



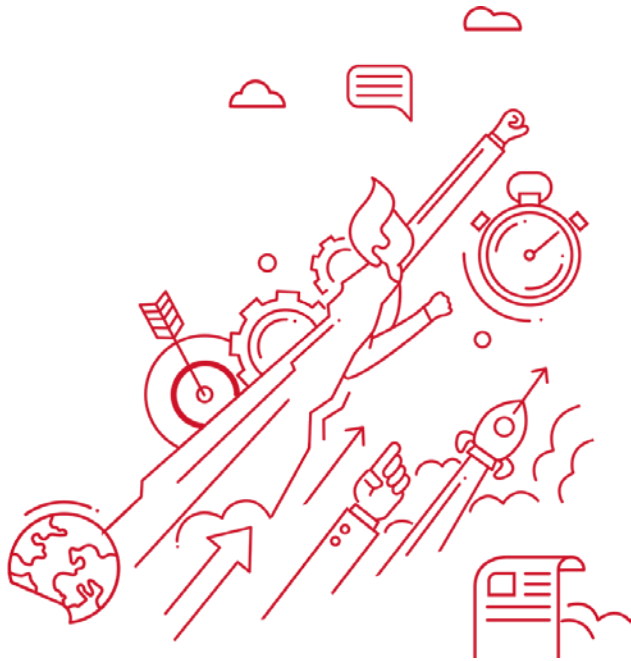
NATIONAL
SETTLEMENT
DEPOSITORY
MOSCOW EXCHANGE GROUP

Moscow, 2021

NSD: SERVICES TO NON-RUSSIAN ISSUERS

NATIONAL SETTLEMENT DEPOSITORY

GENERAL INFORMATION



- Russia's **Central Securities Depository**
- Provides services with respect to transactions in both **Russian and non-Russian securities**
- Settles **all on-exchange** and **most OTC trades** in the market
- Services cover securities from **>40 countries**, with the total value of above **RUB 30 trillion**
- Has the **AA-** rating from **Thomas Murray**

