

**CLEARSTREAM BANKING S.A.**

**Annual Accounts  
as at 31 December 2024**

(with Audit report thereon)

CLEARSTREAM BANKING S.A.

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## **CLEARSTREAM BANKING S.A.**

### **Management report for the year ended 31 December 2024**

#### **1. Clearstream Banking S.A. at a glance**

As a financial market infrastructure (FMI), Clearstream Banking S.A. (the “Bank”, “CBL”) plays a central role in helping global financial markets to function efficiently. The Bank operates secure platforms processing securities transactions efficiently, enhancing liquidity and reducing risk. Its clients base includes the world’s largest financial institutions and central banks.

Clearstream Banking S.A. is offering various types of securities services, including the issuance, settlement, and custody (including administrative services) for a broad range of securities. Besides this, collateral and liquidity management solutions are of part the Bank’s product portfolio.

Clearstream Banking S.A. is based in Luxembourg and fully owned by Clearstream Holding AG. Clearstream Holding AG is itself directly fully owned by Deutsche Börse AG, the ultimate parent company of the bank. CBL owns a banking license and operates as one of the two International Central Securities Depositories (ICSD). In its role as ICSD, Clearstream Banking S.A. provides access to the international as well as to 59 domestic markets worldwide, with customers in 120 countries. The Bank offers settlement on its Creation platform in 45 currencies.

In 2024, the Bank held more than EUR 10.7 trillion of assets under custody and enables nearly 138 million transactions per year.

As of end-of December 2024, Clearstream Banking S.A. has issued short term commercial paper amounting to EUR 684m.

Outside of Luxembourg, Clearstream Banking S.A. operates via its subsidiary in London, its three branches in Singapore, London and Japan and the representative offices in New York, Hong Kong, Dubai and Zurich.

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## 2. Report on Operating Activities

### 2.1. Operating Activities and Key Indicators

The revenue in CBL is primarily driven by:

1. Commission receivable on various services provided by CBL to its customer
2. Net Interest income majorly driven by customer cash deposit.

The core services offered by Clearstream Banking S.A., which generate commission receivable can be classified as following<sup>1</sup>: CBL offers **issuance related services**, including securities issuance, paying agent services, and corporate trust services; fees are typically based on the type and complexity of the issuance and ongoing administrative services.

CBL provides **safekeeping and administration of securities**. Custody fees are generally calculated based on the value of assets under custody.

CBL offers **settlement services** for domestic and international securities transactions; the fees are typically based on the volume of transactions.

The **Collateral and Liquidity Management services** cover mainly collateralization for interbank financing transactions such as triparty repurchase agreements, secured loans and securities lending; fees are based on the value of the collateral and the specific services provided. Also, Cash Management is offered, which includes services for managing cash positions, such as cash concentration and liquidity management; fees are generally based on the volume of transactions and the specific services utilized.

CBL also offers a full range of **asset servicing services** for income and corporate actions, for which it is typically compensated per number of items processed.

The financial year 2024 of the Bank was driven by positive volume evolution across various product lines.

In the international custody business (CBL and CBFi<sup>2</sup>), the overall average value of securities deposited increased by 10 percent to a new record level of EUR 10.7 trillion (2023: EUR 9.8 trillion) (out of which CBFi 2024: EUR 1.3 trillion, 2023: EUR 1.2 trillion).<sup>3</sup>

<sup>1</sup> Besides the services listed in this paragraph Clearstream Banking S.A. also offers Investment funds services, by supporting the processing and settlement of investment fund transactions; fees are usually transaction-based and may vary depending on the type of fund. While the economic benefit of the IFS business segment has been transferred to Clearstream Fund Centre S.A. (CFCL), as at 31 December 2024, volumes remained in CBL to a large extent.

<sup>2</sup> CBFi stands for the international business of Clearstream Banking AG the post-trade infrastructure for the German securities industry which is fully owned by Clearstream Holding AG.

<sup>3</sup> The assets held under custody at Investment Fund Services form part of Clearstream's total custody volume; they amounted to EUR 1.9 trillion on average in 2024, up by 25 percent year-on-year (2023: EUR 1.5 trillion). While the economic

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The number of international settlement transactions increased by 30 percent to 137.9 million (2023: 106.1 million) (out of which CBFi 2024: 49.8 million, 2023: 36.4 million).<sup>4</sup>

In the Global Securities Financing (GSF) business, the average outstanding volume increased by 15 percent to EUR 629.6 billion (2023: EUR 549.3 billion).

Average customer cash deposits increased by 7% year-on-year, to EUR 17.5 billion (2023: EUR 16.4 billion) (out of which CBFi 2024: EUR 1.3 billion, 2023: EUR 1.5 billion). Among the major currencies, the increase in 2024 was exclusively driven by the average customer cash deposits in USD which amounted to EUR-equivalent of 9.7 billion (2023: EUR 8.5 billion); hence its share of the total average customer cash deposits increased to 56% (2023: 52%).

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benefit of the IFS business segment has been transferred to Clearstream Fund Centre S.A. (CFCL), volumes remained in CBL as at 31 December 2024. In 2024, at the end of the year, circa 200,000 mutual funds and 57,000 hedge funds were available from 57 jurisdictions for order routing through Clearstream Funds Services' Vestima funds platform.

<sup>4</sup> In 2024, out of the 137.9 million international transactions, 40.5 million transactions were processed for funds, an increase of 33 percent over the previous year (2023: 30.4 million). While the economic benefit of the IFS business segment has been transferred to Clearstream Fund Centre S.A. (CFCL), volumes remained in CBL as at 31 December 2024.

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Table: Clearstream Banking S.A. (incl. CBFi): Key Indicators

<b>Clearstream Banking S.A. (incl. CBFi): Key Indicators</b>			
	<b>2024</b>	<b>2023</b>	<b>Change 2024 vs 2023</b>
	<b>Eur bil</b>	<b>Eur bil</b>	<b>%</b>
<b>Custody</b>			
Value of securities deposited <sup>5</sup> (average value during the year)	10,724	9,763	10%
	<b>mil</b>	<b>mil</b>	<b>%</b>
<b>Settlement</b>			
Securities transactions	137.9	106.1	30%
	<b>Eur bil</b>	<b>Eur bil</b>	<b>%</b>
<b>Global Securities Financing</b>			
(average outstanding during the year)	629.6	549.3	15%
	<b>Eur mil</b>	<b>Eur mil</b>	<b>%</b>
<b>Average customer cash deposits</b>			
Total	17,512	16,403	7%
Euro	4,755	4,943	-4%
US Dollar	9,748	8,450	15%
Other currencies	3,009	3,010	0%

<sup>5</sup> The valuation method depends on the type of security, i.e. fixed income securities are valued at nominal value, equities/funds at market value.

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## 2.2. Key Performance Indicators

- Net interest income increased by 21 percent to EUR 669.2 million
- Net commission income increased by 9 percent to EUR 798.2 million
- General administrative expenses decreased by 9 percent to EUR 345.7 million
- Profit on ordinary activities before tax increased by 14 percent to EUR 928.2 million
- Net profit for the financial year increased by 14 percent to EUR 696.9 million
- Average value of securities deposited increased by 10 percent to EUR 10.7 trillion

## 3. Research and Development Activities and Expected Developments

We intend to keep expanding our leading role in the digitalisation of assets. With D7 we already operate in the Securities Services segment one of the leading digital infrastructures globally in the post-trade area with more than 470,000 digital issuances. Cloud technologies and artificial intelligence also help us to increase our effectiveness and efficiency, and to open up new business areas at the same time.

D7 is our contribution to a European ecosystem for digital assets. With D7 we want to enable market participants the settlement of their digital assets on an institutionalised platform. This will drive digitisation and efficiency in post-trading and create a next-generation digital securities platform. The aim is to digitise the entire value chain from issuance to administration, repayment and archival. It will make it possible to create, record, settle and manage digital securities and digital assets in centralised and decentralised ledgers. A significant milestone in the deployment at scale of D7 was marked by the conclusion of the ECB trials. The successful conclusion of the trial proved the viability of the D7 model, paving the way for the roll-out of further capabilities.

## 4. Current and Future Trends

Clearstream Banking S.A.'s core business is the settlement and custody of international bonds. Both the trading and the post-trading market environment have become more complex in recent years, and Clearstream Banking S.A.'s goal continues to be to streamline the post-trade services industry in the interest of its customers.

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Clearstream Banking S.A.'s business model has been essentially revolving around the automation and standardisation of business that was previously conducted by agent banks on a more bespoke basis. Due to the historical geopolitical circumstances in Europe, market infrastructure has developed in a haphazard manner and is to this day still broadly constrained along national lines. With the implementation of CSDR, roles of CSDs have become more formalised and defined. Clearstream<sup>6</sup> expects this to lead to more intra-CSD competition and lower levels of competition between different classes of entities (i.e., Global Custodians and Agent Banks).

The securities and funds servicing industry are driven by fundamental capital market trends, among others, technological disruption and innovation. Dematerialisation of securities and digitisation of issuance processes are at the forefront of the digital transformation of the securities services industry. New technologies like Distributed-Ledger (DLT) and Cloud will drive the digitisation of financial products, allowing to broaden asset class and enabling the next level of process efficiencies across markets. To address these fundamental changes, Clearstream entities are step-by-step developing its infrastructure towards a digital ecosystem.

#### **4.1. Shortening the Settlement cycle towards T+1**

Discussion on the CSDR REFIT were also influenced by the debate around shortening the settlement cycle ("T+1"), following the "T+1/0" discussion and switch in U.S. in May 2024.

The topic "shortening the settlement cycle" has been integrated into the CSDR REFIT text, by mandating ESMA to provide a cost-/benefit analysis of T+1 and /or T+0 for the EU. The US, alongside Canada and Mexico, have decided to shorten the settlement cycle from T+2 to T+1 from May 2024 onwards. Considering the size and importance of the US market, the decision has immediately triggered discussions on the other side of the Atlantic on the feasibility of submitting the European market to the same settlement period of its North American counterparts.

This initiative has gained momentum by ESMA's published Call for Evidence in September 2023 to get input from the markets on opportunities/costs/risks of moving also in the EU to "T+1". The political fact-finding exercise is continued to be supported by further ESMA's work. The topic "shortening the settlement cycle" has been integrated into the CSDR Refit provisional agreement, by mandating ESMA to provide a cost-/benefit analysis of T+1 and /or T+0 for the EU.

Financial infrastructure could support any "T+N" (N>0), but strongly depend on the readiness of the clients, whereas a "T+0" scenario seems unrealistic at this point of time, requiring a complete overhaul of the markets structure. The view of the financial industry is still spitted with both opponents and supporters. Regulators recently already indicated that it is not a matter of "if" but of "how" and "when".

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<sup>6</sup> Clearstream referred to Clearstream entities as a whole

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The political intention is to achieve harmonized settlement cycles with U.S., and eventually with the UK.

The severity of the impact of other environmental factors currently remains unclear. Public trust in financial services remains low in comparison to other industry sectors, which may again manifest in an unfavourable political environment for services offered by the Clearstream entities. These factors need to be monitored closely on an ongoing basis so that responses can be put in place in a rapid manner as further developments materialise. Many of these factors are outside the entity's control. Should one of the risks or uncertainties arise or one of the assumptions made turn out to be incorrect, the actual development of Clearstream Banking S.A. could deviate in either a positive or a negative way from the forward-looking statements and information in this report.

