

NEWS AND UPDATES CSD SERVICES

NSD. OVERVIEW

CSD BUSINESS

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

DATA SERVICES

- Overall information on securities and corporate actions
- Analytics for generating and transmitting reports
- A unique source of price information

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

TECHNOLOGICAL SERVICES

- Innovative technologies, high level of convenience for market participants
- Financial messaging systems service bureau
- Electronic document management (EDF) and Multibank

REPOSITORY AND RFT

- The first in Russia, the largest, systemically important repository of the country
- A line of services that allow you to optimize business processes
- Registration of OTC repo transactions and derivatives transactions

MARKETPLACE

- 6 issues of bonds in 2024
- The number of depositary transactions has increased more than three times

DFA

- Issuance and accounting of digital financial assets in an information system implemented on the basis of a distributed registry
- The National Settlement Depository is included by the Bank of Russia in the register of information system operators
- NSD acts as an operator of the information system in which digital financial assets are issued

2024 AT A GLANCE

1,574.01

(+37%)
trillion rubles
depository operations

24339 (Δ 0%)

corporate actions for
Russian securities

45 073

(Δ 0%) corporate
actions for foreign
securities

TRADE REPOSITORY

48.1 (+76%)

million transactions
totalling
RUB **248.81 (+18%)** trillion

13

(+38%)
IPOs of Russian
companies t

4

(Δ 0%)
SPOs of Russian
companies SPOs

42 (-12%)

corporate bond issues
with the total value of
RUB **44.68 (-62%)** billion
CNY **4.27 (+12%)** billion were registered

NSD ACCEPTED

2238 (+11%)

corporate bond issues
with the total value of
RUB **66.51 (+35%)** trillion for servicing

IPO MARKET CHANGES

IPO MARKET TRENDS 2024

- The growth of the maximum number of bids in one IPO by 2 times: from 118 000 to 202 000
- Increasing the number and volume of IPOs using the Cash out model

CURRENT SITUATION AND CHALLENGES

- Settlement each IPO bid
- The opportunity to start trading on the same day
- Increasing the load on system performance
- Changing the profile of buyers and sellers

PLANS FOR 2025

Netting of bids for each participant. Maintaining the possibility of to start trading on the same day. Reducing the load on the system, speeding up calculations and eliminating dependence on system capacities

OTC STOCK MARKET WITH CCP

OTC STOCK MARKET WITH THE CENTRAL COUNTERPARTY

PROVIDES CLIENTS WITH THE OPPORTUNITY TO CONCLUDE OVER-THE-COUNTER TRANSACTIONS BY SUBMITTING OFFERS TO THE CENTRAL COUNTERPARTY – THE NATIONAL CLEARING CENTER (NCC)

- based on the existing technological infrastructure
- with the familiar "glass" interface
- with stock market instruments without listing

ADVANTAGES FOR INVESTORS

- Significant expansion of the list of tools
- The process of making transactions is as familiar and simple as possible, familiar reports
- Fast speed of adding instruments (no listing is required)
- Clearing with the CCP

ADVANTAGES FOR ISSUERS

- A "springboard" for the development of liquidity and listing
- Preparation for capital raising transactions
- No additional disclosure requirements

FIGURES

- The total number of shares without listing with settlements through the CCP - **262 shares** (135 Russian shares and 127 foreign shares)
- More than **700 bonds** in the OTC segment with the CCP

CLIENT WAY

- The client's way of accepting securities for servicing has been optimized. Now the client sends a request only for OTC admission
- NCC calculates the estimated price of securities on a daily basis, which allows get information about the price of securities in the investor's portfolio

NEW OPPORTUNITIES

- MOEX Start - pre-IPO platform was launched in 2024
- For non-public companies to raise capital by placing shares via a closed subscription