ACCESS TO INTERNATIONAL MARKETS

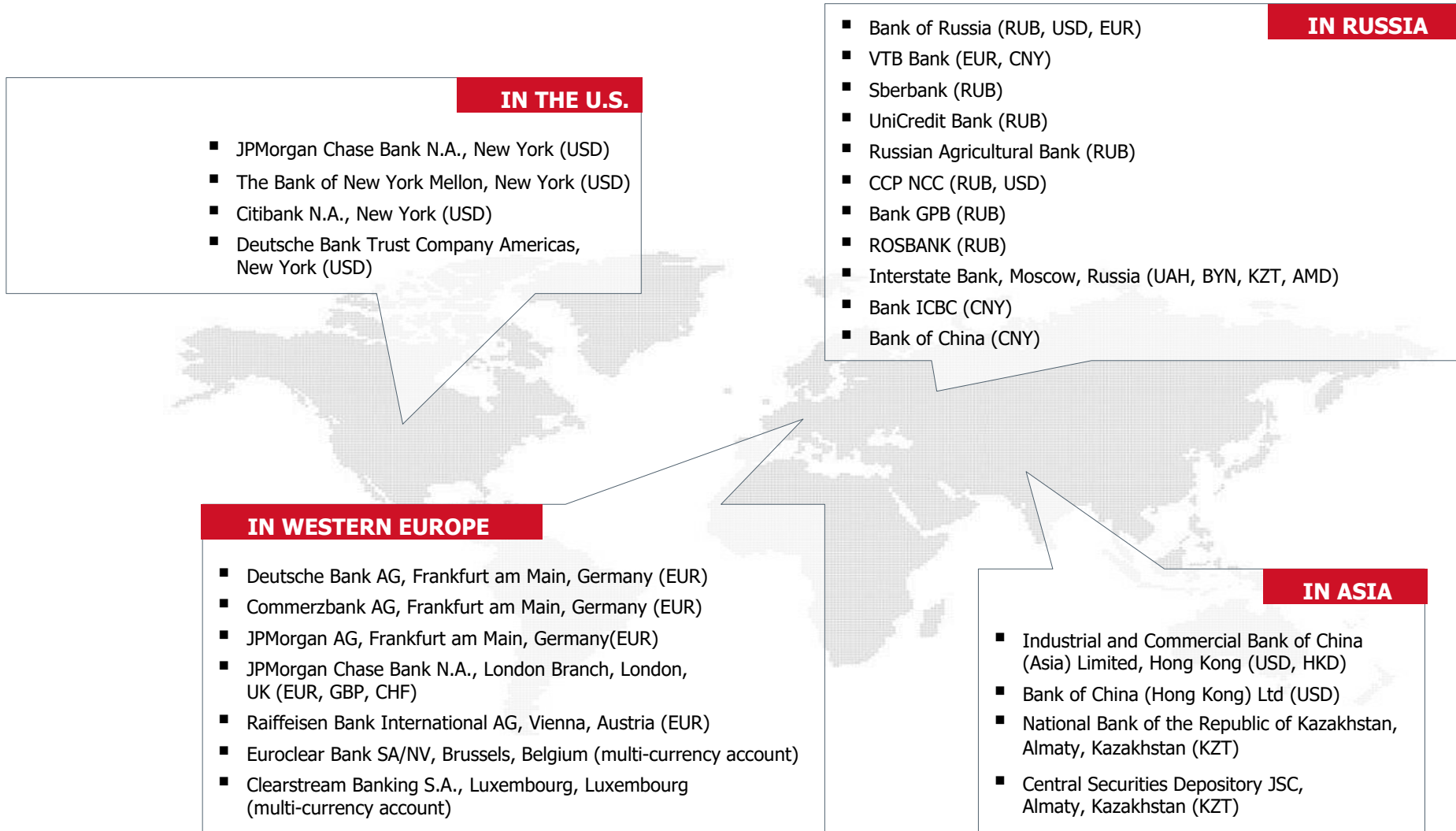
NSD'S CURRENT CORRESPONDENT NETWORK



NSD's COMPETENCIES

- SINGLE ACCESS TO EUROPIAN AND CIS MARKETS
- EFFICIENCY AND SIMPLICITY OF SETTLEMENT
- UNIFIED STANDARDS OF ELECTRONIC INTERACTION
- TRANSPARENT FEES

GEOGRAPHIC COVERAGE OF NSD'S CORRESPONDENT NETWORK FOR CASH PAYMENTS



APPENDIX

BOND OFFERING THROUGH NSD

REQUIREMENTS TO A NON-RUSSIAN BOND ISSUE

AND A NON-RUSSIAN ISSUER, COMPLIANCE WITH WHICH IS REQUIRED FOR THE BOND ISSUE TO BE ADMITTED TO PUBLIC OFFERING AND TRADING IN RUSSIA:

1 The issuer must meet the eligibility criteria set out in paragraph 2 of Article 51.1 of the Federal Law "On the Securities Market"

2 The bond issue must have ISIN and CFI codes

3 The issuer must have entered into a depository services agreement with the CSD

4 A securities prospectus must be registered in accordance with the Russian laws

INTERACTION WITH THE ISSUER

at each stage of the bond issuance process

BOND ISSUE OFFERING:

- Agreeing upon draft issue-related documents (provisions relating to CSD's services)
- Opening an issuer account
- Agreeing upon a set of documents for the bond issuance and submitting those to NSD
- Allocation of ISIN and CFI codes to the bond issue
- Acceptance of a bond certificate by NSD for safekeeping

