



NEW TECHNOLOGY IMPROVING TRUST AND BROADENING YOUTH PARTICIPATION IN CAPITAL MARKETS

COVID-19 CATALYST TO DIGITAL TRANSFORMATION

As financial service leaders acquire and leverage enhanced digital capabilities, Nigerians can look forward to a day when cross-border investment across multiple capital markets is an everyday event for the country's investors.

"The security, speed and ease of digitally-supported investment means that, in time, every capital market will become a global market"

Predicts Chijioke Iteghete,

Chief Information Officer at Coronation Registrars Limited.

While crypto-currencies and the blockchain technology that supports them are leading the way, Nigerian digital pioneers like Coronation Registrars are introducing technologies no less profound in their implications for the Nigerian capital market. Over the next decade, for example, Coronation Registrars expects to transform from what is now a registrars' business, into a data mining and analytics practice. This evolution has profound implications for what Nigerians will be able to achieve with their money.

"Using new digital technologies, many leveraged in the cloud, to collect, coordinate and allocate data, we can develop products, solutions and opportunities that, right now, don't even exist," explains Iteghete.



PLANNED OPPORTUNITY

Much of this capital market evolution can be planned, as Coronation Registrars is achieving with its deliberate Digital Transformation Strategy aimed at improving agility and streamlining customer experience.

Improvements include reducing the time it takes for investors to redeem investments - from three days to a few seconds.

"Days of manual work correctly assembling information and establishing collaboration between issuers and registrars is now achieved in seconds," says Iteghete. Built to global ISO 27001

information security management systems and ISO 22301 business continuity management systems standards, users can also be assured of the safety of personal financial information and security of transactions.

This new combination of speed and global best practice security standards has placed Coronation Registrars in a position to take on many more – and increasingly global - investment mandates.

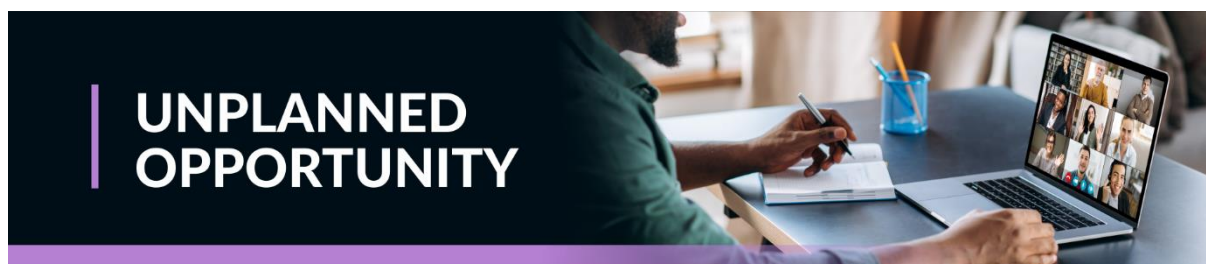
The cloud has also improved transparency. Transparency is key to winning back investors who, in the past, have had unfavourable experiences with investing in the capital market. Digital transparency is also achieving the trust of younger investors. The clarity, visibility and speed of modern data management is helping a new generation of investors grow and protect wealth - on the devices and digital platforms familiar to them. Leveraging digital capabilities to expand youth participation **“is critical to longevity and sustained growth in Nigeria’s capital markets,”** adds Iteghete.

Other relatively simple cloud-enabled evolutions, like launching a new version of Coronation ShareholderLive using real time customer feedback has **“transformed a standard customer service feature into a cutting-edge self-service platform,”** says Iteghete. Processing shareholder requests, transparently, in 24 hours rather than five days without shareholders coming into the office or even picking up the phone is a real milestone of ease and efficiency - especially from an investor-use perspective. It also allows **“our business to turn around almost 700 shareholder requests each week – without a single shareholder having to come into our offices”** says Iteghete.