#### **4.2. Raise of digital brokerages in retail markets**

Digital brokers have made significant inroads in retail markets thanks to their ability to offer user-friendly platforms, ultra-low fees and social feature that caters to need of younger investors demographics. By leveraging advanced technologies like artificial intelligence, blockchain, and machine learning, these brokers provide features such as robo-advisors, social trading, and automated portfolio management. The availability of API-based brokerage capabilities that can easily be implemented in a customized front-end has led to an explosion of available services. The result was an erosion in retail market share of traditional banks and, more importantly a steep increase in trade volume.

The efficiency requirements of neo-broker represent an opportunity for Clearstream, whose real-time, highly automated operational model, strongly fits the requirements of neo broker to keep costs down. The successful onboarding of digital players validates the attractiveness of the Clearstream service portfolio.

### **5. Regulatory Environment**

In 2025, with the new European Commission in place and political transitions in the US and Germany, a significant impact on regulation and policy decisions can be expected. The start of Donald Trump's presidency in the US, which promises major reforms and influence on the global economic and financial dynamics, will bring both challenges and opportunities. The EU remains a critical player in this environment with its diverse markets, innovative industries and commitment to sustainable growth, and is keen to take on a leading role. The new European Commission agenda for the term 2024 to 2029 is focused on boosting the EU's competitiveness and strategic autonomy, while positioning the EU as a trustful and value-driven global actor. The Commission's main priorities for financial markets in 2025 will be the setup of a Savings and Investments Union (following the Capital Markets Union), measures to deepen the EU liquidity pools, and continued work on legislation such as the Securitisation Regulation, Shareholder Rights Directive II (review), MiFID II, and Retail Investment Strategy (trilogue negotiations). The transitions to a resilient, sustainable and digital EU capital market are at the centre of all efforts.

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Additional recent and ongoing challenges include open conflicts (Ukraine, Middle East), economic tensions (US, China), slow growth expectations<sup>7</sup> (economic uncertainty following the political shifts), as well as continued dependencies (energy, sanctions, commodities), which are likely to dominate daily politics. All regulatory files however are monitored thoroughly, including possible regulatory divergences in the US and UK.

With the publication of the EU's Competitiveness Compass in January, and the comprehensive 2025 Commission work programme, as well as the Communications on the Clean Industrial Deal and the Savings and Investments Union in February, the EU Commission has provided strategic direction on their main regulatory projects for this term. Further, on T+1, the European Commission has unveiled a proposal to change CSDR Article 5 and shorten the intended settlement date for EU securities from two business days to one business day – hence T+1. Aside from this, all other provisions from CSDR Article 5 seem to stay the same (depending on the political process), including scope and exemptions. If approved by the European Parliament and Council of the EU, this change would enter into force on 11 October 2027. Looking towards the digital transition of financial markets in the EU, a potentially eased crypto regulation in the US might fuel a positive shift in crypto sentiment, also creating room for progress in the EU.

It can be expected that all these aspects will heavily influence the regulatory landscape applicable to financial institutions and entities such as CBL.

## **5.1. Capital Markets Union (CMU)/ Savings and Investments Union (SIU)**

The Savings and Investments Union (SIU) that evolved from the Capital Markets Union (CMU) is one of the main priorities of the European Commission's current term. Since the CMU's launch in 2014 with the aim to create a single market for capital in the EU, and despite the efforts made following the 2015 CMU Action Plan, the role of capital markets in the EU-27 is still underdeveloped today, compared to its importance to the real economy. Therefore, and to tackle the ongoing fragmentation of EU capital markets, a new CMU Action Plan was adopted in 2020. An additional Savings and Investments Union (SIU) was proposed in 2024. The overall objectives of both CMU and SIU remain the "triple transition" to sustainable, digital and resilient financial markets, boosting the EU's potential as a safe place for saving and long-term investment, and harmonising financial legislation and processes to achieve a genuine single market. As part of the CMU/SIU plans for integration of post-trade services in Europe, Target-2-Securities (T2S) is receiving increasing attention. With the already largely unified pan-European infrastructure launched by the ECB in 2015, settlement has become much more efficient and harmonized.

<sup>7</sup> 3.3% global growth in 2025, with growth in the US (2.7%) and China (4.6%), compared to a standstill particularly in the Eurozone (1.0% growth) and Germany (0.3%). Source: International Monetary Fund (2025, January). World Economic Outlook Update. Global Growth: Divergent and Uncertain. <https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025>.

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However, several technical, pricing, legal, fiscal and market practice barriers are currently hampering the attractiveness of T2S. Clearstream entities have made a significant contribution to T2S by creating links and thus providing direct access to all T2S markets as one single gateway, using the cross-CSD features of T2S. Clearstream is fully leveraging the functionalities of T2S to offer to its clients the possibility to use one securities account for their custody and settlement business in Europe.

Due to global political tensions and a changed macro-economic environment, the CMU/SIU plans have seen new momentum in 2024. Next to the delivery of several milestone reports, f.ex. by [Enrico Letta](#) and [Mario Draghi](#), the SIU has been set as main priority of Commissioner Albuquerque's work until 2029. Key levers within the SIU are the creation of EU investment and savings products, the review of private and occupational pensions, boosting the ecosystem for start-ups, removing barriers to the consolidation of exchanges and post-trade infrastructures, revamping securitization, and improving the EU supervisory system. Complex discussions are to be expected on questions of supervision and market structure. The Commission will announce a detailed SIU Action Plan with concrete next steps in Q1 2025. Clearstream and Deutsche Börse Group ("DBG") staunchly support the project and assume an active role in the political debate. DBG has published a [Policy Paper](#) outlining its role and perspectives within the SIU project, and the work already being done at DBG to boost the CMU into a next generation of excellence. Summarising the 10 steps outlined in this report, the necessary action for a successful SIU from DBG's view are a strong focus on reducing fragmentation in equity markets and boosting listing, mobilising private savings and investments, promoting a private data economy, strengthening the EU's clearing ecosystem, fostering competition and efficiency in post-trading, establishing the EU as a digital leader by introducing a permanent digital Euro, boosting securitisation and competitiveness of banks, ensuring integrated supervision across the EU, fostering financial education and retail participation, and creating tax incentives for investment.

While challenges in the last years have delayed progress on the CMU, they simultaneously showed the importance of a closer cooperation. The need to finance the triple transition increases the importance of a functioning CMU and SIU to keep the EU both competitive and initiative and make use of capital markets to the fullest.

## **5.2. Central Securities Depository Regulation and Settlement Finality Directive**

CSDs are regulated by a uniform European framework – the CSDR. After entry into force of CSDR in 2014, its clause for a general review came into effect in 2019 and triggered the launch of a public consultation by the European Commission in December 2020. The consultation resulted in concrete recommendations for amendments to bring efficiency to the markets. The five main areas retained in the so-called CSDR REFIT include the settlement discipline, passporting regime, banking-type ancillary services, third-country CSD oversight, and supervisory cooperation. With the entry into force of the CSDR Refit on 16 January 2024, ESMA, ESCB and EBA have started their efforts to develop eleven Regulatory Technical Standards (RTS), which are due to be finalized within Q1 2025.

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CSDR is heavily linked with the reviews of the Alternative Investment Fund Managers Directive (AIFMD), the Financial Collateral Directive (FCD), and the Settlement Finality Directive (SFD), which have all entered into force between 2022 and 2024.

The work on the CSDR Refit Level 2 benefits from the increased interest and political momentum around the Capital Markets Union/Savings and Investments Union, as the provisions on passporting are expected to considerably facilitate the cross-border CSD business and thus support the natural consolidation of the CSD landscape in the EU.

### **5.3. Digital Finance**

The European Commission is putting effort into positioning the EU as a leader in Digital Finance and developing a Digital Single Market within the CMU/SIU framework. The regulatory initiatives launched in the “Digital Finance Package”, published in September 2020, and the CMU/SIU are of utmost importance for Clearstream. Legislative projects of relevance in 2025 are:

- Tokenization / Blockchain

Tokenization, the digitalization of financial products and their decentralized representation as crypto values on Blockchain, has seen increased interest in recent years. Following a workshop held in June 2024, the European Commission consulted the industry on challenges and ideas regarding asset tokenization and broader digitalization efforts. Several international efforts to create the necessary infrastructure for tokenization are well under way. Notably, the Bank for International Settlement (BIS) launched the Agorá project, aiming to develop an international ledger for assets and payment. Eurex Clearing has been selected to participate in this project. Tokenization holds vast promises such as atomic settlement, increased post-trade efficiency, broadening the scope of assets used as collateral, and ultimately reducing the reliance on intermediaries.

Clearstream is currently benefiting from the fast-paced innovative environment in Luxembourg, where Blockchain Act IV was adopted in December 2024, providing increased legal certainty and efficiency, thus making the use of the technology even more attractive, and introducing the new role of “control agent”, allowing Clearstream to keep the securities issuance account on blockchain.

- European Unified Ledger

Based on the efforts to find further ways to increase efficiency in post-trading, proposals for a European Unified Ledger (EUL) have been put forward. The idea stems mainly from Piero Cipollone, Executive Board Member of the European Central Bank. The EUL can be understood as a unified DLT on top of current T2S services. Thanks to the specific benefits of DLT, the EUL could serve to harmonize and facilitate the issuance and settlement of central bank money as well as all kinds of tokenized assets under a unified EU governance, supported by the Eurosystem.

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It would also ensure reachability, open access and compatibility across participants' services, EU-wide.

- Digital Euro

In November 2024, the European Central Bank/Eurosystem concluded their initiative to explore new technologies for wholesale central bank money settlement (“ECB Trials and Experiments”). This series of tests, running between May and November 2024, has been recognized as a crucial milestone in the EU’s journey towards a digital wholesale Euro and processed over 200 transactions. Following the finalization of the trials, participants advocated to keep up the momentum and allow for a seamless transition with a “transitory phase” in the same regulatory/legal set-up. After a feedback session with participants in January 2025, the Eurosystem will decide on next steps.

Clearstream, which successfully took part in the trials with all three of its CSDs, remains technologically agnostic after having demonstrated that it could connect to any of the three models (Bundesbank Trigger, Banque de France DLT and Italian TIPS solutions). Clearstream sees the central bank digital currency (CBDC) trials as a crucial opportunity to use experience and gathered knowledge to continue this path and looks forward to the timely offering of a digital Euro, deemed a necessary step to facilitate the payment-leg in digital transactions.

- Digital CMU/SIU

The successful adoption of new technologies is a key part of the CMU/SIU project and aims to enhance European capital markets by unlocking new efficiencies and reducing the risk of transactions in the digital space. The CMU/SIU digital plans envisage the creation of an integrated European digital ecosystem that combines assets and means of payment in one or more interoperable systems. The foundation of such an ecosystem would be a robust DLT platform that could be rolled out in three steps: starting with a settlement solution for wholesale digital central bank money, as tested in the ECB trials, via the Eurosystem Digital Framework (EDF), to a fully integrated digital capital market system. This foundation could then be linked with ideas offering innovative potential like the European Unified Ledger and existing infrastructures such as T2S. Experience in recent years has shown that Financial Market Infrastructures (FMIs) like Clearstream are strategically well positioned and operationally resilient to drive the required digital transformation. A timely realization of a digital CMU infrastructure could be achieved through a public-private partnership between the European Central Bank, national central banks, FMIs and market participants.

