

Co-Sourcing with Confidence: A Smarter Model for Regulatory Resilience

Why leading investment managers are blending control and capacity to meet today's regulatory reporting demands

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Meeting the Moment: A Balanced Approach to Regulatory Complexity

Investment managers today face rising regulatory complexity, tighter filing deadlines, and limited internal resources. Teams are leaner, workloads are heavier, and expectations continue to rise with evolving regulations like Form PF, AIFMD, and 13F-2.

Fully outsourcing these responsibilities can be desirable but may not be for everyone. Firms want visibility, control, and confidence that their obligations are being met accurately and on time. That's where co-sourcing comes in.

Co-sourcing—a form of managed services that emphasizes collaboration and transparency—blends internal oversight with external execution. Investment managers retain strategic control and approval authority, while experts handle the operational work. The result is scalable capacity without sacrificing accountability—so your team can stay focused on what matters most.



Why Co-Sourcing is on the Rise

Investment Managers Rethinking Their Approach to Non-Core Functions



**Firms are under pressure from all sides.
Internally, they face:**

- ✓ Headcount freezes, lean teams, and hiring constraints
- ✓ Knowledge loss due to key-person retirements
- ✓ Turnover in compliance and reporting roles

Externally, the burden is growing:

- ✓ Shifting regulatory deadlines (e.g., Form PF changes now due October 1, and 13F-2 delayed to January 2026)
- ✓ More complex data requirements and compressed timelines



Co-sourcing addresses both sides of the equation. It gives firms flexible and reliable access to expert talent and technology without sacrificing control or visibility. In addition, it solves for talent gaps in complex or niche reporting, enabling existing teams to work smarter, not harder.

How It Works

What Co-Sourcing Looks Like in Practice

Co-sourcing can provide a workflow that offers transparency, minimized risk, and streamlined filings...



...providing firms with:

- 1. Specialization**
Providers bring experience across global and local regimes to prepare filings and manage data and reporting workflows
- 2. Visibility & Control**
The client retains platform access to monitor progress, review outputs, and approve deliverables
- 3. Continuity**
Mitigates turnover risk and helps standardize across fund structures and geographies
- 4. Efficiency**
Shared data models reduce duplication across filings and drive down cost

Real-World Advantages

Why Leading Asset Managers Have Already Embraced Managed Services

"The managed service team was **incredible to work with**. They provided top-tier client service and ensured a **seamless transition** to using the product for the first time."

👤 Large global asset manager

"**Exceptional service** on all levels. Great communication and support. Client support **always available** with **outstanding knowledge**."

👤 Large global bank

"Issues resolved in a **timely** manner and the final reports are **error-free**. Managed service for AIFMD reporting is **very efficient**."

👤 European life insurer

"The team has always been extremely **hands-on and helpful** during a very stressful part of the year for the firm."

👤 US-based private equity manager

"Confluence's **turnaround times** on queries, **knowledge** of regulations and **platform functionality** provide a valuable service."

👤 UK-based global asset management group

Sampling of feedback from Confluence Regulatory Managed Services.

Is Co-Sourcing Right for Your Firm?

5 Questions to Ask Before You Engage

1. Do you rely on multiple fund administrators or data sources?
2. Are you juggling various reporting regimes (Form PF, AIFMD, 13F-2, etc.)?
3. Have you lost key personnel or faced compliance turnover?
4. Are you struggling to meet new regulatory deadlines or mandates?
5. Do you want to reallocate internal resources to more strategic initiatives?

If you answered “yes” to any of these, co-sourcing may be a good fit for your firm.

Why Co-Sourcing Works— and Keeps Working—for Investment Managers



Firms that embrace co-sourcing gain peace of mind by standardizing non-core processes, improving efficiency, and preserving institutional knowledge—all while strengthening trust over time.

Confluence helps firms simplify their regulatory reporting with flexible, cost-effective services that combine powerful software and expert support. Our team can empower you to meet your obligations, supporting accurate and timely reporting, so your firm can focus on driving growth.

Start with the Right Connection

Discover how Confluence's Regulatory Managed Services can empower your firm to reclaim valuable time, improve operational efficiency, and accelerate speed to market with confidence.

Contact us to start the conversation.



Author



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Shannon Pienaar leads Managed Service Operations at Confluence. With over two decades of experience in the financial services industry, Shannon has worked for major global asset managers and technology providers, including Allianz Global Investors, Bloomberg, FIS, and State Street Global Advisors. Shannon holds the CIMA Professional Accounting Qualification and an MBA (cum laude) from Stellenbosch Business School.

About Confluence

Confluence is a global leader in enterprise data and software solutions for regulatory, analytics, and investor communications. Our best-of-breed solutions make it easy and fast to create, share, and operationalize mission-critical reporting and actionable insights essential to the investment management industry. Trusted for over 30 years by the largest asset service providers, asset managers, asset owners, and investment consultants worldwide, our global team of regulatory and analytics experts delivers forward-looking innovations and market-leading solutions, adding efficiency, speed, and accuracy to everything we do. Headquartered in Pittsburgh, PA, with ~700 employees across North America, the United Kingdom, Europe, South Africa, and Australia, Confluence services over 1,000 clients in more than 40 countries.

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