Once Live, Coronation Registrars ShareholderLive platform will also allow investors to generate reports – for embassies or other third parties – while choosing to re-invest dividends or apply for loans. Available on both web and mobile, the ShareholderLive platform will enable investors to achieve all this online, in record time from wherever they are.

A digital-first strategy has enabled Coronation Registrars to **“take a lot of the confusion and risk out of investment for shareholders, along with many of the unpleasant surprises”** says Iteghete.

While simplicity, security, ease of use and transparency appeal to traditional investors, the personal control and agility of these new cloud-enabled platforms and services **“appeal to a younger generation more interested in self-managing their own investments with full visibility and control,”** says Iteghete.



UNPLANNED OPPORTUNITY

Being digitally agile also means being able to adapt, and innovate, fast – even if unplanned.

When Covid-19 hit, the fact that Coronation Registrars’ operating platforms were already hosted in the Cloud meant that staff could instantly, efficiently, and easily transition to working from home.

Another unplanned and unexpected evolution enabled by Coronation Registrars' digital ability in response to Covid was **"our development, almost overnight, of a virtual corporate meetings platform – Coronation Virtual,"** says Iteghete. This very quickly, out of necessity, morphed into Nigeria's first fully compliant AGM-hosting platform, allowing the smooth, efficient, and safe delivery of virtual AGMs for clients during the pandemic.

The Coronation Virtual platform has evolved into a stand-alone offering, making remote AGMs and other corporate and official functions far more accessible, seamless and effective by increasing participation while ensuring compliance and improving voting security.



DEEPENING THE YOUTH-APPEAL OF NIGERIAN CAPITAL MARKETS

The vast majority of investors, shareholders and other capital market professionals in Nigeria are over the age of 50. In response, Nigerian legislators have stated their intent to promote broader youth participation in capital markets.

To drive broader youth engagement in Nigeria's capital markets, one only has to look to banking.

Proper identity management was a game-changer for banking in Nigeria, allowing millions of new, mostly younger, participants to transact online on their phones. Similarly, **"the Cloud provides the ideal platform for investors, issuers and registrars to conduct secure, identity-managed, operations safely and remotely,"** suggests Iteghete.

Beyond inclusion, involving more young people in investment is also critical to the growth and global competitiveness of Nigeria's economy. Iteghete estimates that Nigerian start-ups raised over USD 1 billion in the last three years. Most of this capital was raised from foreign investors who saw the value of investing in these, mostly, youth-initiated start-ups in Nigeria. The irony is that **"while many young Nigerians' believe they need to go abroad to access capital and start businesses, foreign investors are seeing huge opportunities in Nigeria,"** observes Iteghete. At the same time, local capital is also going abroad in the belief that there are better investment opportunities outside the county.

Recognising this opportunity, Coronation Registrars is building a digital equity funding and on-boarding solution. This will create a marketplace for **"investors to intelligently assess the investment potential of viable local start-ups,"** says Iteghete. Not only will this keep more investment in the Nigerian economy, but it will also "show young Nigerians that they don't need to leave the country to access investment, business opportunity and growth," he adds.

Coronation Registrars' equity funding and on-boarding solution will help keep young Nigerian entrepreneurs in the economy, expanding opportunities for youth inclusion & participation, increasing capital accumulation, and improving economic growth.



It is critical that legislators around the world keep pace with the capacity that cloud-enabled digital strategies afford financial services providers to develop new products and solutions. This is especially the case when it comes to cross-border capital market collaboration. The ability, in time, for local Nigerian investors to ***“independently leverage technology to safely and legally pursue alpha around the world has profound implications for sustainable growth and prosperity. It is not an opportunity the country can afford to miss,”*** says Iteghete.

The cumulative effect of these best-in-class digital solutions and capabilities is enabling Coronation Registrars to leapfrog traditional barriers, provide differentiated customer experience and re-define industry benchmarks for transparency, inclusion, and convenience in the Nigerian Capital market.

This ***“new world of insights and access is set to include far more Nigerians in local and global capital markets, expanding opportunity, access and growth for all,”*** concludes Iteghete.