



**NATIONAL
SETTLEMENT
DEPOSITORY**
MOSCOW EXCHANGE GROUP

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AECSD SEMINAR 2021 NSD PROFILE

KEY FACTS AND FIGURES

Russian financial market infrastructure

- Systemically important settlement depository
- Operator of systemically important payment system
- Systemically important trade repository
- Valuation center recognized by the Bank of Russia
- SWIFT Service Bureau
- Status of the Bank of Russia's Financial Messaging System (SPFS) Service Bureau

International expertise

- Largest settlement depository in Russia, the CIS and Eastern Europe
- Interdepository accounts with central securities depositories and international settlement and clearing centers in 7 countries
- Correspondent accounts with largest foreign and Russian banks

Registration, maintenance and validation of **identification codes**

- National Numbering Agency (NNA) for ISIN and CFI codes
- Substitute Numbering Agency for the CIS countries
- Local Operating Unit (LOU) for assigning Legal Entity Identification (LEI) codes

As of January 1, 2021

Assets under Custody*, RUB trln* **63.6**

Including foreign issuers' securities** **8.0**

Number of clients

	Residents	Non-residents
Depository	573	23
Payment system	336	3
Repository	921	130

January – December, 2020

	ths pcs	RUB trln
Settled securities transactions	5 204.6	657.0
Settled cash transfers***	1 539.0	328.1
Settled trades in collateral management	0.791	28.8
Repository transactions	25 321.7	522.6

* Value of securities under custody on behalf of clients on the end of reporting period

** The figures includes foreign issuers' securities and MinFin's eurobonds

*** The figure includes only outgoing cash transfers in RUB and other currencies in RUB equivalent in clients' accounts with NSD

OUR BUSINESS



SECURITIES DEPOSITORY

- Secure post-trading infrastructure
- Safekeeping, settlement of on-exchange and OTC transactions (FOP, DVP)
- Corporate actions
- Issuer services, tax agent services



PAYMENT SYSTEM

- The largest payment system, providing secure and convenient settlements
- Cash settlement services, FX services, authorized currency control, cash accounts maintenance



COLLATERAL MANAGEMENT

- Collateral management (tri-party services) and cash and securities netting
- Integration with market and OTC platforms
- Single platform and comprehensive automation of processes



INFORMATION SERVICES

- Consolidated information on securities and corporate actions
- Analytics for the formation and transfer of reports
- Unique source of corporate information



TECHNOLOGICAL SERVICES

- Innovative technologies, high level of comfort for market participants
- SWIFT Service Bureau
- Electronic Documents Transit



REPOSITORY

- The first in Russia systemically important repository
- Number of services for optimization business processes
- Registration of OTC derivative and REPO trades

KEY DIRECTIONS AND STRATEGIC PRIORITIES 2019-2024

MISSION

To be a reliable and trusted provider of high-tech infrastructure solutions and contribute to the implementation of the national policy aimed at the development of innovative technologies in the financial market

VISION: To become the infrastructure foundation of the Russian financial market ecosystem, the regional leader which provides services for various types of assets and complimentary services creating added value for market participants

SETTLEMENT AND CUSTODY INFRASTRUCTURE

NEW SERVICES AND CUSTOMER SEGMENTS

DATA ASSETS

STRATEGIC PRIORITIES

Maintaining and developing NSD's positions as the leading provider of post-trade services contributing to the competitiveness of the Russian financial market infrastructure:

- Maintenance of operational reliability
- Infrastructure modernization: infrastructure consolidation, collateral management and segregated account structure
- Integration into the global market: regional ICSD in the Eurasian space

Diversification of income by offering new products and services that add value for clients:

- Launch of custody and settlement services for marketplaces/online trading platforms, pension and insurance industry, sub-federal and corporate segments
- Management of new collateral types. Posttrading services for digital assets
- Implementation of complimentary services and innovative technologies, including the distributed ledger technology

