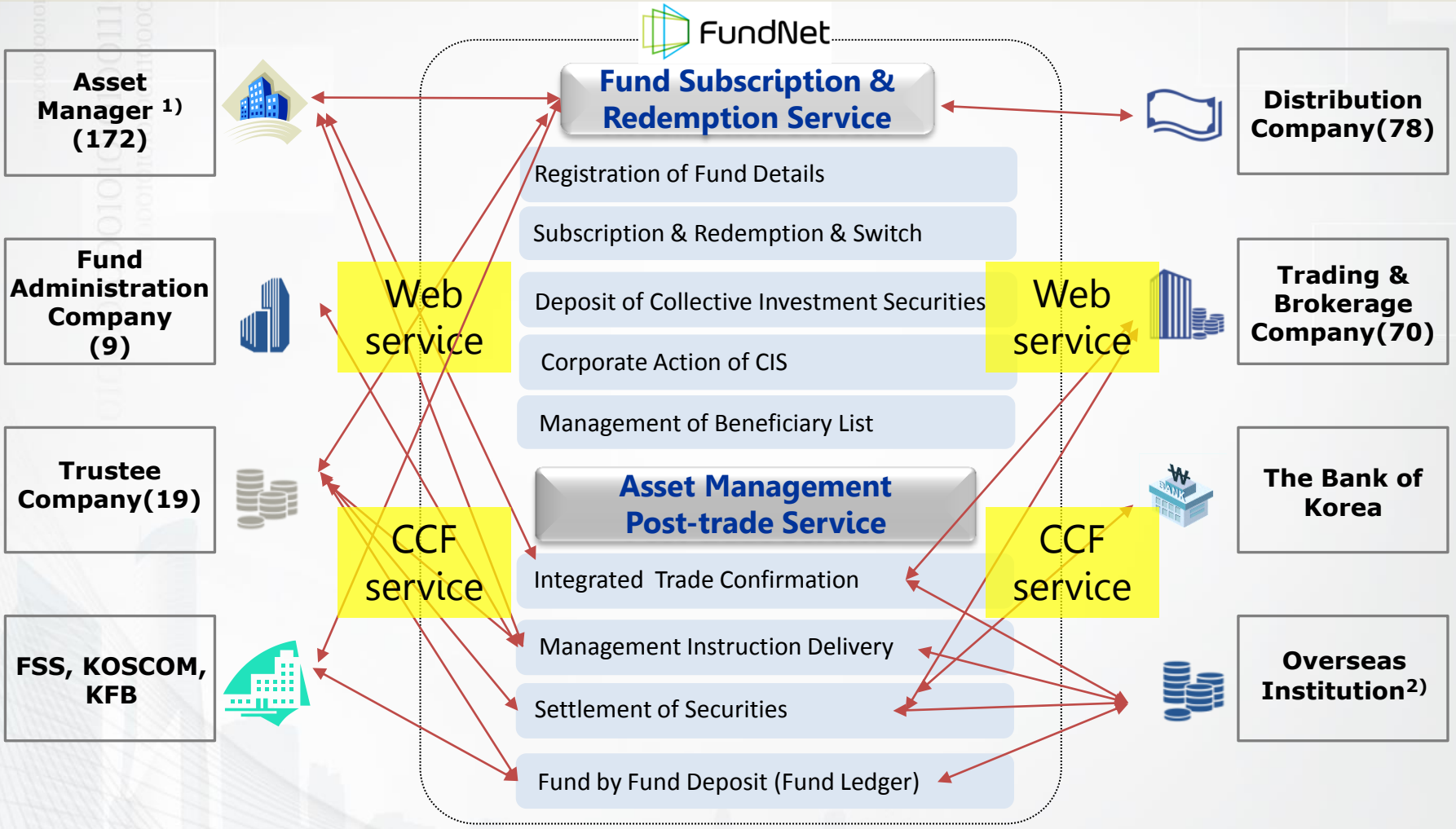
Service Coverage

FundNet is a one-stop gate for the entire life span of investment funds.



Service Structure

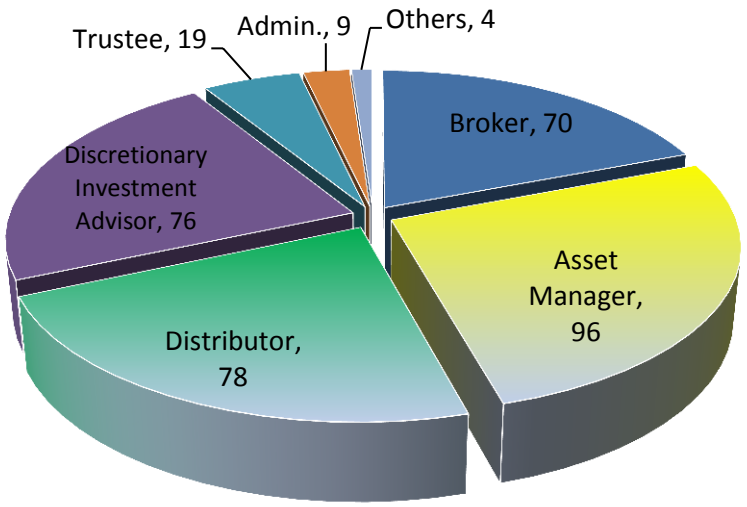
Two backbone services of FundNet : Fund Subscription & Redemption Service, and Asset Management Post-trade Service