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## 6. Global geo-political environment in 2024

2024 was still dominated by geo-political challenges world-wide, of which Russia’s ongoing war in the Ukraine and the conflict in the middle east gained special management attention. The Bank’s response to these tensions can be summarised as following.

### **Ukrainian-Russian Crisis**

During 2024, the Clearstream subgroup continued to be affected by Russia’s full-scale invasion of Ukraine requiring a significant level of management attention. In 2022, the Clearstream Crisis Management Team (CCMT) of Clearstream Holding AG organised and delegated management of the crisis to a dedicated forum, the Ukraine Crisis Response Team (UCRT). The UCRT continued to meet on a twice-weekly at a minimum throughout 2024 to manage the various impacts arising from the Russia-Ukraine war. The primary focus of the UCRT has been on adjusting its procedures and controls to adapt to the countermeasures deployed by Russia in response to Western sanctions.

At the time of the full-scale invasion, Russia legislated to restrict securities deposits of foreign depositories. On 5 March 2022, Clearstream Banking SA, Luxembourg (“the Bank”) notified its customers that it no longer had control over customers' assets or cash balances held with the Russian central securities depository, the National Settlement Depository (“NSD”) following executive, legislative and administrative acts taken by the Russian Federation following its full-scale invasion of Ukraine. Consequently, Clearstream Banking S.A. acting as a nominee holder for its customers in Russia, securities continue to be blocked in Russia because of Russian countermeasures and in Luxembourg because of EU sanctions designating NSD. As a result, the Bank was unable to process foreign currency claims in rubles.

On 23 August 2024, Clearstream Banking S.A. informed its customers that on 15 August 2024, the NSD had debited the Bank’s cash balances under Russian Presidential Decree No. 198 and its accounts were brought to zero. NSD waived its rights to an equivalent amount of balances on its accounts with Clearstream Banking S.A., which remained blocked under EU sanctions. On 14 February 2025, the Bank informed its customers that it had received the authorisation of its National Competent Authority to unfreeze the balances to which NSD had waived its rights. Accordingly, it has offered its customers compensation for the balances seized in Russia. The Bank’s affected customers are entitled to USD 368 million in full and final settlement of their entitlement to RUB 34.1 billion. The compensation had the effect of making Clearstream Banking S.A. again liable to its customers resulting in a write-on of the corresponding amounts to its balance sheet as a subsequent event.

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Moreover, with regards to the corporate action payments, the proceeds have not been credited to accounts opened or controlled by the Bank and have been credited to an account controlled by the NSD known as the Type-C account. Accordingly, these balances have not been recognised in its accounts and have been reported to the entitled customers as memorandum, contingent claims. Cash proceeds to corporate events on those securities which have been paid since 15 August 2024 therefore remain blocked.

### **Middle East Crisis**

Clearstream has not been affected by the crisis in the Middle East that has developed since the Hamas attack of 7 October 2023. Clearstream Banking S.A. operates a settlement link to Israel which has operated normally since the attack. The Group's security teams monitor developments in the region continuously.

## **7. Corporate Governance Structure**

Clearstream Banking S.A. is a public limited liability company ("société anonyme") organised and existing under the laws of Luxembourg.

Clearstream Banking S.A. adopted in 2016 the two-tier governance structure. Accordingly, the Executive Board is the managing and ultimate decision-making body and is authorised to carry out all actions that are considered necessary or useful to achieve the Bank's purpose, except for those reserved to the Supervisory Board or the shareholders' meeting by law or by the articles of association. The Executive Board fulfils its management duties under the supervision of the Supervisory Board.

The Supervisory Board advises, monitors and supervises the Executive Board. To assist the Supervisory Board with the fulfilment of its supervisory mission, the Supervisory Board has established an Audit Committee, a Risk Committee, a Remuneration Committee and a Nomination Committee. These committees have a supervisory and advisory role and report directly to the Supervisory Board. In addition, Clearstream Banking S.A. has set up a User Committee, consisting of representatives of issuers and customers. The User Committee submits non-binding opinions to the management body and shall advise the Executive Board on key arrangements that may affect its members, including the criteria for accepting issuers or customers in their respective securities settlement systems and at the service level and the pricing structure.

Furthermore, Clearstream Banking S.A. has established four internal control functions, namely the compliance function, the risk management function, the internal audit function, and the information security function. Each internal control function has been established independently from any business unit, central function or other control function within the organization. Each internal control function is under the responsibility of a head of function – the Chief Compliance Officer, the Chief Risk Officer (Executive Board member), the Chief Internal Auditor or the Chief Information Security Officer. The internal control functions report to the Executive Board and the Supervisory Board and, if applicable, to its committees on a regular basis.

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## **8. Risk Report**

Effective and efficient risk management safeguards Clearstream Banking S.A.'s continued existence and enables it to achieve its corporate goals in the long term. To this end, Clearstream Banking S.A. has established a risk strategy and a risk management framework, which defines roles, processes and responsibilities and is binding for all staff.

### **8.1. Risk Strategy**

Clearstream Banking S.A.'s risk strategy (as covered by the Clearstream Holding AG risk strategy) and risk appetite (as covered by the Clearstream Holding AG risk appetite framework) are based on its business strategy and set limits specifying the maximum risk permitted. This is done by laying down respective requirements for risk management, risk control and risk limitation. Clearstream Banking S.A. ensures that appropriate measures are taken to avoid, mitigate, transfer, or intentionally accept, risk.

The risk strategy enables risks to be identified and controlled in a timely and adequate manner. Information is captured and assessed based on the structured and consistent procedures in place, and results collected in the reporting system, which is used to systematically analyse and control the risks. Risk reports are prepared on a regular and ad-hoc basis and cover existing as well as potential risks identified.

### **8.2. Risk Management Framework**

Clearstream Banking S.A.'s risk management framework ensures that all management committees within Clearstream Banking S.A. are able to control the risk profile of the entire Bank, as well as specific material risks, in a timely manner. The aim is to identify developments that could threaten Clearstream Banking S.A.'s interests and to take appropriate countermeasures promptly.

#### **8.2.1. Governance**

Clearstream Banking S.A. promotes risk awareness and ensures the efficiency of its risk management framework through its governance structure. The Executive Board oversees risk management and monitors the framework's effectiveness, with the Risk Committee reviewing and acknowledging the risk strategy and quarterly Risk Reports.

The Clearstream Banking S.A. Chief Risk Officer (CRO) oversees risk management and reports to all relevant committees. The CRO's quarterly Risk Reports assess existing and new risks identified through ongoing interactions between Business and Risk Management. The Executive Board reviews and approves these reports.

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Business areas identify and report risks to risk management within the required timeframe. They also perform risk control, inform management about risk developments, and improve the quality of risk management processes. Risk management ensures that the framework is consistently applied across all Clearstream entities. Independent audits by Internal Auditing verify the effectiveness and organization of risk control and management.

### **8.2.2. Risk Management Process**

The risk management framework is used to implement the risk strategy for which the Executive Board is responsible. For example, all potential losses must be identified in adequate time, captured centrally, assessed (e.g., quantified in financial terms as far as possible), reported to the Executive Board together with recommendations, and controlled. Therefore, Clearstream Banking S.A. risk management process comprises five different stages, a) identification, b) notification, c) assessment, d) treatment, e) reporting/monitoring

### **8.2.3. Risk Management Methods**

Clearstream Banking S.A. uses various quantitative and qualitative risk management methods to monitor and control the risk profile. The combination of different methods provides a comprehensive view of the current risk situation to safeguard Clearstream Banking S.A.'s continued existence. The main instruments are shown below:

#### **Value at risk**

Clearstream Banking S.A. uses a best practice approach – Value at Risk (VaR) – for measuring and reporting all risks. VaR is a comprehensive way of presenting and controlling the general risk profile.

#### **Required economic capital**

Clearstream Banking S.A.'s required Economic Capital (EC) can be determined using the VaR. EC measures the amount of capital that is required in order to be able to cover extreme events over a period of twelve months (with a 99.9% confidence level).

#### **Stress tests**

Clearstream Banking S.A. also carries out stress test calculations for different risk types as well as risk-wide stress tests. These stress tests simulate the occurrence of extreme losses or an accumulation of major losses in one year. Reverse stress tests are also performed. This instrument is used to determine loss scenarios that would have to occur exceeding the risk-bearing capacities.

### **8.2.4. Regulatory requirements**

Having received regulatory approval from the Luxembourg supervisory authority CSSF (Commission de Surveillance du Secteur Financier), Clearstream Banking S.A. has applied the Advanced Measurement Approach (AMA) since 1 January 2008 to calculate its capital requirements for operational risk under Luxembourg solvency regulations based on the Basel II regulatory framework. For credit and market risks, Clearstream Banking S.A. uses the standardised approach. From 2025, the standardised approach will replace AMA for operational risk.

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### **8.3. Risk-Bearing Capacity Concept**

Clearstream Banking S.A. calculates the Required Economic Capital (“REC”) to determine the utilisation of the available risk-bearing capacity. Clearstream Banking S.A. uses its regulatory own funds (eligible regulatory capital) [minus adjustments for unrealized losses driven mainly by ongoing litigations, for non-consolidated entities as well as for potential further reasons] as the available risk-bearing capacity for its REC. REC is compared with the available risk-bearing capacity enabling to gauge the appropriate level of Clearstream Banking S.A.’s available risk-bearing capacity. REC is also calculated at the level of individual risks. These are compared against limits representing a percentage of the available risk-bearing capacity defined for each individual risk.

Clearstream Risk Management reports to the Risk Committee (RC) and to the Executive Board, on a quarterly basis, regarding the results of the utilisation of the available risk-bearing capacity. This procedure ensures that the risk limits laid down by the Executive Board are monitored and complied with on a sustainable basis.

### **8.4. Risk Structure**

Clearstream Banking S.A. distinguishes between Operational, Financial, Business, and Pension Risk.

#### **Operational Risk**

Operational risk is the risk of losses resulting from people, systems, inadequate/ failed internal process, or from external events. Operational risk is at the core of business and the company is committed to effectively managing Operational risk ensuring its resilient position and strong financial market infrastructure through integrating continuous technological modernization and invocation with strategic development of its human resource. To effectively manage and mitigate operational risk, CBL has implemented a comprehensive framework that includes robust internal controls, continuous monitoring, and regular training programs.

Clearstream Banking S.A splits Operational risk into 17 risk clusters with distinct definitions and scope: Compliance Risk, Contagion Risk, Corporate Tax Risk, Custody Risk, Data Integrity Risk, Information Security Risk, Information Technology Risk, Legal Risk, Model Risk, Operational Project Risk, People Risk, Physical Security Risk, Processing and Execution Risk, Product Tax Risk, Risk Management Risk, Secondary Reputational Risk, and Third Party Risk. Such split enables improved and more granular analysis and monitoring of the risks. When risks materialise, the individual risk events are linked to a risk cluster, depending on their nature.

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During the fiscal year 2024, material events (with a (potential) financial impact EUR > 200,000, as defined by internal policies and procedures) were recorded for the following Operational Risk clusters:

- People Risk is the risk of losses due to unavailability, human error, or employment practices. In the reporting year, there were two events leading to material losses, which amounted to EUR 1.07Mio.
- Processing and Execution Risk includes the quality and appropriateness of the design of process flows incl. interfaces and controls. In the reporting year, there was one event leading to material loss, which amounted to EUR 452k.
- Third Party Risk covers risks caused by, or due to, activity with third parties. In the reporting year, there was one event leading to material loss, which amounted to EUR 318k.

