Request for Information on "IBOR Data Services"

Background and Purpose of the Request

- GPIF has an investment data management system, called GPDR system, which gathers all the asset data of in-house managers and external managers through asset servicers (trust banks). This time, except for GPDR system, GPIF is considering a new data management scheme/system to reach portfolio information more promptly.
- In GPDR system, in order to ensure data accuracy of all products including foreign assets, it takes more than two days after trades to reflect latest portfolio information. And, since asset servicers convert data into GPIF's original format ("GP Data"), it also takes a time to start investing in new strategies due to system development of asset servicers beforehand.
- In the case of other large pension funds, their efforts to deploy IBOR for their in-house investment are much informative, however, GPIF, that delegates most to external managers, realizes that there is few use case which balances between unity and instantaneity of data management sophisticatedly.
- In light of the above, we are soliciting public comment from market participants and will consider the submitted ideas for our future procurement of data services.

Guidelines for Comment

GPIF solicits service ideas on how it can consolidate investment information quickly and collectively in such a manner as IBOR.

■ The Goal:

For daily investment decision making, GPIF's goal is to deploy a data management scheme/system which gather detailed information in a prompt and integrated way. Although GPIF will pursue accuracy and completeness of data as much as possible, GPIF gives more priority on timeliness and prefers not to delay the timing of update by waiting for all trades data are confirmed, as the scheme are not intended for the accounting and disclosure purpose.

In order to grasp the information earlier, it may be an option to gather data directly from investment managers, based on the assumption of their cooperation. In this case, GPIF will request low-impact method by utilizing existing operations and IT systems.

- Scope of data:
    a. **Latest position of the day** (trade basis; quantity and market value of individual assets)
    b. **Transaction of the day** (detailed information of execution including time stamp)
    c. **Reference data** (attributes information to identify and unify products above a. and b.)
- Scope of products: All asset that GPIF invest in, such as listed/private securities, Exchange-traded/OTC derivatives, cash position (JPY and other currencies), and others including alternative assets (in the case of PE, look-through information with list of individual firms finally invested are needed).
- Timing of reference: GPIF prefers to have data promptly in the trade day (T) like follow-the-sun basis (several hours after the end of each market closing; real time is not mandatory).

■ **Topics to cover in your comment:**

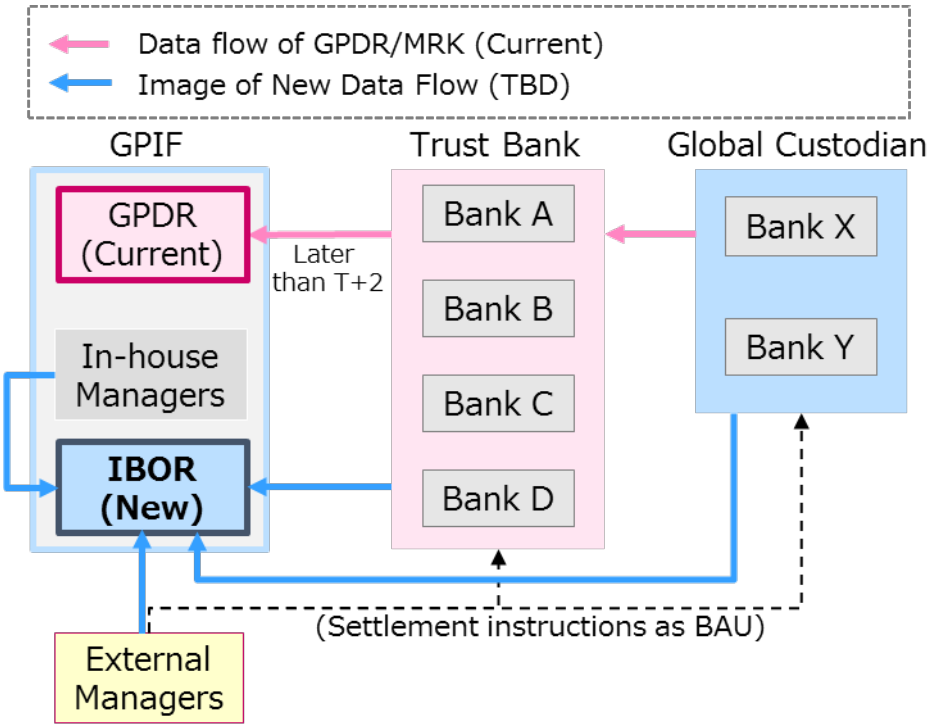
Please cover following view points from #1 to #4:

1. (**Mandatory**) Services and methodology which can archive the goal.
    - Explanation of service contents and conceptual overall architecture diagram of implementation (data flow, system configuration, etc.)
    - Explanation of specific method and service coverage with referring to A to E below.
        A. Method and timing of data sourcing (possibility and method of collecting trade data from in-house/external managers, etc.)
        B. Data sourcing method of derivative contracts and JPY-denominated assets which are managed only by trust banks not by global custodians
        C. Method of collecting and reflecting corporate action information which is necessary for position calculation
        D. Method of identifying securities (unique security ID, etc.)
        E. Evaluation method by latest market price
    - Functions and service coverage of system/operation that are supposed to be provided (specifically as possible)
2. (**Mandatory**) Service usage conditions (approximate estimation of expenses, etc.), service provision capabilities (customer support capability in Japan, etc.), other matters to be noted (any preconditions of services, etc.).
3. Similar use case (for example, case of service implementation on investment

managers or asset owners who hire external investment managers, etc.)