STANDARDIZATION OF EDI FORMATS

INTERACTION CHALLENGES



- **THERE IS NO SINGLE APPROACH TO THE USE OF STANDARDS AND FORMATS.** PARTICIPANTS USE THEIR OWN FORMATS AND THE OUTDATED ISO 15022 STANDARD
- SUCH DIVERSITY **COMPLICATES INTERACTION AND REDUCES THE EFFICIENCY OF PROCESSES**

WHY DOES THE MARKET NEED AN UNIFIED ISO 20022 STANDARD

MARKET PARTICIPANTS

reducing operational risks,
reducing process
maintenance and
integration costs

INFRASTRUCTURE

accelerating the
implementation of new
solutions, taking into
account the requirements
of the market and
legislation

INVESTORS

high speed, accuracy
and detail of the
exchange, the
effectiveness of the
exercise of investor
rights

NSD IS THE INITIATOR OF THE INTRODUCTION OF THE CONCEPT OF THE NEW EDO STANDARD ON THE RUSSIAN MARKET

ISO 20022
THE STANDARD OF
BANKING ACTIVITY
THE BANK OF RUSSIA
SINCE 2026

ISO 20022
THE GLOBAL TREND
OF DEPOSITORY
ACTIVITY

SINGLE EDI FORMATS

EVENTS AND ACHIEVEMENTS IN 2024

DBF-XML

Resuming the depository reports transfer into XML and PDF (29):

- ✓ **Transfer reports**
- ✓ **Information reports**
- ✓ **NSD clearing reports**
- ✓ **Registration/modification of the legal entity form**
- ✓ **Other reports and notifications**

EDI CONCEPT

The main goal of the concept is the transition to uniform standards and formats in each area of depository activity

DIALOGUE WITH THE MARKET

Creation of specialized working groups in the areas of depository activities

ISO 20022

The meetings on the markets of Austria, Denmark, Norway, Portugal, Luxembourg, Switzerland, and other European securities have been transferred to the new ISO 20022 standard

PLANS FOR 2025 - 2027

CONTINUATION OF MEASURES FOR THE TRANSFER OF DEPOSITORY REPORTS INTO XML AND DBF TERMINATION

COORDINATION OF THE GENERAL ROADMAP AND ACTION PLAN FOR THE DEVELOPMENT OF THE EDI CONCEPT

INITIATING A DIALOGUE WITH THE REGULATOR REGARDING THE REGULATORY CONSOLIDATION OF COMMON FORMATS

NSD AS A BOND REGISTERING ORGANIZATION

LEGISLATIVE GROUNDS

Federal Law No. 39-FZ «On the Securities Market». Article 20.1

Par. 3. Bonds, the issue (additional issue) of which is registered by the central depository, are called commercial bonds

KEY FEATURES & ADVANTURES OF COMMERCIAL BONDS

ISSUED WITHOUT REGISTERING A PROSPECTUS

- ✓ Can be placed through a closed subscription only
- ✓ Must comply with one of the requirements of paragraph 1 of Article 22 Federal Law No. 39-FZ
- ✓ NSD establishes additional requirements for issuers and issues of commercial bonds

SIMPLIFIED ISSUER CUSTOMER JOURNEY

- ✓ No restrictions on the nominal volume of bond issues and the circulation period
- ✓ Acceleration registration of bond issue (3-5 days)
- ✓ Easy bond servicing for issuers during the circulation period



**COMMERCIAL
BONDS —
IDEAL
INTRUMENT FOR
SMEs**

DEPOSITORY TRANSIT AND TRANSFER AGENT SERVICE

DEPOSITORY TRANSIT

- ✓ ALLOWS MARKET PARTICIPANTS TO INTERACT DIRECTLY. IT IS REQUIRED BILATERAL AGREEMENTS BETWEEN EACH PARTICIPANTS
- ✓ THE FORMATS, SPECIFICATION, AND CONTENT OF THE AGREEMENTS ARE DETERMINED BY THE PARTICIPANTS BILATERALLY, WITHOUT NSD'S PARTICIPATION