Clearstream Banking S.A. devotes considerable attention to mitigating the different types of operational risk mentioned above with the aim of reducing the frequency and amount of potential financial losses arising from corresponding risk events. To this end, various quality and control measures are taken to protect Clearstream Banking S.A. business from all cases of fraud and operational business losses. In addition to compliance with international best practice quality standards, these measures include a careful analysis of operational risk events that have occurred so that steps can be defined to reduce the probability of their recurrence. Apart from this, Clearstream Banking S.A. has defined business continuity measures to be taken when an incident or disaster occurs. Furthermore, Clearstream Banking S.A. has entered into insurance contracts to reduce the financial consequences of loss events.

Any residual operational risk that Clearstream Banking S.A. does not wish to retain and that can be insured at a reasonable price is transferred by taking out insurance policies.

### **Financial risks**

Clearstream Banking S.A. is exposed to financial risks mainly in the form of credit risk and liquidity risk. On a smaller scale, there is also market price risk from cash investments and pension funds. Exposure to the risk is mitigated through the existence of effective control measures. Throughout the reporting year, no losses were observed.

### **Credit risk**

Credit risk consists of the risk that a counterparty may default and be unable to meet its obligations against Clearstream Banking S.A. in full or at all. Main drivers of Clearstream Banking S.A.'s credit risk are Treasury Placements, Cash correspondent exposure, Customer Borrowings and Receivables. Placements are in general secured with high-quality collateral or at central banks. Clearstream Banking S.A. may grant loans to its customers to increase the efficiency of securities transaction settlements.

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However, these lending operations cannot be compared with those of other credit institutions since, as required by CSDR, the loans are granted only on a secured basis, except for those granted to certain central banks and multilateral institutions<sup>8</sup>. Secondly, loans are extended solely on an intraday basis. Furthermore, credit is granted to creditworthy customers with very good credit ratings. Credit lines granted are uncommitted and can be revoked at any time. To increase the efficiency of settlement, Clearstream Banking S.A. may lend securities to its customers in its securities lending programme (ASL).

### **Market risk**

Market Risk is the risk of losses arising from holding assets and liabilities on-balance sheet or off-balance sheet with different maturity dates, creating exposure to changes in the level of interest rates, foreign exchange rates or market prices. Market Risk mainly consists of Equity Price Risk, Foreign Exchange Rate Risk and Interest Rate Risk. Clearstream Banking S.A. invests parts of its capital in securities with the highest credit quality. Some of these securities have floating interest rates, with a low sensitivity to interest rate fluctuations, but also fixed coupon bonds have been bought leading to increased interest rate risk. Clearstream Banking S.A. avoids open currency positions whenever possible to mitigate Foreign Exchange Rate Risk. Furthermore, market risk could result from the Clearstream Banking S.A. pension fund in Luxembourg.

### **Liquidity risk**

Liquidity risk arises if Clearstream Banking S.A. is unable to meet its daily payment obligations or if it can only do so at a significantly higher refinancing cost. Daily and intraday liquidity is monitored closely by Treasury departments and managed with the help of a limit system. Sufficient committed and uncommitted liquidity sources are available to provide liquidity under normal and stressed conditions. In addition, Clearstream Risk Management performs stress tests and reverse stress tests (daily and monthly), in line with all relevant regulations. The aim of these stress tests is to check the sufficiency of Clearstream Banking S.A.'s liquidity resources under different stress assumptions considering a wide range of extreme but plausible scenarios. In 2024, Clearstream Banking S.A. always had sufficient liquidity to cover its liquidity needs under normal conditions. For each potential liquidity gap identified in the course of the stress test activities, a thorough root cause assessment has been conducted, and appropriate mitigating measures have been taken.

### **Business risk**

Business risk is the loss (including losses arising from missed opportunities) arising from strategic decisions and/or their implementation, or from the inability to adapt to external factors. For example, it comprises threats from competition, a negative economic environment and other aspects, which lead to lower than projected revenues or higher than projected costs. Moreover, Clearstream Banking S.A. has direct and indirect dependencies on the EBITDA like interest rates, the Gross Domestic Product, interest or foreign exchange rates which could result in risk from macroeconomics.

<sup>8</sup> as per Article 23(2) of Commission Delegated Regulation (EU) 2017/390 of 11 November 2016 (supplementing Regulation (EU) No 909/2014)

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Besides the requirement to fulfil all current regulatory requirements, the risk of changing laws may additionally negatively impact Clearstream Banking S.A. Summarized, Business Risk is the unexpected residual loss, which arises when the Earnings at Risk of Clearstream Banking S.A. exceeds the budgeted/ planned earnings before tax. Business Risk is reported if the calculated Value at Risk is higher than the budgeted/ planned earnings before tax for the next four quarters.

Throughout the reporting year, no losses were observed.

#### **Pension risk**

Pension Risk (in the narrow sense) is defined as the risk of losses due to increased costs from post-employment benefit plans based on non-market risk factors. The expected pension payments, and therefore the overall Pension Risk (in the broad sense), are influenced by several factors: longevity in terms of unexpected changes compared to the anticipated life expectancy, inflation in terms of unexpected changes compared to the anticipated inflation rate, salary growth in terms of unexpected changes compared to the anticipated salary growth, and discount rate in terms of unexpected changes compared to the anticipated discount rate. Pension Risk is quantitatively shown to be immaterial for CBL, nevertheless, it was decided to manage it as a material risk. This decision was mainly driven by the extra attention required given recent stress inflation rates. Pension Risk is hence considered as an immaterial risk in the risk profile, but processes are applied treating it as a material risk type.

Throughout the reporting year, no losses were observed.

## **8.5. *Legal risks***

### **8.5.1. *Litigation Involving Clearstream Banking S.A. in connection with the Central Bank of Iran***

Clearstream Banking S.A. is involved in different legal proceedings in Luxembourg and the U.S. in connection with the Iranian central bank, Bank Markazi. On the one hand of this, different plaintiffs groups – each of which have obtained U.S. judgements against Iran and/or Bank Markazi – are seeking turnover of assets that Clearstream Banking S.A. is holding as custodian in Luxembourg and that are attributed to Bank Markazi. Several of these plaintiffs groups also raise direct claims for damages against Clearstream Banking S.A. On the other hand, Bank Markazi is suing, among others, Clearstream Banking S.A. in Luxembourg in connection with assets that currently or in the past were held by Clearstream Banking S.A. as custodian. On the basis of a binding and enforceable U.S. judgement in 2013, assets in an amount of approx. USD 1.9 billion were already turned over to a plaintiffs group in a U.S. proceeding (“Peterson I”) to which Bank Markazi also was a party.

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Currently, the following proceedings that were initiated by the mentioned plaintiffs groups and that primarily target assets attributed to Bank Markazi are ongoing:

- “Peterson II” plaintiffs group: On 30 December 2013, plaintiffs filed a complaint in the U.S. against Clearstream Banking S.A. and other parties seeking turnover of certain assets that Clearstream Banking S.A. holds as a custodian in Luxembourg and that are attributed to Bank Markazi. The proceedings since then had advanced to the U.S. Supreme Court but were then remanded to the district court. On 22 March 2023, the district court awarded judgement to the plaintiffs for turnover of approximately USD 1.7 billion that are attributed to Bank Markazi and held in custody at Clearstream Banking S.A. in Luxembourg in a client account. Following an appeal by Clearstream Banking S.A., on 13 November 2024 the Court of Appeal upheld the District Court's judgment of 22 March 2023 in part but rejected other parts thereof and therefore sent the case back to the district court for reconsideration. Clearstream Banking S.A. reserves the right to seek recourse against the decision of the appeals court of 13 November 2024.
- “Havlish” plaintiffs group: On 14 October 2016, plaintiffs filed a complaint in the U.S. against Clearstream Banking S.A. and other parties. Besides the request for turnover of certain assets that Clearstream Banking S.A. holds as a custodian in Luxembourg, the complaint also asserted direct damage claims against Clearstream Banking S.A. and other defendants in the amount of up to approx. USD 6.6 billion (plus punitive damages and interest). On 12 October 2020, an amended complaint was filed in this case, which added further plaintiffs and which in turn asserted additional damages of approx. USD 3.3 billion (plus punitive damages and interest) against Clearstream Banking S.A. and the other defendants.
- “Levin” plaintiffs group: On 26 December 2018, plaintiffs filed a complaint in the U.S. against Clearstream Banking S.A. and other parties. Besides the request for turnover of certain assets that Clearstream Banking S.A. holds as a custodian in Luxembourg, the complaint also asserted direct damage claims against Clearstream Banking S.A. and other defendants in the amount of up to approx. USD 29 million (plus punitive damages and interest). The plaintiffs withdrew their complaint effective as of 24 April 2023.
- “Heiser” plaintiffs group: On 4 December 2019, plaintiffs from a previous case filed a new complaint in the U.S. against Clearstream Banking S.A. targeting turnover of certain assets that Clearstream Banking S.A. holds as a custodian in Luxembourg.
- “Ofisi” plaintiffs group: On 26 August 2020, plaintiffs filed a complaint in the U.S. against Clearstream Banking S.A. and other parties. Besides the request for turnover of certain assets that Clearstream Banking S.A. holds as a custodian in Luxembourg, the complaint also asserts direct damage claims against Clearstream Banking S.A. and other defendants in the amount of up to approx. USD 8.7 billion (plus punitive damages and interest).

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- On 24 November 2020, plaintiffs from the abovementioned Havlish case also sued Clearstream Banking S.A. and other parties in Luxembourg. The complaint, among others, asserts direct damage claims against Clearstream Banking S.A. and other defendants in the amount of up to approx. USD 5.5 billion (plus interest).
- “Acosta/Beer/Greenbaum/Kirschenbaum” plaintiffs group: On 28 February 2022, plaintiffs filed new complaints in the U.S. against Clearstream Banking S.A. targeting turnover of certain assets that Clearstream Banking S.A. holds as a custodian in Luxembourg.

In connection with assets concerning Bank Markazi, Bank Markazi on 17 January 2018 filed a complaint in Luxembourg court naming Clearstream Banking S.A. and Banca UBAE S.p.A. as defendants. The complaint primarily seeks the restitution of assets totalling approximately USD 4.9 billion (plus interest), which the complaint alleges are held on accounts of Banca UBAE S.p.A. and Bank Markazi with Clearstream Banking S.A. Alternatively, Bank Markazi seeks damages in the same amount.

In another proceeding, on 30 April 2021, a Luxembourg first instance court at the request of Bank Markazi issued a declaratory judgement against Clearstream Banking S.A. in connection with, amongst others, the abovementioned Peterson II proceedings pending in the U.S. The first instance decision of 30 April 2021 subjects the transfer of assets attributed to Bank Markazi based on a U.S. decision to the requirement of prior judicial recognition in Luxembourg, violation of which is punishable by a fine of €10 million per violation. Clearstream Banking S.A. has filed an appeal against the decision.