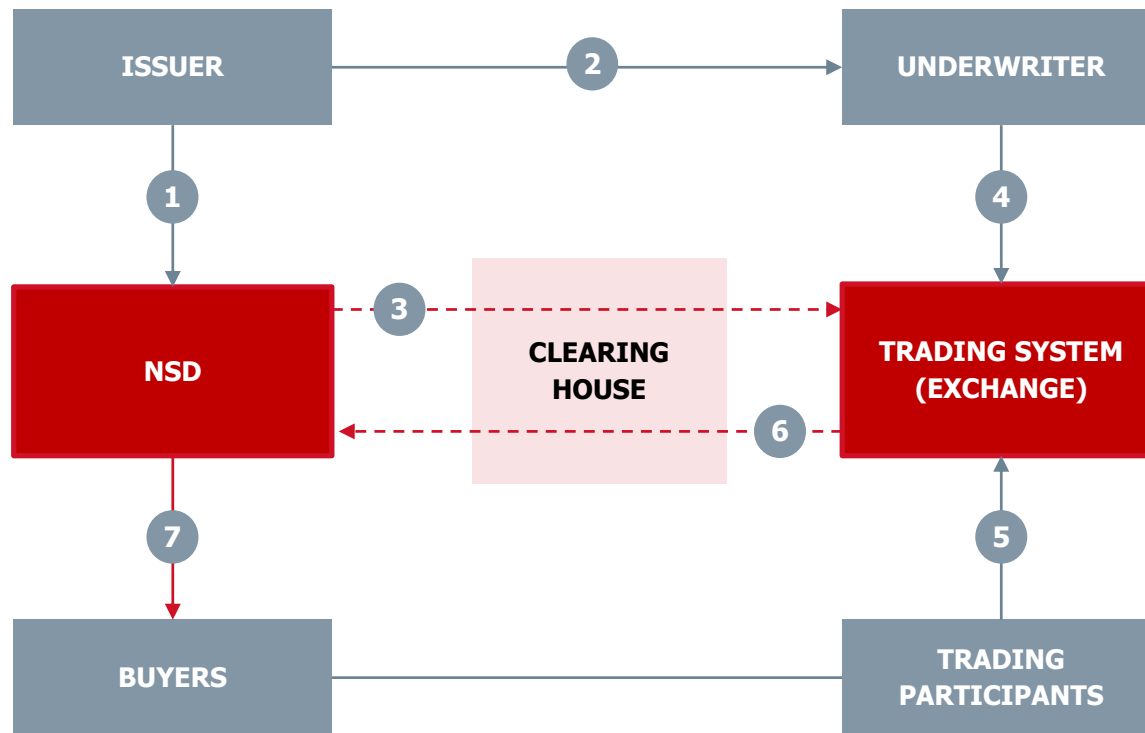
BOND ISSUE TRADING:

- NSD provides services as Corporate Information Center
- Interchange of information relating to the repurchase, purchase, or redemption of bonds at the request of bondholders (forwarding bondholders' requests)
- Opening a treasury securities account (if the issuer needs to repurchase its bonds)
- Transfer of payments (interest, principal)
- Compilation of a list of bondholders

BOND ISSUE REDEMPTION:

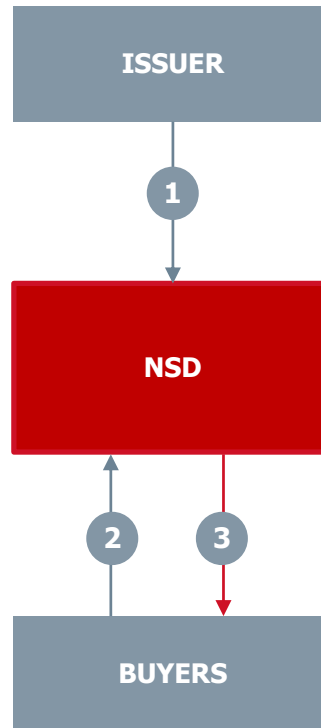
- Discontinuance of the bond certificate safekeeping

FLOWCHART OF THE BOND ISSUANCE PROCESS THROUGH A TRADING SYSTEM (EXCHANGE)



1. The Issuer provides NSD with a set of documents required for the bond offering and deposits the bond certificate with NSD.
2. The Issuer authorizes the Underwriter to issue orders to sell bonds in the Trading System on behalf of the Issuer.
3. NSD provides the Clearing House with information on the number of bonds in the Issuer's issuer account.
4. The Underwriter issues orders to sell bonds in the Trading System.
5. Trading Participants issue orders to buy bonds in the Trading System.
6. At the close of trading, the Clearing House provides NSD with information on how many bonds are to be debited from the Issuer's issuer account and how many bonds are to be credited and to which Buyers.
7. Based on the information received from the Clearing House, NSD credits bonds to Buyers' securities accounts.