1) Includes Discretionary Investment Advisor, 2) Omgeo, Euroclear, Clearstream

FundNet Statistics

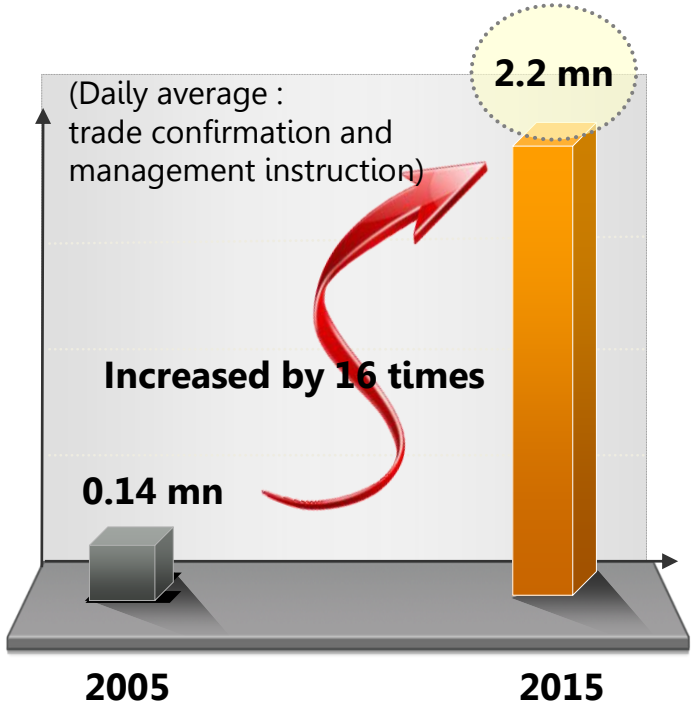
FundNet participants (Dec 2015)



352 participants in total

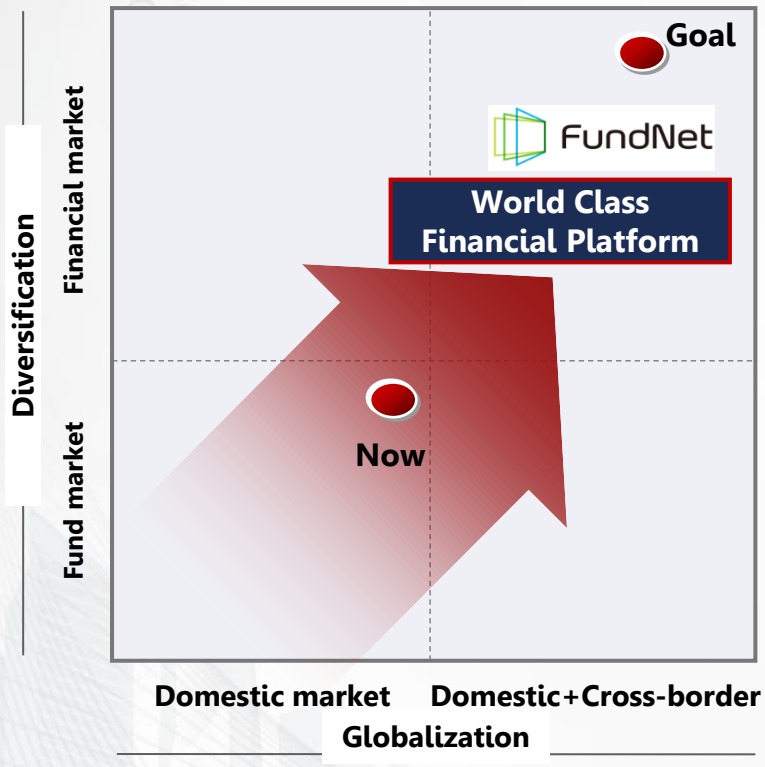
Others : FSS, BOK, KOSCOM, KFB

Comparison of daily operating volume (2005 vs. 2015)



New Challenge

FundNet's goal is to become a "World Class Financial Platform" that meets global standard by developing new services and reinforcing global competitiveness.



Business Diversification

- **PensionClear**
  (New centralized platform for the pension market)
- **ISA*-Net** (*Individual Savings Account)
  (Another newly introduced centralized platform for the wealth management market)
- Voting Support Service (VoSS)
- PEF-Platform

Globalization

- FundNet Know-how Sharing
  (NFS Project with KSEI for the Indonesian fund market)
- Asia Fund Standardization Forum (AFSF)

※ Asia Region Funds Passport (ARFP)

Thank You

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