On 15 June 2018, Banca UBAE S.p.A. filed a complaint against Clearstream Banking S.A. in Luxembourg court. This complaint is a recourse action related to the abovementioned complaint filed by Bank Markazi against Clearstream Banking S.A. and Banca UBAE S.p.A. and asks that Banca UBAE S.p.A. be indemnified and held harmless by Clearstream Banking S.A. in the event that Banca UBAE S.p.A. loses the legal dispute brought by Bank Markazi and is ordered by the court to pay damages to Bank Markazi.

Independent of whether Clearstream Banking S.A. should be required to turn over assets attributed to Bank Markazi in the U.S., the Executive Board of Clearstream Banking S.A. does not think that claims for damages raised against Clearstream Banking S.A. in Luxembourg or in the U.S. will be successful. Based on this, as of 31 December 2024 and unchanged from the previous year, no provisions were made in connection with the aforementioned matters.

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### 8.5.2. Further litigations and proceedings

Starting on 16 July 2010, the insolvency administrators of Fairfield Sentry Ltd. And Fairfield Sigma Ltd., two funds domiciled on the British Virgin Islands, filed complaints in the U.S. Bankruptcy Court for the Southern District of New York, asserting claims against more than 300 financial institutions for restitution of amounts paid to investors in the funds for redemption of units prior to December 2008. On 14 January 2011, the funds insolvency administrators filed litigation against Clearstream Banking S.A. for the restitution of US\$13.5 million in payments made for redemption of fund units, which the funds made to investors via the settlement system of Clearstream Banking S.A. The proceedings, which were suspended for several years, are ongoing.

In the context of sanctions imposed on Russia, Clearstream Banking S.A. has frozen assets of customers in Luxembourg in accordance with applicable law. A number of lawsuits have been brought against Clearstream Banking S.A. in Russian courts targeting turnover or restitution of frozen assets. The total value claimed from Clearstream Banking S.A. in these proceedings amounts to approximately €15 million. It cannot be ruled out that further lawsuits concerning frozen assets may be filed, which could also include recourses against assets held by Clearstream Banking S.A. in Russia or elsewhere.

On 2 April 2014, Clearstream Banking S.A. was informed that the United States Attorney for the Southern District of New York has opened a grand jury investigation against Clearstream Banking S.A. due to Clearstream Banking S.A.'s conduct with respect to Iran and other countries subject to U.S. sanction laws. Clearstream Banking S.A. is cooperating with the U.S. attorney.

In September 2017, Clearstream Banking AG and Clearstream Banking S.A. were made aware that the Public Prosecutor's Office in Cologne had initiated proceedings for tax evasion against an employee of Clearstream Banking AG for his alleged involvement in the settlement of transactions of market participants over the dividend date (cum/ex transactions). On 22 January 2018, the Public Prosecutor's Office in Cologne addressed to Clearstream Banking AG a notification of hearing Clearstream Banking AG and Clearstream Banking S.A. as potential secondary participants. Starting on 27 August 2019, together with other supporting authorities, the Public Prosecutor's Office in Cologne conducted searches of the offices of Clearstream Banking AG, Clearstream Banking S.A., as well as other Deutsche Börse Group companies and sites. In the course of these measures, Deutsche Börse Group entities were made aware that the Public Prosecutor's Office in Cologne has extended the group of suspects to include current and former employees as well as executive board members of Deutsche Börse Group companies. In 2020 and again in 2022, Deutsche Börse Group became aware of further extensions of the group of suspects. Due to the still early stage of the proceedings, it is still not possible to predict timing, scope or consequences of a potential decision. The companies concerned are cooperating with the competent authorities. They do not expect that they could be successfully held liable.

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## 8.6. **Summary**

In the year under review, the risks to which Clearstream Banking S.A. was exposed to were well managed.

As of 31 December 2024, Clearstream Banking S.A. required economic capital amounting to EUR 306 million and was covered by a risk-bearing capacity amounting to EUR 966 million. The Executive Board of Clearstream Banking S.A. is sufficiently confident regarding the effectiveness of its risk management system.

## 8.7. **Outlook**

Clearstream Banking S.A. evaluates its risk environment and profile on an ongoing basis. Considering the stress test results, the pertaining required economic capital, and the risk management system, the Executive Board of Clearstream Banking S.A. concludes that the risk-bearing capacity is sufficient. Moreover, no risks with more than quite remote probabilities are identified, which could jeopardise Clearstream Banking S.A.'s viability as a going concern.

The current macroeconomic and geopolitical risks are being monitored by Clearstream Risk Management.

Impact of the Russia-Ukraine war: Please refer chapter 6 for detailed analysis impact.

## 9. **Compliance function**

The mission of the compliance function is to support the Bank to comply with applicable laws and regulations and to remain beyond reasonable criticism in the eyes of the authorities and the markets that it serves.

Clearstream Compliance is responsible for the Prevention of Money Laundering, Combatting Terrorist Financing, Sanctions and Embargo Controls, Professional and Banking Secrecy, Prevention of Insider Dealing, Prevention of Market Manipulation, Prevention of Bribery, Corruption and Fraud, Management of Conflicts of Interest and Data Protection. It also designs and perform compliance trainings.

The compliance function of Clearstream Banking S.A. has an oversight responsibility over the following affiliates:

- Clearstream London Limited; Subsidiary
- Clearstream Banking S.A., Japan Branch
- Clearstream Banking S.A., London Branch
- Clearstream Banking S.A., Singapore Branch
- Clearstream Banking S.A. representative offices in Dubai, Hong Kong, New York and Zurich

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The Deutsche Börse Group has adopted a Compliance Charter, which serves as a framework for the consistent implementation compliance – related controls and procedures across the Group including CBL.

CBL adopted its own Compliance Charter which describes the mission of the compliance function to support the company to comply with applicable law and regulation and to remain beyond reasonable criticism in the eyes of the authorities and the markets that it serves.

The CBL Compliance function is independent from any commercial or operational function. In order to be able to fulfil its responsibilities, the CBL Compliance function may delegate specific tasks to other functions without delegating its own responsibility to analyse and report any findings to the Executive Board. In performing its tasks, the Compliance function retains full and unrestricted access to any compliance-related information. It analyses the issues observed and, when applicable, recommends corrective measures to address deficiencies.

The Compliance function, in the person of the Chief Compliance Officer or an appointed delegate, reports to the CBL Executive Board and to the Audit Committee of the Supervisory Board on a regular basis. When applicable, it provides ad-hoc reports for any significant compliance risks and findings identified to the Executive Board and related committees.

## **10. Acquisition of Own Shares**

During the financial year ending 31 December 2024, Clearstream Banking S.A. did not acquire own shares.

## **11. Credit Ratings**

Throughout 2024, Clearstream Banking S.A. maintained strong credit ratings. Fitch and Standard & Poor's current short-term and long-term credit ratings are respectively F1+ and A-1+ for short-term debt and AA for long-term debt.

## **12. Dividends Paid and Proposed**

During 2024, no interim dividend was paid (2023: NIL). In April 2024, an ordinary dividend of EUR 600,301 thousand was paid.

A dividend amounting to EUR 695,661,496 thousand is proposed in 2025 in respect of the result of the year ended 31 December 2024.

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### 13. Employees

The average number of employees increased by 4 percent from 518 (2023) to 540 (2024) employees.

The average number of staff is calculated based on full time equivalent which excludes interns and early retired employees.

### 14. Report on Post Balance Sheet Date Events

Regarding contingent liabilities in connection with a lease agreement of CAL, during 2019 the Bank provided a guarantee in favour of the landlord amounting to EUR 608 thousand (AUD 1,019 thousand) with maturity date of 31 January 2026. This guarantee has been effectively cancelled as of 11 February 2025, nullifying any related obligations and responsibilities as of this date.

On 23 August 2024, Clearstream Banking S.A informed its customers that on 15 August 2024, the NSD had debited CBL's cash balances under Russian Presidential Decree No. 198 and its accounts were brought to zero. NSD waived its rights to an equivalent amount of balances on its accounts with CBL, which remained blocked under EU sanctions. The balance would therefore be used to compensate the affected customers. The Bank received necessary approvals from relevant authorities to unfreeze the balance in February 2025, in order to make payment towards affected customers. See section 6 in the Management report for further details.

Clearstream Banking S.A London branch is planned for liquidation by end of second quarter 2025 as the activities are carried by the subsidiary, Clearstream London Limited and the decision approved by the Executive board as of 18 March 2025.

Clearstream Banking S.A. ("CBL") has been granted a Recognised Clearing House status by MAS in Singapore with effect from 11th February 2025. The recognition as a clearing house permits the Bank to operate a clearing facility in Singapore for the settlement of securities as well as to continue to onboard Singapore domiciled participants. Furthermore, the Bank is currently working towards securing an Overseas Clearing & Settlement Facility License from ASIC and RBA within the second / third quarter of the current year. This License will permit the Bank to operate a clearing and settlement facility in Australia with increased volumes and would also allow it to continue to on board further Australian participants.

Luxembourg, 28 March 2024

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Anne-Pascale Malréchauffé

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Jean-Marc Di Cato



## Audit report

To the Executive Board of  
**CLEARSTREAM BANKING S.A.**

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## Report on the audit of the annual accounts

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### Our opinion

In our opinion, the accompanying annual accounts give a true and fair view of the financial position of CLEARSTREAM BANKING S.A. (the “Bank”) as at 31 December 2024, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

#### *What we have audited*

The Bank’s annual accounts comprise:

- the Balance sheet as at 31 December 2024;
  - the Income Statement as at 31 December 2024; and
  - the notes to the annual accounts, which include a summary of significant accounting policies.
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### Basis for opinion

We conducted our audit in accordance with the EU Regulation No 537/2014, the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (CSSF). Our responsibilities under the EU Regulation No 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the “Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the annual accounts” section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Bank in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts. We have fulfilled our other ethical responsibilities under those ethical requirements.

To the best of our knowledge and belief, we declare that we have not provided non-audit services that are prohibited under Article 5(1) of the EU Regulation No 537/2014.

The non-audit services that we have provided to the Bank and its controlled undertakings, if applicable, for the year then ended, are disclosed in Note 7.9 to the annual accounts.




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## Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of our audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p><i>Recognition of commission receivable from safekeeping, custody, settlement, collateral management, security lending, connectivity / reporting, cash / liquidity management and other fees (EUR 1,076,781 thousand)</i></p>	<p>Our audit approach included evaluating the design and testing the operating effectiveness of internal controls, focusing on key controls related to the recognition of these commission receivables.</p> <p>Where the commission receivable process is automated with a material impact on the financial reporting process, we involved PwC IT specialists to test controls over the related IT systems relevant for the recognition of commission income. We then evaluated the results of our IT specialists.</p> <p>These controls procedures have been performed over the below areas:</p> <ul style="list-style-type: none"> <li>• The completeness and integrity of data transferred via system interfaces from operational applications to the billing application;</li> <li>• The segregation of duties for the manual input / modification and release of a commission amount in the billing application;</li> <li>• The segregation of duties over the authorisation and implementation of changes to the fee schedule and customer specific conditions materialised in the internal control system;</li> <li>• The completeness of the changes of the fee schedule and the customer specific conditions in the billing IT application;</li> <li>• The accuracy of the group assigned to a specific client between the source application and the billing application;</li> <li>• The follow-up by the Billing Department of the month-end commission process;</li> <li>• The analysis of the profitability/variation by client and fee type.</li> </ul>
<p>Commission receivable for the Bank consists mainly of safekeeping fees, settlement fees, connectivity / reporting fees, global securities financing fees (i.e. securities lending fees and collateral management fees), order routing and fund issuance fees charged to customers and amounts to EUR 939,667. This represents 87% of the commission receivable balance for the year. The safekeeping fees are determined mainly by the value of securities held in custody, the settlement fees by the number of transactions conducted, the income from the global securities financing business by the value of securities lent or collateralised, the connectivity / reporting fees by the number of queries from and reports to customers, the order routing and fund issuance fees by the volumes of fund issuances and order routings.</p>	

The process used to determine the commission receivable is highly automated and based on various IT systems that are connected to each other by system interfaces. Changes to the fee schedule or customer specific conditions are manually implemented by the Bank in the billing application.