FLOWCHART OF THE BOND ISSUANCE PROCESS OUTSIDE A TRADING SYSTEM (MATCHING INSTRUCTIONS / DELIVERY VERSUS PAYMENT)

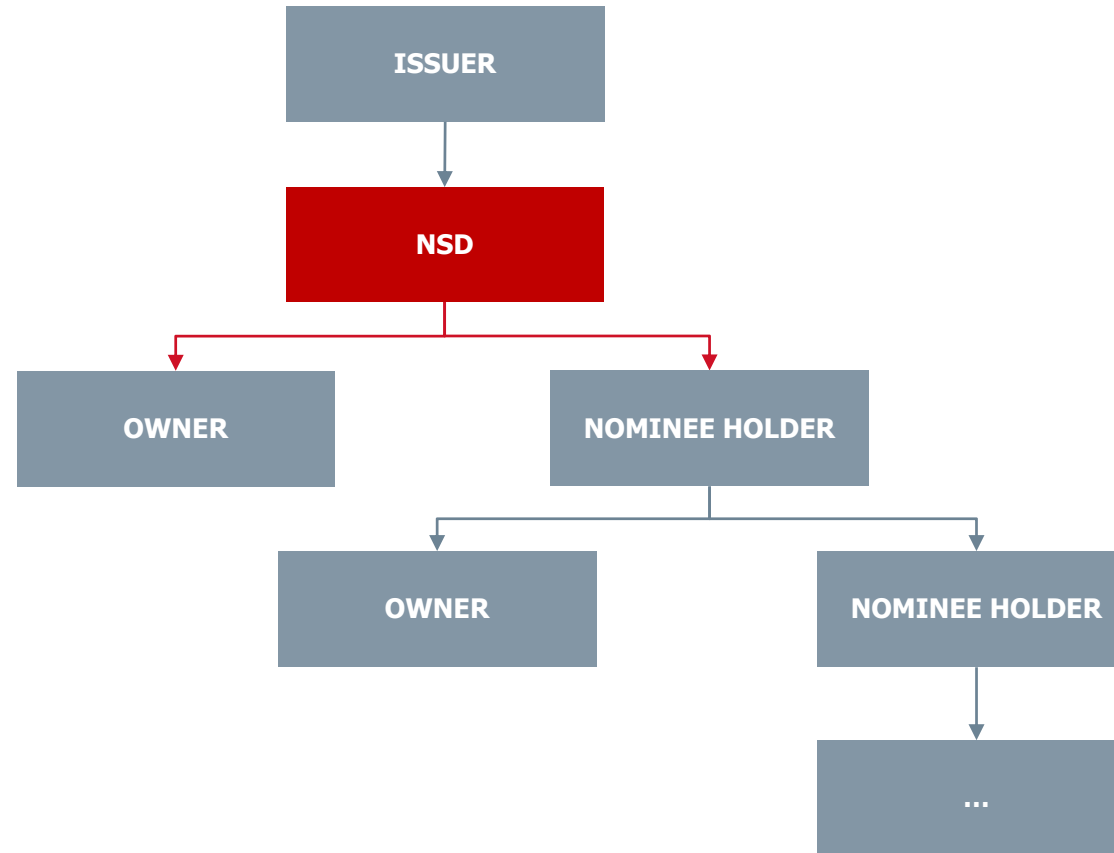


1. The Issuer provides NSD with a set of required documents, deposits the bond certificate for safekeeping, and gives an instruction to transfer bonds from the Issuer's issuer account to the Buyer's securities account.
2. The Buyer gives to NSD:
 - an instruction to transfer the bonds from the Issuer's issuer account to the Buyer's securities account;
 - a payment instruction to transfer cash funds from the Buyer's cash account* with NSD to the Issuer's cash account with NSD or to a cash account held with NSD by a person authorized by the Issuer (for deliveries versus payment).
3. NSD takes the following steps:
 - matches the instructions given by the Issuer and by the Buyer (and the payment instruction given by the Buyer (for deliveries versus payment));
 - transfers the bonds from the Issuer's issuer account to the Buyer's securities account;
 - transfers cash funds from the Buyer's cash account to the Issuer's cash account or to the cash account held with NSD by the person authorized by the Issuer (for deliveries versus payment).

TRANSFER OF PAYMENTS

FLOWCHART OF THE BOND INCOME AND PRINCIPAL PAYMENT PROCESS ¹

CASCADE PAYMENTS



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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