



Post-trade made easy

Euroclear FundsPlace ETFs Product profile

Euroclear FundsPlace – ETFs

Your specialist global market infrastructure and innovative fund solution provider

Euroclear FundsPlace connects global investment funds participants, providing tailored trade solutions to both international and domestic markets. Our solution offers services in both trade and post-trade environments, with facilities covering order routing, settlement and asset servicing.

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

Euroclear facts

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

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

€28,000,000,000,000 clients' assets under custody

> €2,000,000,000,000 funds under custody

> 2,000 financial market participants across the globe

Leading range of investment funds

Worldwide coverage – funds in **27 domiciles**

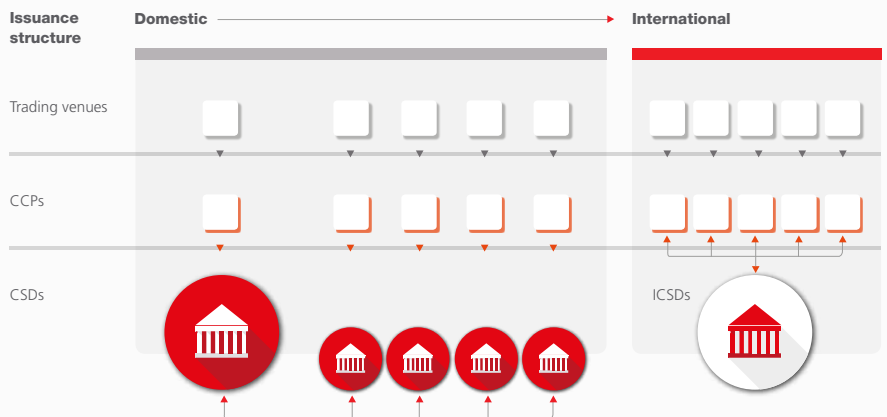
Largest range of product and asset classes with multiple currencies including mutual funds, hedge funds, MMFs & ETFs

ETFs for issuers

The International ETF structure in Europe

In partnership with the industry, we developed a new issuance and post-trade solution for ETF instruments. This involves a new international structure of the kind currently used for Eurobonds and Depository Receipts (DRs).

Simplifying the European ETF landscape



- Removes the need to move securities from one market to another
- Creates a single pool of securities
- Allows 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

ETFs in securities financing

Organisations that routinely need to borrow shares and bonds include hedge funds, investment banks, market makers and brokers – all of whom already used ETFs. And the popularity of ETFs in securities lending in Europe is growing although still lagging their US peers.

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

Our pioneering work on the international ETF structure is helping:

- agency lenders to more easily locate more ETFs for use
- eliminate the needs for realignment between domestic markets
- reduce settlement times through standardised auto-borrowing available on the Euroclear platform

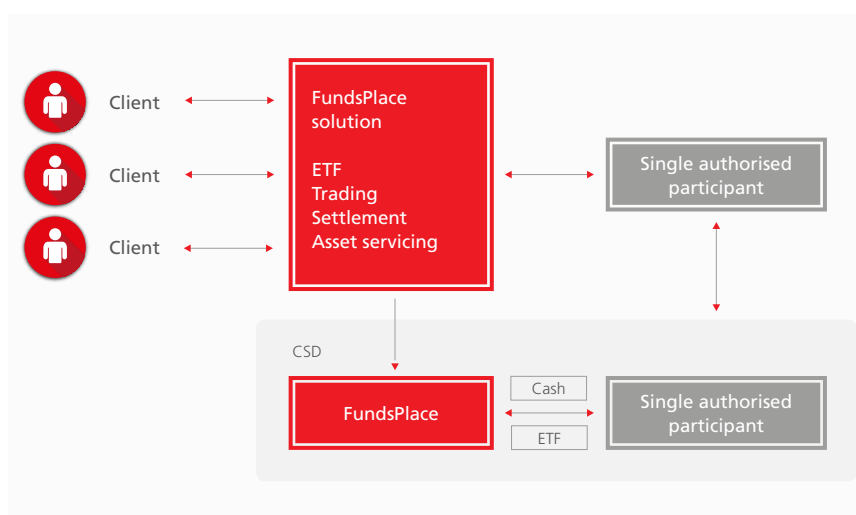
ETFs for wealth managers

Our 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: euroclear.com/FundsPlace

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