Due to the significance of the amounts involved, the strong dependency on IT systems, the significant number of customer specific conditions, and the related complexity and operational risks, the recognition of commissions is identified as a key audit matter.

Refer to Note 2.9 (accounting policy on 'Income and expense recognition') and Note 7.3 (financial disclosures note on 'Commission receivable').

Furthermore, we obtained the ISAE 3402 report on the Bank's controls and assessed their evaluation and testing of the Bank's key controls relating to the recognition of these commission receivables, including for custody and global securities financing fees, the process of determining the value of securities held in custody, lent or collateralised.

In addition, the following substantive testing procedures have been performed:

- We performed inquiries on the end-to-end commission recognition process including the relevant controls and the different data sources used in the revenue calculation;
- We performed sample testing on:
  - The fee rate changes by tracing fee rates to the underlying contractual documentation;
  - On the correct mapping of clients to the relevant family group in the system.
- We recomputed the commissions for a sample covering different commission streams;
- We assessed customer complaints and claims relating to commission fees charged by the Bank and the related analysis prepared by Management.

#### *Intercompany charges / recharges*

The Bank is highly integrated within the Deutsche Börse Group. Multiple services are provided by the Bank to other Group companies and many services are provided by Group companies to the Bank, in Luxembourg and abroad.

Intercompany recharges amount to EUR 118,518 thousand in the commission receivable and EUR 90,049 thousand in the other operating income while the intercompany charges amount to EUR 284,479 thousand in the other operating charges, EUR 232,125 thousand in the other administrative expenses and EUR 89,107 thousand in the commission payables.

Our audit approach included both the testing of the effectiveness of internal controls linked to intercompany charges / recharges as well as substantive procedures.

The procedures over internal controls included evaluating the design and testing the operating effectiveness of controls. The controls procedures have been performed over the below areas:

- The 4-eyes principle on the complete and accurate creation of the contractual data within the system;
- The accuracy and completeness of the data imported in the database used for the calculation of the intercompany charges / recharges;
- The completeness and accuracy of the charges / recharges booked in the accounting with the intercompany agreements as per inventory system;



Due to the magnitude of the related charges / recharges, the high number of intercompany relationships and the level of audit work linked to those balances, we identified intercompany charges / recharges as a key audit matter.

Refer to Note 2.10 (accounting policy on 'Related party transactions'), Note 7.3 (financial disclosures note 'Commission receivables'), Note 7.5 (financial disclosures note 'Other operating income and other operating charges') and Note 7.8 (financial disclosures note 'Other administrative expenses').

- The completeness and accuracy as well as the 4-eyes principle for the calculations of the prepayments and the true-ups booked in the accounting;
- The quarterly reconciliation procedures between the calculation files and the actual invoicing and accounting;
- The completeness and accuracy of time spent and external costs in relation to project-based intercompany charges / recharges;
- The reconciliation of the Bank's intercompany charges / recharges positions as at 31 December 2024 to the Group counterparty balances;
- Review by the Financial Accounting & Controlling (FA&C) Department of the calculation of related party charges / recharges on specific local intercompany transactions (reasonability analysis on allocation keys, forecast, approval for invoicing).

In addition, where the intercompany charges / recharges are based on IT generated reports' data, we involved PwC IT specialists to test controls over the related IT systems and reports relevant for the recognition of those charges / recharges. We then evaluated the results of our IT specialists.

These controls procedures have been performed over the below areas:

- Completeness and integrity of data transferred via system interfaces from contracts' storage system to core banking system;
- Completeness and integrity of data transferred via system interfaces for the costs of projects or/and employees' hours costs to accounting;
- The authorisation of employees' hours and costs booking for relevant projects (i.e authorised users, authorisers approvers, automated controls on unauthorised charges in wrong codes, access rights);
- Completeness and accuracy of the data transferred via interfaces for the billing process and invoicing;
- Completeness and integrity of the Intercompany balances reconciliation matching report, used by the Group for the consolidation review purposes;

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Our substantive procedures included:

- We inquired of the FA&C Department on the identification of related parties and on the process for the recording of intercompany balances;
- We obtained the list of related parties of the Bank and of accounts used for intercompany charges / recharges.
- We inspected for a selection of intercompany transactions that the counterparty with whom they were entered into or with whom the Bank has a balance is also recorded in the list of related parties;
- To test the completeness and existence of the intercompany charges / recharges, we inspected the underlying contracts on a sample basis and traced the contractually agreed services to the charges / recharges recorded in the accounting;
- We reconciled the Bank's intercompany charges / recharges positions as at 31 December 2024 to the Group counterparty balances for a selection of contracts.
- We involved our PwC Transfer Pricing specialists in the review of transfer pricing policy and documentation underlying the most significant intercompany services;
- We re-performed the calculation of the intercompany charges / recharges computed by the Bank for a selection of significant intercompany bookings and compared key parameters, mark-up rates / charges and the allocation keys used in the computation to the underlying intercompany agreements.

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*Provisions for litigation and claims  
(EUR 1,646 thousand)*

The Bank is exposed to a number of open legal cases and regulatory investigations in a number of its markets.

Our procedures included:

- We inquired of the Legal Department, Claims Investigation team and members of the Executive Board of the Bank to obtain their view on potential legal cases and the status of ongoing significant litigation and claims;
- We inspected meeting minutes of the Executive Board, Supervisory Board, Audit Committee and Risk Committee, and documents provided by the Bank concerning significant litigation and claims;



In the course of business, potential exposures may arise from legal or regulatory proceedings. Whether there is a liability is inherently uncertain, the amounts involved are potentially significant and the application of accounting standards to determine the amount to be provisioned, is inherently subjective. Given the business is geographically dispersed, the same matter could be subject to legal proceedings in multiple jurisdictions.

There is a number of legal and regulatory matters for which no provision has been established.

There is an inherent risk that legal exposures are not identified and considered for financial reporting purposes on a timely basis. This includes the consideration on whether there is a need for the recognition of a provision or a contingent liability disclosure. The recognition and measurement of provisions and the disclosure of contingent liabilities requires considerable management judgement.

Refer to Note 2.6.3 (accounting policy on accounting for 'Other provisions'), Note 4.4 (financial disclosures note 'Other provisions'), Note 6.3 (financial disclosures note 'Legal risks') and Management report section 8.5.

- We received and assessed external confirmations from the Bank's external legal counsels as at the year-end and involved internal expert for the assessment;
- We inspected legal expense accounts of the Bank to detect whether there were significant ongoing or potential legal cases not included in the Bank's register of legal claims;
- We evaluated and tested the operating effectiveness of the review and approval internal control by Management of claim provisions being in line with the Signature Policy described in the Complaints Management Procedure of the Bank;
- We assessed customer complaints and claims received by the Bank and the analyses prepared by Management of these complaints / claims;
- Based on these procedures, we challenged the timing of the recognition of provisions where there is potential exposure. For a sample of provisions, we independently assessed the estimated value of the provision (if applicable);
- We inspected the incidents and claims report which is presented to the Executive Board for each quarter of the year,
- We assessed the completeness and accuracy of the disclosures detailing significant provisions for litigation and claims and disclosures for significant ongoing litigations.

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### Other information

The Executive Board is responsible for the other information. The other information comprises the information stated in the Management report but does not include the annual accounts and our audit report thereon.

Our opinion on the annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the annual accounts, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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#### **Responsibilities of the Executive Board for the annual accounts**

The Executive Board is responsible for the preparation and fair presentation of the annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts, and for such internal control as the Executive Board determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Executive Board is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Executive Board either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

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#### **Responsibilities of the “Réviseur d'entreprises agréé” for the audit of the annual accounts**

The objectives of our audit are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation No 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with the EU Regulation No 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Board;



- conclude on the appropriateness of the Executive Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Bank to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our audit report unless law or regulation precludes public disclosure about the matter.

### **Report on other legal and regulatory requirements**

The Management report is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

We have been appointed as "Réviseur d'Entreprises Agréé" by the Executive Board on 19 March 2024 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 4 years.

PricewaterhouseCoopers, Société coopérative  
Represented by

Luxembourg, 28 March 2025

Julie Batsch

# CLEARSTREAM BANKING S.A.

Balance sheet  
As at 31 December 2024  
(expressed in thousands of EUR)

ASSETS	Notes	31 December 2024	31 December 2023
Cash, cash balances at central banks and other demand deposits	3.1		
Cash in hand, balances with central banks and post office banks	3.1.1	5,409,134	6,768,342
Loans and advances to credit institutions repayable on demand	3.1.2	3,563,650	4,670,094
		8,972,784	11,438,436
Financial assets held for trading			
Derivatives	3.2.1	5,432	7,331
Financial assets at fair value through other comprehensive income			
Equity instruments			
Participating interests	3.3.1, 3.9	14,810	7,699
Financial assets at fair value through profit and loss			
Equity instruments			
Participating interests	3.3.1, 3.9	1,555	1,146
Financial assets at amortised cost			
Debt securities	3.9		
Treasury bills and other bills eligible for refinancing with central banks			
Other bills eligible for refinancing with central banks	3.3.2, 3.10	1,119,122	934,302
Debt securities and other fixed-income securities issued by public bodies	3.3.3	311,763	272,325
issued by other borrowers		217,590	204,420
		1,648,475	1,411,047
Loans and advances	3.4		
Loans and advances to credit institutions			
Other loans and advances		6,418,603	2,905,517
Loans and advances to customers		1,036,669	1,253,938
		7,455,272	4,159,455
Derivatives – hedge accounting	3.2.2	-	5,314
Investments in subsidiaries, joint ventures and associates	3.5, 3.9		
Shares in affiliated undertakings		6,498	6,498
Intangible assets	3.9	-	1
Tangible assets	3.9	11,673	14,242
Tax assets			
Deferred tax assets	3.11	31	9
Other assets	3.6	46,573	32,297
Prepayments and accrued income	3.7	1,445	1,343
<b>TOTAL ASSETS</b>		<b>18,164,548</b>	<b>17,084,818</b>

The accompanying notes are an integral part of these annual accounts.