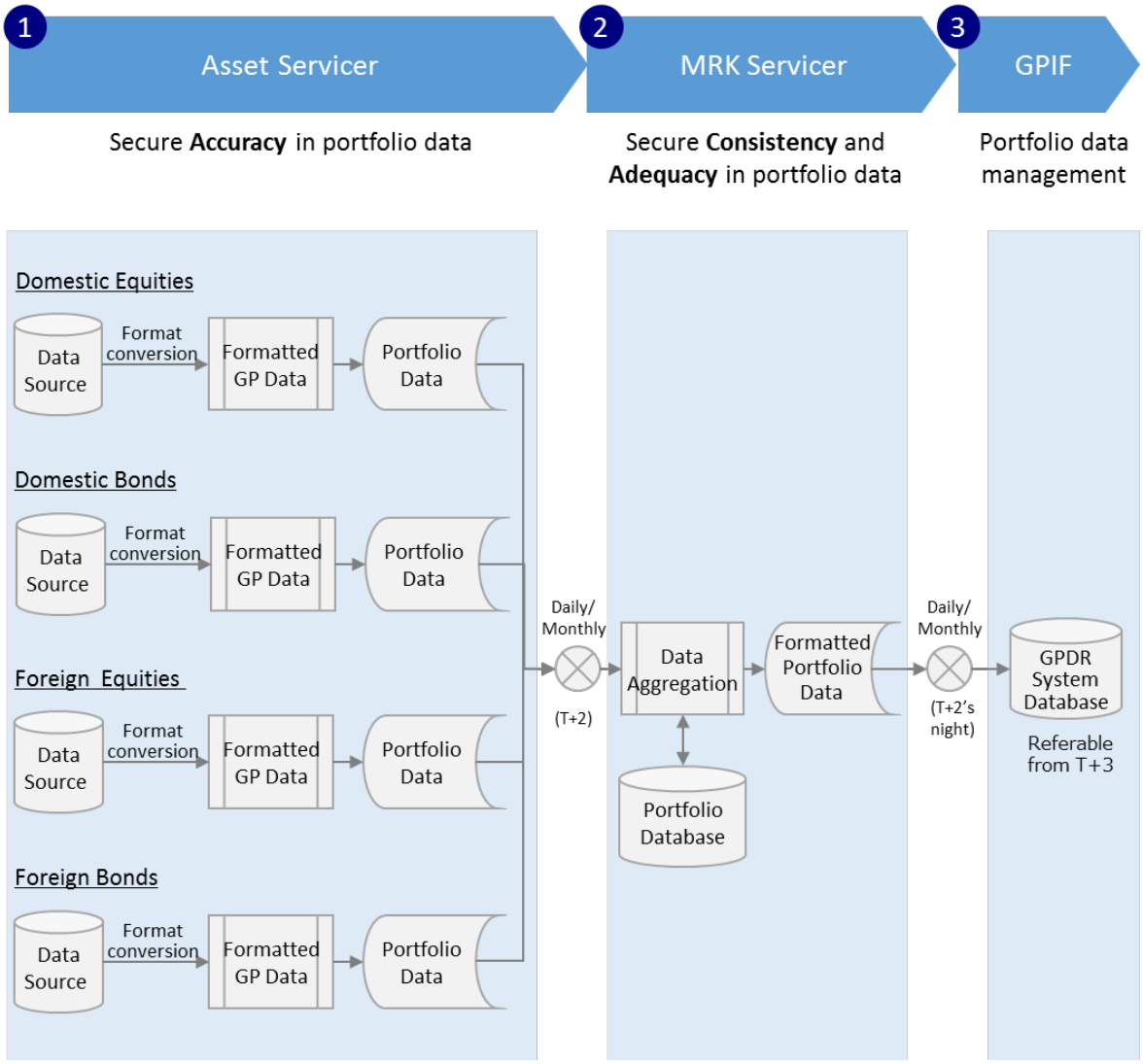
4. Any other recommended service ideas in connection with IBOR.

(FYR) Image of Data Flows



(FYR) Current Data Management Scheme on Asset Servicing Operations (GPDR System)

- Asset Servicer sends daily portfolio performance data (compliant with GPIF's "GP Data Format").
- The data are sent to GPIF via a dedicated line after MRK Servicer verifies prices and standardizes securities identification codes.
- GPIF stores the standardized data in the GPDR (Government Pension Data Repository) system and uses them for performance verification, various analytics, and disclosure purposes.



Comment Submission

(1) Comment Period

From June 15th 2018 through July 31st 2018

(2) Submission Method

Send an E-mail with any attachments to RFI_1806@gpif.go.jp

- Title : (Comment) IBOR Data Services (Institution name)
- File Format: MS Word, PowerPoint, PDF
    - Cover : Specified format (Link to Word file)
    - Attachment(s) : A4 free format
    - Language : English or Japanese

(3) Contact Address & Email

Government Pension Investment Fund, Japan
1-23-1 Toranomon, Minato-ku, Tokyo Japan
mail : RFI_1806@gpif.go.jp

Solicitation

(1) Comments are solicited from the following institutions* :

- Asset Servicers (Trust Banks, Custodians)
- Service Providers (System/Operation Service Providers, Data Servicers, etc.)
- Others (Any Institution which can offer the service by itself or collaboration with other companies)

* Comments are welcomed from both domestic and foreign intuitions

(2) Information Sessions

There will be no information sessions for this request.

(3) Disclosures of Comments

- Submitted comments will be reviewed for GPIF's future operational considerations and will not be disclose to the public.
- Submitters will not be paid for the comment/service idea on this request.
- Further comments may be solicited for specific mandate purposes.

(4) Feedback on Comments

- Feedback will not be provided for submitted comments, however, submitters

may be contacted for clarification of their comments.

End