Unlocking the potential of data as the 'new oil':

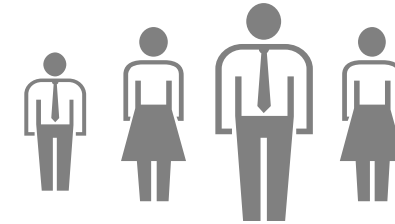
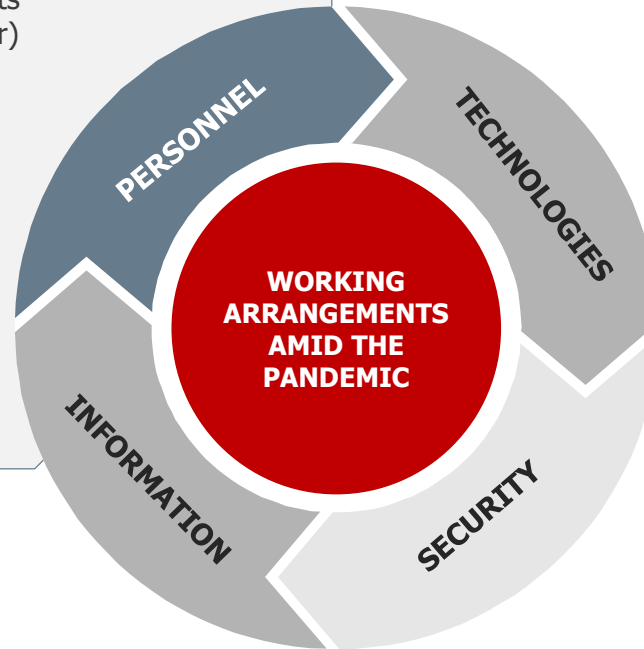
- Development of NSD's information services as the 'gold standard' for financial market players
- Big Data-based analytical solutions

THE PLAN OF ACTIONS TO COUNTER THE PANDEMIC 2020

was prepared in a very short time, with active involvement of a number of NSD's business units and regular involvement of NSD's senior managers, which has contributed to prompt decision-making, idea generation, and flexible implementation of preventive measures



- Taking all sanitary and health measures* required by the Moscow City Mayor's Decrees and recommended by the Federal Service for Surveillance on Consumer Rights Protection and Human Wellbeing (Rospotrebnadzor)
- Sending most employees to work from home
- Imposing restrictions on office visits and physical meetings
- Waiver of the statutory limits applicable to a sick pay
- Making changes to a number of processes and procedures required for work-from-home arrangements (document control, HR management, support)



Work-from-home arrangements were planned earlier as part of the business continuity strategy

*Sanitary and health measures:

- More thorough and frequent cleaning of the office premises; complete disinfection on a weekly basis; canteen closure
- Procurement of personal hygiene aids / personal protective equipment for staff; installation of dispensers and air cleaners
- Staff health monitoring; screening of employees upon their arrival at the office: temperature checks, symptom control
- Restricted access to the office (access control lists); access control system
- Confinement (self-isolation) of staff from high-risk groups; quarantine (work from home) for employees exposed to a high risk of infection (for the duration of the incubation period)
- COVID-19 testing of staff

THANK YOU!



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 - Perception of market services offered by the Company and its subsidiaries
 - Volatility (a) of the Russian economy and the securities market and (b) sectors with a high level of competition that the Company and its subsidiaries operate
 - Changes in (a) domestic and international legislation and tax regulation and (b) state policies related to financial markets and securities markets
 - Competition increase from new players on the Russian market
 - The ability to keep pace with rapid changes in science and technology environment, including the ability to use advanced features that are popular with the Company's and its subsidiaries' customers
 - The ability to maintain continuity of the process of introduction of new competitive products and services, while keeping the competitiveness
 - The ability to attract new customers on the domestic market and in foreign jurisdictions
 - The ability to increase the offer of products in foreign jurisdictions
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