# CLEARSTREAM BANKING S.A.

Balance sheet  
As at 31 December 2024  
(expressed in thousands of EUR)  
(continued)

	Notes	31 December 2024	31 December 2023
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Financial liabilities held for trading			
Derivatives	3.2.1	113	2,628
Financial liabilities measured at amortised cost			
Deposits from credit institutions	4.1.1		
Repayable on demand		12,675,099	12,600,205
With agreed maturity dates or periods of notice		-	-
Deposits from customers			
Other debts repayable on demand	4.1.2	2,550,512	1,827,058
Debt securities issued	4.1.3	683,705	549,205
Other financial liabilities	4.1.4	159,417	159,587
		16,068,733	15,136,055
Derivatives – hedge accounting	3.2.2	6,250	-
Other liabilities	4.2	11,942	8,223
Accruals and deferred income	4.3	66,023	64,535
Provisions			
Provisions for pension and similar obligations		38	2,907
Other provisions	4.4	45,040	32,046
		45,078	34,953
Tax liabilities			
Current liabilities	3.12	235,402	196,295
Deferred tax liabilities	3.11	1,520	3,510
		236,922	199,805
<b>Liabilities</b>		<b>16,435,061</b>	<b>15,446,199</b>
<b>EQUITY</b>			
Issued capital			
Paid up capital	4.5	92,000	92,000
Share premium account	4.5	229,935	229,935
Reserves			
Legal reserves	4.6.1	9,200	9,200
Other reserves	4.6.1	696,620	686,401
		705,820	695,601
Accumulated other comprehensive income			
Items that will not be reclassified to profit or loss			
Actuarial gains/losses on defined benefit pension plans	2.6.1	4,836	2,257
Fair value changes of equity instruments measured at fair value through other comprehensive income		4,771	4,317
Items that may be reclassified to profit or loss			
Cash flow hedges		(4,758)	3,989
		4,849	10,563
Profit or loss for the financial year		696,883	610,520
<b>Total equity</b>	4.7	<b>1,729,487</b>	<b>1,638,619</b>
<b>TOTAL LIABILITIES</b>		<b>18,164,548</b>	<b>17,084,818</b>

## CLEARSTREAM BANKING S.A.

Balance sheet  
As at 31 December 2024  
(expressed in thousands of EUR)  
(continued)

The accompanying notes are an integral part of these annual accounts.

### OFF-BALANCE SHEET ITEMS

		<b>31 December 2024</b>	<b>31 December 2023</b>
<b>Contingent liabilities</b>			
Guarantees and assets pledged as collateral security	6.2	495,505	521,741

The accompanying notes are an integral part of these annual accounts.

# CLEARSTREAM BANKING S.A.

## Income Statement for the year ended 31 December 2024 (expressed in thousands of EUR)

	Notes	2024	2023
Interest receivable and similar income	7.1, 7.2	839,320	726,143
<i>of which: arising from fixed-income securities</i>		29,845	24,184
Interest payable and similar charges	7.2	(170,135)	(170,957)
		669,185	555,186
Commission receivable	7.1, 7.3	1,076,781	968,161
Commission payable		(278,589)	(234,352)
		798,192	733,809
Net profit/(loss) on financial operations	7.4	3,098	49,745
Other operating income	7.1, 7.5	95,070	94,916
General administrative expenses:			
Staff costs	7.6	(81,587)	(81,025)
<i>of which:</i>			
<i>- wages and salaries</i>		(64,873)	(63,966)
<i>- social security costs</i>		(10,107)	(11,163)
<i>of which: relating to pensions</i>		(1,463)	(1,535)
<i>- other staff costs</i>		(6,607)	(5,895)
Other administrative expenses	7.8	(264,105)	(299,400)
		(345,692)	(380,425)
Value adjustments in respect of intangible and tangible assets	3.9	(4,825)	(5,521)
<i>of which:</i>			
<i>- tangible assets</i>		(4,825)	(5,521)
<i>- intangible assets</i>		-	-
Other operating charges	7.5	(286,827)	(232,393)
Profit or loss on ordinary activities before tax		928,201	815,318
Tax on profit or loss on ordinary activities and other taxes (tax expense related to profit or loss from ordinary activities)	7.10	(231,318)	(204,798)
<i>of which:</i>			
<i>- current tax on profit or loss on ordinary activities</i>		(231,340)	(203,964)
<i>- deferred tax</i>		22	(834)
Profit or loss for the financial year	4.7	696,883	610,520

The accompanying notes are an integral part of these annual accounts

# CLEARSTREAM BANKING S.A.

Notes to the annual accounts  
As at 31 December 2024

## 1 General

Cedel Bank, société anonyme (the ‘Company’) was incorporated in 1970 as a limited liability company in accordance with Luxembourg law. By virtue of a Grand-Ducal decree dated 19 July 1983, the Company was granted a licence as a *Professionnel du Secteur Financier*.

On 1 January 1995, the Company was granted a banking licence in Luxembourg, and changed its name to Cedel Bank, société anonyme. The activities of the Company did not change as a result of its banking status. On 13 November 1998, Cedel Bank, société anonyme, changed its name to Cedel bank, société anonyme and again on 18 January 2000 to Clearstream Banking S.A. (the ‘Bank’). The Bank provides clearing, settlement, depository and related services for internationally traded securities to professional financial institutions world-wide.

The Bank filed its application for its CSDR licence to the local regulators at the end of September 2017, allowing it to benefit from the grandfathering regime. The Bank provided its final filing at the end of August 2020. As at 12 October 2020, CSSF issued a declaration of completeness with regards to the Bank’s application pursuant to Article 17 CSDR (Core Services), Article 55 (Banking-Type Services) and the Interoperable Link, the Bridge. As at 12 April 2021, the Bank was granted all three licenses.

The registered office of the Bank is 42, Avenue J.F. Kennedy, L-1855 Luxembourg and the Bank is registered at the commercial register in Luxembourg under number B 9248.

As at 31 December 2024, the Bank had the following direct subsidiary:

- Clearstream London Limited (“CLL”), incorporated on 27 December 2018. Registered office: Westferry House, 2nd Floor, 11 Westferry Circus, Canary Wharf, London E14 4HE, United Kingdom. Clearstream London Limited is directly 100% owned by the Bank.

As at 31 December 2024, the Bank had the following branches:

- Clearstream Banking S.A., Singapore branch (created in 2009). Registered office: 9 Raffles Place #55-01 Republic Plaza Singapore 048619 Singapore.
- Clearstream Banking S.A., UK branch (opened on 4 January 2016) which took over the activities of its former representative office. Registered office: Westferry House, 2<sup>nd</sup> Floor, 11 Westferry Circus, Canary Wharf, London E14 4HE, United Kingdom.
- Clearstream Banking S.A., Japan branch (created in 2021). Registered office: 27F, Marunouchi Kitaguchi Building, 1-6-5, Marunouchi, Chiyoda-ku, Tokyo, Japan.

# CLEARSTREAM BANKING S.A.

Notes to the annual accounts  
As at 31 December 2024  
(continued)

As at 31 December 2024 and 31 December 2023, the Bank was directly fully-owned by Clearstream Holding AG.

Clearstream Holding AG is itself directly fully owned by Deutsche Börse AG, the ultimate parent of the Bank. The Bank is included in the consolidated financial statements of Deutsche Börse AG, forming at once the largest and the smallest body of undertakings of which the Bank forms a part as a direct subsidiary undertaking. Deutsche Börse's consolidated financial statements, prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union and interpretations issued by the International Accounting Standards Board, may be obtained from its registered office at Mergenthalerallee 61, D-65760 Eschborn, Germany or electronically at [www.deutsche-boerse.com](http://www.deutsche-boerse.com).

## 2 Summary of significant accounting policies, valuation rules and presentation of accounts

### 2.1 Basis of presentation

The Bank's accounting policies are in accordance with regulations in force in the Grand-Duchy of Luxembourg, and in particular the law of 17 June 1992, as amended and the CSSF circular 08/340, relating to the annual accounts and consolidated accounts of credit institutions. Management has prepared these accounts on a going-concern basis.

Since 2009, the Bank has opted for the mixed accounting regime of "Luxembourg GAAP with IAS options". The relevant IAS options are the following:

- Presentation of the balance sheet and of the income statement;
- Recognition, measurement and impairment of financial instruments as per IFRS 9;
- Recognition and measurement of leases as per IFRS 16;
- IAS 19 revised June 2011;
- Application of IFRS 2.43A – 43D to share-based payments.

In addition to the IAS/IFRS options above, as a result of the application of the recognition of financial instruments at fair value, the Bank has recognised deferred taxes.

The annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements under the historical cost convention (except for the application of relevant IAS options, as defined above, in line with the mixed regime).

Accounting policies and valuation rules are, besides the ones laid down by the law of 19 December 2002, determined and applied by the Management.

# CLEARSTREAM BANKING S.A.

Notes to the annual accounts  
As at 31 December 2024  
(continued)

The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires the Management to exercise their judgment in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions changed. Management believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

The Bank makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In accordance with article 83 of the law of 17 June 1992, as amended, the Bank does not prepare consolidated financial statements because the Bank has subsidiary undertaking which is not material for the purposes of article 85(3) of the law of 17 June 1992, as amended (consolidated accounts shall give a true and fair view of the assets, liabilities, financial position and profit or loss of the undertakings included therein taken as a whole), both individually and as a whole.

## 2.2 IFRS 16 “Leases”

Accounting principles applied by the Bank to leases are determined by IFRS 16 “Leases”.

### *Lessee*

As a lessee, the Bank uses office properties and company cars.

IFRS 16 introduces a single lessee accounting model. According to this approach, the lessee is obliged to recognise all leases: first, the lessee recognises the right-of-use asset, i.e., the lessee’s right to use the leased asset; second, the lessee recognises the lease liability, i.e., the lessee’s obligation to make lease payments.

Regarding leases with early termination or renewal options, the Bank exercises prudent commercial judgement to assess the applicable contract terms. Any and all significant facts and circumstances are taken into account in the assessment as to whether the exercising of early termination or renewal options is reasonably certain.

The Bank uses general practical expedients provided by IFRS 16 by not recognising right-of-use assets and lease liabilities for short-term leases (lease terms of less than twelve months) and low value assets.

Measurement of lease liabilities:

Lease liabilities are recognised at the present value of future lease payments. The incremental borrowing rate of Deutsche Börse Group at the beginning of the lease is used to calculate the present value. The difference between the incremental borrowing rate of Deutsche Börse Group and the incremental borrowing rate of the Bank is immaterial. Value-added tax included in lease payments is neither considered in the lease liability nor in the carrying amount of the right-of-use asset, regardless of whether the Bank is entitled to make tax withholding or not.

# CLEARSTREAM BANKING S.A.

Notes to the annual accounts  
As at 31 December 2024  
(continued)

In subsequent periods, interest payments made are recognised as increases of the lease liability, while lease payments are recognised as decreases. The Bank remeasures its lease liabilities if adjustments to future lease payments are made.

### ***Measurement of right-of-use assets:***

Right-of-use assets are measured at cost. Any accumulated depreciation/amortisation and impairment amounts are deducted from the cost of right-of-use assets as part of subsequent measurement.

### ***Lessor***

As a lessor, the Bank has entered into various sublease arrangements. The Bank subleases its office properties to affiliated undertakings and as they transfer substantially all the risks and rewards of ownership of the assets they are classified as finance leases.

## **2.3 Financial instruments**

Accounting principles applied by the Bank to financial instruments are determined by IFRS 9 “*Financial instruments*”.

### **2.3.1 Additions and disposals of financial instruments**

Financial assets and liabilities are recognised when the Bank becomes party to a financial instrument.

Regular way purchases and sales of financial assets are generally recognised and derecognised at the trade date. Purchases and sales of debt instruments classified as “at amortised cost”, margin calls and of equities eligible for clearing via the central counterparties (CCPs) of Deutsche Börse Group are recognised and derecognised at the settlement date.

