

## NORTHERN TRUST TECHNOLOGY SYMPOSIUM

# Tech Horizons: Exploring the Future of Innovation

Institutional investors remain acutely focused on the changing data landscape, recognising the benefits of emerging technology while keeping an eye on ongoing concerns surrounding cyber risks and AI-driven threats.

This is according to live poll survey results from Northern Trust's recent technology symposium, 'Tech Horizons: Exploring the Future of Innovation'.

More than 100 investment professionals and industry consultants attended the event which featured industry and Northern Trust experts discussing topics such as data as a strategic asset, misconceptions about digital assets, the evolving cyber security landscape and how cloud technology and AI will transform the future. The following themes emerged from the symposium:

### Data is the Asset: Deriving Value

When asked how many organisations have a data strategy, 62% responded in the affirmative. Yet how much of that data is actionable? How much of it is going to get an organisation to the next level? In response to another poll question about whether data is a cost or a revenue generator, more than three-quarters of the audience perceive data as both a cost and a revenue generator. But, according to Kelley Conway, head of Strategic Change, Data and Digital at Northern Trust, data should be seen as a value generator, not a revenue generator.

"Despite data's importance, there can be a disconnect between its role and its integration with business strategy," said Conway. "Organisations need to ask what value they're trying to derive from their data. What insights are they trying to gain. By aligning the data strategy with the business strategy, they can optimise the value they gain from their data."

### Digital Assets and Ecosystem

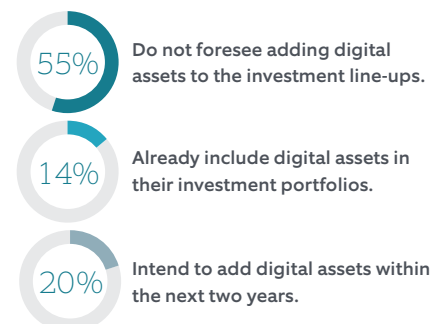
The majority of poll respondents, 55%, do not foresee adding digital assets to their investment line-ups. Contrast that to 14% who already include digital assets in their investment portfolios, and 20% who intend to add them within the next two years. Yet when asked what value digital assets can bring to the investment process, poll respondents agreed the move will result in improved transparency, efficiency, liquidity and risk management.



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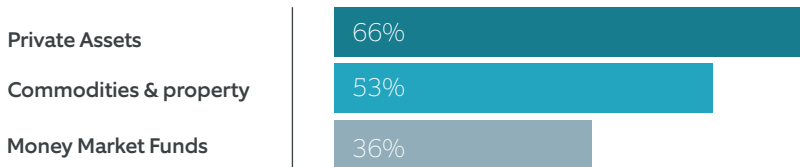
#### KELLEY CONWAY

Head of Strategic Change, Data and Digital,  
Northern Trust



The survey also revealed that 66% of respondents believe private assets will benefit the most from a transition to digital formats. This is closely followed by real world assets such as commodities and property (53%) and money market funds (36%).

What might be holding investors back from investing in digital assets? The panellists highlighted it is a matter of making the technology more scalable, having more clarity around the regulatory framework, and aligning a more cohesive infrastructure that overlies traditional and digital assets.



### The Cyber Frontier: Understanding and Navigating the Evolving Landscape in the Digital Age

For the institutional audience, cyber security remains a paramount concern, with 88% of poll respondents identifying cyber risk as a top or major issue for their organizations. The potential threats posed by advancements in AI are also significant, with 81% of respondents expressing high or moderate concern about AI-driven threats or attacks.

Symposium experts acknowledged the heightened concerns around AI and cyber security yet noted that there are pros and cons of its application. “For every bad use case there’s a good use case for AI,” noted Darren Seary, chief information security officer, Northern Trust EMEA. “For example, AI gives us the ability to more quickly identify threats and vulnerabilities in our environment, to improve threat intelligence collection and analysis at scale, and reverse engineer malware. The key is being able to adapt, evolve and respond to an ever-changing cyber landscape.”



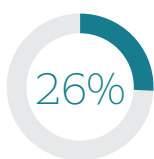
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**DARREN SEARY**  
Chief Information Security Officer, EMEA,  
Northern Trust

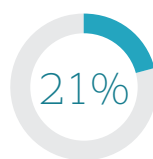
### Cloud and AI: Transforming the Future – Evolution or Revolution

For institutional investors, the cloud and AI have been on a more gradual adoption curve, used to uncover insights and improve efficiencies rather than to revolutionise business practices.

When asked about AI’s impact, more than a third of poll respondents believe AI has the potential to significantly enhance portfolio optimisation. Furthermore, 26% of respondents anticipate AI will transform their manager due diligence processes, while 21% foresee a substantial impact on risk management procedures.



Anticipate AI will transform their manager due diligence processes.



Foresee a substantial impact on risk management procedures.

“The practical use cases we see for AI are evolving,” said Tom Jackson, chief architect, Northern Trust. “We see it being implemented for things like investment research, fraud detection, and marketing analysis. Yet our industry has been more deliberate in our adoption than others because of the regulatory framework within which we operate. The cloud and AI are going to change how we do things, but we want to be sure we have controls in place. It is simply too important to our industry; we need to get it right.”



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**TOM JACKSON**

Tom Jackson, Chief Architect, Northern Trust



## For More Information

To learn more about technology and data solutions to support your organisation, please contact:

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