



Euroclear FundsPlace ETFs Product profile

Euroclear facts

Rated **AA+** by Fitch and **AA** by Standard & Poor's

Unrivalled network

of counterparties – investors, fund managers, transfer agents, platforms, CSDs

> **€31 trillion**
in assets for clients

> **€2,4 trillion**
funds under custody

> **2,000**
financial market participants across the globe

Leading range

of investment funds

Worldwide coverage – funds in **28 domiciles**

Largest range

of product and asset classes with multiple currencies including mutual funds, alternative funds, MMFs & ETFs

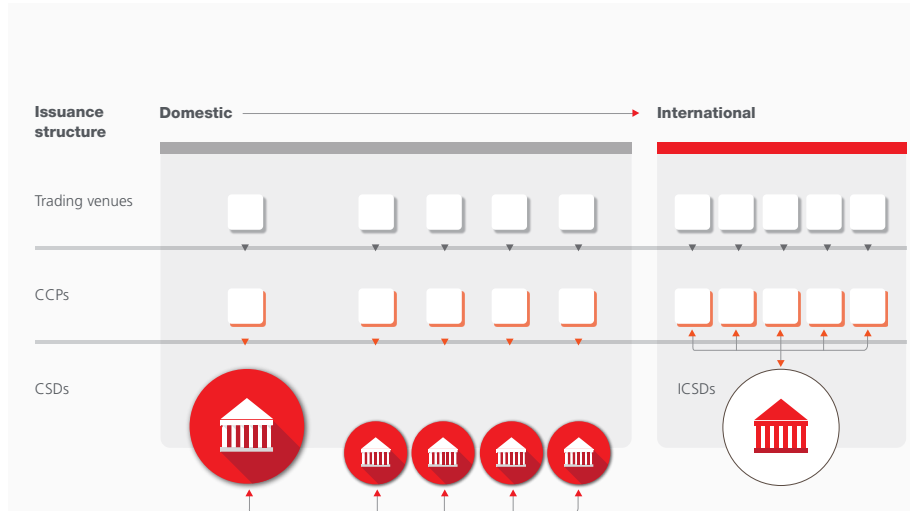
Euroclear FundsPlace – ETFs

Global, innovative fund solutions to meet the challenges of an ever-changing landscape

Euroclear is a leading proponent of change for the global ETF industry. We work with leading issuers, prime brokers, market makers, depository banks, agent lenders and custodians to enable the industry to realise its full potential by:

- delivering a more efficient European post-trade ETF market via our International ETF structure
- growing the ETF distribution network with improved access to the world's exchanges
- facilitating market liquidity via the use of ETFs in securities lending and collateral management
- giving access to wealth management to NAV trading

In partnership with the industry, we developed the International ETF structure to improve ETF issuance and post-trade activities for ETF instruments. The structure is of the kind currently used for Eurobonds and Depository Receipts (DRs).



Our ETF solution makes a difference by:

- Removing the need to move securities from one market to another
- Creating a single pool of securities
- Allowing ETF issuers to list their international ETFs beyond Europe

The new structure benefits the market by:

- Improving settlement rates
- Reducing mid- and back-office costs for market participants

As a result of our International ETF structure, ETFs in securities lending is growing in Europe.

Organisations that routinely need to borrow shares and bonds include hedge funds, investment banks, market makers and brokers – all of whom already use ETFs.

Benefits of FundsPlace ETFs

Growing your ETF distribution network

- We continue to expand the number of listings to non-European exchanges for the benefit of both issuers and investors
- Issuers are not restricted to European markets
- Our worldwide settlement links mean an international ETF listed in Asian, Middle Eastern and LATAM markets is easily accommodated in Euroclear

Multicurrency settlement

- Unlike domestic settlement services, our platform allows settlement in 52 different currencies

Long window of settlement

- Euroclear Bank's settlement window is open throughout Asian, European and US trading hours

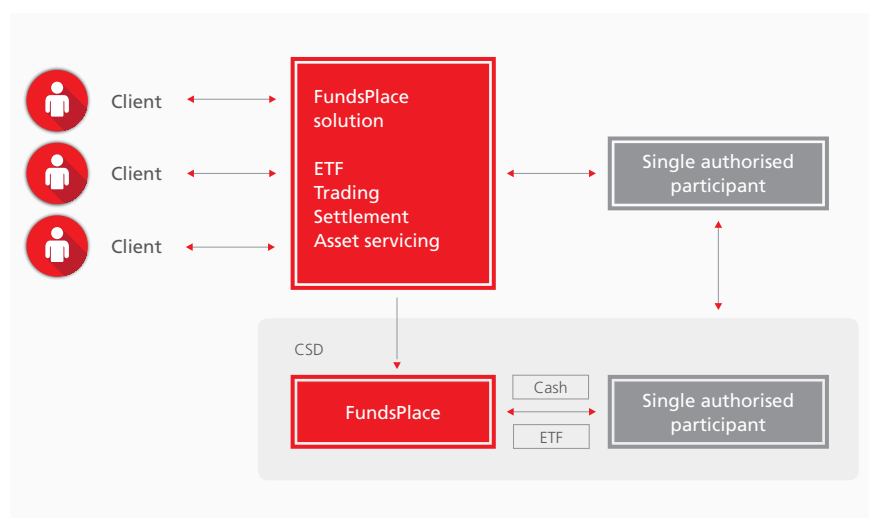
ETFs for wealth managers

The International ETF structure supports the growing demand for ETFs to be used as collateral as:

- non-cash collateral becomes more attractive to risk-taking financial institutions
- banks look for balance sheet and capital efficiency to meet their liquidity needs

ETFs and the FundsPlace solution

With FundsPlace, wealth managers are able to invest in ETFs like any other mutual funds via our FundsPlace system. The below diagram shows how our FundsPlace system works:



More information:
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