TRANSFER AGENT SERVICE

- ✓ ALLOWS MARKET PARTICIPANTS TO INTERACT WITH REGISTRARS WITHOUT AGREEMENTS BETWEEN THEM. IT IS REQUIRED ONLY 1 AGREEMENT WITH NSD. CURRENTLY, NSD HAS SIGNED CONTRACTS WITH 27/31 REGISTRARS
- ✓ THE DOCUMENTS EXCHANGE IS CARRIED OUT IN THE FORM OF STANDARDIZED DOCUMENTS ACCORDING NSD SPECIFICATIONS. NSD PROVIDES INTERFACES FOR FULFILLING DOCUMENTS ALONG WITH AUTOMATIC UPLOADING



IN BOTH CASES,
PARTICIPANTS NEED
TO EXCHANGE
CERTIFICATES OF EDI
KEYS IN ORDER TO
INTERACT, SINCE
DOCUMENTS ARE
TRANSMITTED ONLY
IN A "CLOSED ENVELOPE"

THE BRIDGE – SECURITIES TRANSFER SERVICE



MAKES SECURITIES
TRANSFERS FAST AND
CONVENIENT



INCREASES THE ATTRACTIVENESS
OF INVESTMENT ACTIVITY FOR
THE INVESTOR



INCREASES
THE ATTRACTIVENESS
OF THE BROKER

SERVICE ADVANTAGES



INVESTOR

There is no need to "run" between brokers and depositories to get information and fill out orders — just use the broker's mobile application.



BROKER

Reduction of labor costs associated with:

- the initial transfer of securities;
- the termination of the contract;
- a partial transfer of the client's position.



DEPOSITORY

The execution of depository transactions is carried out without changes.

Minimizing the risks associated with:

- the inability to identify a client
- the transactions matching

AI NEW SERVICE. PLANS FOR 2025

≈ 30% CLIENTS QUESTIONS ARE RELATED TO STANDARD OPERATIONS
THERE ARE DOZENS OF DOCUMENTS ON NSD'S WEBSITE

AI CLIENTS ASSISTANT

Where does AI placed?

NSD website

How does AI can help client?

24/7
Searching for the materials and guides
Helps to find the necessary functionality in the software
Helps to fill out instructions

What does the client get?

An answer with links and short comments.

Clients value

- Time saving for interaction with the clients help desk
- Optimize the time of both the client and the client manager
- A useful service for training new employees

AI CAN BE USED
TO SOLVE
STANDARD
CLIENTS ISSUES

THANK YOU

DISCLAIMER

- This presentation has been prepared and issued by NSD (the “Company”). Unless otherwise stated, the Company is the source for all data contained in this document. Such data is provided as at the date of this document and is subject to change without notice
- This document does not constitute or form part of, and should not be construed as, an offer or invitation for the sale or subscription of, or a solicitation of any offer to buy or subscribe for, any securities, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any offer, contract, commitment or investment decision relating thereto, nor does it constitute a recommendation regarding the securities of the Company
- The information in this document has not been independently verified. No representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy or completeness of the information or opinions contained herein. None of the Company, or any of its subsidiaries or affiliates or any of such person's directors, officers or employees, advisers or other representatives, accepts any liability whatsoever (whether in negligence or otherwise) arising, directly or indirectly, from the use of this document or otherwise arising in connection therewith
- This presentation includes forward-looking statements. All statements other than statements of historical fact included in this presentation, including, without limitation, those regarding our financial position, business strategy, management plans and objectives for future operations are forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause our actual results, performance, achievements or industry results to be materially different from those expressed or implied by these forward-looking statements. These forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we expect to operate in the future. Important factors that could cause our actual results, performance, achievements or industry results to differ materially from those in the forward-looking statements include, among other factors:
 - 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
- Forward-looking statements speak only as of the date of this presentation and we expressly disclaim any obligation or undertaking to release any update of, or revisions to, any forward-looking statements in this presentation as a result of any change in our expectations or any change in events, conditions or circumstances on which these forward-looking statements are based