Financial assets are derecognised when the contractual rights to the cash flows expire or when the Bank transfers these rights in a transaction that transfers substantially all risks and rewards of ownership of the financial assets.

Financial liabilities are derecognised when the contractual obligation has been extinguished because it has been discharged or cancelled or has expired.

### **2.3.2 Classification and measurement of financial instruments**

#### ***Financial assets: first-time measurement and classification***

Financial assets are first recognised at fair value. For financial assets not at fair value through profit or loss the recognised amount also includes transaction costs that can be allocated directly to the acquisition of this asset. Transaction costs of financial assets at fair value through profit or loss are expensed as incurred.

# CLEARSTREAM BANKING S.A.

Notes to the annual accounts  
As at 31 December 2024  
(continued)

The Bank classifies its financial assets according to the following measurement categories:

- (a) fair value (either at “fair value through other comprehensive income” (FVOCI) or “fair value through profit-or-loss”(FVPL)); and,
- (b) amortised cost (aAC).

The classification depends on the entity’s business model for managing the financial assets and contractual terms of the cash flows.

Debt instruments are allocated on the basis of the business model for managing the financial assets and the contractual cash flow characteristics. Debt instruments are only reclassified if the business model for managing them is changed. We do not make use of the option to designate debt instruments at fair value through profit or loss upon initial recognition (fair value option).

The classification of investments in equity instruments not held for trading depends on whether the option of designating the corresponding financial assets as at fair value through other comprehensive income (FVOCI option) is used on initial recognition. Each individual equity instrument can be allocated separately and may not be changed in subsequent periods.

## 2.3.3 Subsequent measurement of financial assets and financial liabilities

### *Financial assets: subsequent measurement of equity instruments*

Equity instruments are recognised at the settlement date.

Equity instruments are always subsequently measured at fair value.

Participating interests held for trading are subsequently measured as at fair value through profit or loss (FVPL).

As at 31 December 2024, the Bank has participating interests measured at FVPL. Please refer to Note 3.3 for more details.

For all other equity instruments, the Bank has exercised the irrevocable FVOCI option as of the reporting date. The Bank subsequently measures participating interests at Fair Value through Other Comprehensive Income (FVOCI). Where the Bank’s Management opted for presenting fair value gains and losses on participating interests in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the participating interests. An exception to this rule is the recognition of dividend revenue which is recognised in profit or loss.

Impairment losses (and reversal of impairment losses) on participating interests measured at FVOCI are not reported separately from other changes in fair value.

As at 31 December 2024 and as at 31 December 2023, the Bank has designated participating interests as at FVOCI. Please refer to Note 3.3 for more details.

# CLEARSTREAM BANKING S.A.

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Shares in affiliated undertakings are valued at acquisition cost. Value adjustments are recorded when, in the opinion of the Bank's management, there is a permanent impairment in value. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

## ***Financial assets: subsequent measurement of debt instruments***

Debt instruments are recognised at the settlement date.

Subsequent measurement of debt instruments depends on the Bank's business model for managing the asset and cash flow characteristics of the respective assets. There are three measurement categories to which the Bank may allocate its debt instruments:

- **Amortised cost:** Assets allocated to the "hold" business model and whose cash flows consist of solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is measured using the effective interest method. Gains and losses from derecognition, impairment and exchange rate movements are recognised through profit or loss. Interest income from these financial assets is included in interest receivable and similar income using the effective interest rate method. Foreign exchange gains and losses are shown in net profit/(loss) on financial operations.
- **Fair Value through Other Comprehensive Income (FVOCI):** assets allocated to the "hold and sell" business model and whose cash flows consist solely of payments of principal and interest are measured as at FVOCI. Impairments on these debt instruments are recognised as net income from financial investments through profit or loss. When a financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other operating income or other administrative expenses. Interest income from these financial assets would be included in interest receivable and similar income using the effective interest rate method. Foreign exchange gains and losses are presented in net profit/(loss) on financial operations. Impairment expenses are shown in other administrative expenses. The Bank did not follow the business model to hold and to sell in the reporting period. Accordingly, no debt instruments were classified at FVOCI.
- **Fair Value through Profit or Loss (FVPL):** assets that do not meet the criteria for a measurement at amortised cost or at FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL and not part of a hedging relationship is recognised in profit or loss in the period in which it arises.

As at 31 December 2024 and as at 31 December 2023, the Bank has designated its debt instruments as financial assets at amortised cost.

## ***Financial assets and liabilities: subsequent measurement of derivatives and hedges***

Derivatives are initially recognised at fair value at the time of the derivative contract. They are only used for hedging and not as a speculative investment. Where derivatives do not meet the hedge accounting criteria, they are classified as "held for trading" for accounting purposes and are remeasured at the end of each reporting period at fair value through profit or loss. Gains and losses are recognised in the result of treasury activities under "Net profit or loss on financial operations".

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The Bank uses foreign exchange derivatives as hedging instruments to hedge existing or expected transactions against foreign exchange risks. When a hedging transaction takes place the economic relationship between the hedging instrument and the hedged item is documented in accordance with the requirements of IFRS 9.

### ***Cash flow hedges that qualify for hedge accounting***

In the reporting year, we used cash flow hedge accounting to hedge the foreign exchange risk on highly likely transactions as well as on foreign currency receivable.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in the income statement under “Interest receivable and similar income” and “Interest payable and similar charges”.

If forward contracts are used to hedge planned transactions, the Bank designates the entire change in the fair value of the forward, including the forward component, as a hedging instrument. In this case the gains or losses from the effective portion of the change in fair value for the entire future transaction are recognised in the reserve for cash flow hedges as a part of OCI. Upon the maturity of the hedging instrument, the realized result is recognized under “Interest receivable and similar income.”

For the hedge of foreign exchange risk of recognized assets or liabilities, the Bank designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts (forward points) is recognised in other comprehensive income. The forward element at the date of designation (to the extent that it relates to the hedged item) is amortized on a systematic and rational basis over the period to which the forward element relates. The amortisation of the forward element is recognised under “Net profit/(loss) on

financial operations.”

Amounts accumulated in other comprehensive income are reclassified in the periods when the hedged item affects profit or loss, as follows:

- The amount accumulated in the cash flow hedge reserve is reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged future cash flows affect profit or loss. If that amount is a loss and the Bank expects that the entirety or a portion of that loss will not be recovered in one or more future periods, it immediately reclassifies the amount that is not expected to be recovered into profit or loss as a reclassification adjustment.
- The gain or loss relating to the effective portion of the interest rate-related instruments hedging fixed-rate borrowings is recognised in the income statement.

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When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, the Bank discontinues hedge accounting. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to the income statement.

Hedge ineffectiveness is recognised in the income statement and is part of “Net profit/(loss) on financial operations.”

### ***Hedges of a net investment in a foreign operation***

The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised in other comprehensive income. It is recognised in the income statement when the foreign operation is sold. The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in the income statement.

### ***Derivatives held for trading***

Gains or losses on derivative instruments that are not part of a highly effective hedging relationship are recognised immediately in the income statement.

Derivatives held for trading include foreign currency swaps. Those transactions correspond to economic hedges not fulfilling the conditions to be classified as highly effective hedges under IFRS 9. They are measured at fair value through profit or loss. Unrealised and realised gains and losses on such derivatives are recognised in the income statement under “Net profit/(loss) on financial operations.”

### ***Financial asset: subsequent measurement of financial assets measured at amortised cost***

The following financial assets are recognised at the settlement date and are carried at amortised cost, less any write-downs for impairment:

- a) Cash in hand, balances with central banks and post office banks;
- b) Loans and advances to credit institutions repayable on demand;
- c) Loans and advances to credit institutions;
- d) Loans and advances to customers.

### ***Cash and cash equivalents***

Cash and cash equivalents comprise cash in hand and demand deposits as well as financial assets that are readily convertible into cash. They are subject to only minor changes in value. Cash and cash equivalents are measured at amortised cost.

Restricted bank balances mainly include cash deposits by market participants that are invested largely overnight, mainly at central banks or in the form of reverse repurchase agreements with banks.

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## ***Financial liabilities: subsequent measurement of financial liabilities measured at amortised cost***

After initial recognition, all financial liabilities, except liabilities measured at fair value through profit or loss, are measured at amortised cost. The borrowing costs associated with the placement of financial liabilities are included in the carrying amount and accounted for using the effective interest method if they are directly attributable. Discounts are amortised over the term of the liabilities.

## ***Financial assets and financial liabilities: subsequent measurement of financial assets and financial liabilities measured at fair value through profit and loss***

Financial assets and financial liabilities at fair value through profit and loss are recognised at the trade date. This category includes currency swaps, forwards and interest rate swaps not classified as hedging instruments under IFRS 9. Fair value of these derivatives is calculated based on observable current market rates. Realised and unrealised gains and losses are immediately recognised in the income statement. The Bank waived the possibility to designate financial assets or liabilities at fair value through profit and loss (fair value option).

### **2.3.4 Impairment testing**

As a rule, any impairment for expected credit losses for debt instruments reported at amortised cost and at fair value through other comprehensive income or nostros that do not fall into scope of low credit risk exemption is determined using the three-stage impairment model in IFRS 9. The losses represent a forward-looking measurement of future losses that are generally subject to estimates.

- \* Stage 1: The impairment upon initial recognition is measured on the basis of the expected losses in the event of default within the next twelve months after the reporting date.
- \* Stage 2: If a financial asset's credit risk has increased significantly, the expected credit loss is determined over the entire term. A significant increase in credit risk is determined individually using internal ratings and is assumed if there is a downgrade of three notches within the internal rating system.
- \* Stage 3: Credit-impaired financial assets are allocated to Stage 3 and the impairment is based on the full lifetime expected credit losses. This is the case if there are observable data of significant financial difficulties and there is a high risk of default, even if the definition of a default has not yet been met.

If, at the balance sheet date, there is an absolutely low credit risk for debt instruments measured at amortized cost and at fair value through other comprehensive income or for balances on nostro accounts for which the simplified impairment model is not applied, these remain in Stage 1 even if the default risk increases.

The Bank has identified the following two triggers to identify an event of default, and which cause a transfer to stage 3 accordingly:

Legal default event: a contractual partner of the Bank is unable to fulfil its contractual obligation due to its insolvency.

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Contractual default event: a contractual partner of the Bank is unable or unwilling to fulfil its contractual obligations in a timely manner. The non-fulfilment of the contractual obligation could result in a financial loss for the Bank.

Within the Bank, the expected credit losses for trade receivables are measured based on the simplified approach, which requires lifetime expected losses to be recognised from initial recognition of a receivable. For trade receivables, a default is assumed for amounts which are overdue for more than 360 days.

## 2.4 Tangible and intangible assets

### 2.4.1 Intangible assets

Intangible fixed assets include licences acquired for valuable consideration. They are amortised over 3 years on a straight-line basis.

	<b>Estimated useful life</b>	<b>Method</b>
- purchased software	2-5 years	Straight-line
- other intangible assets	8 years	Straight-line

### 2.4.2 Impairment losses on intangible assets

Specific fixed assets are tested for impairment. At each reporting date, the Bank assesses whether there are any indications that an asset may be impaired. If this is the case, the carrying amount is compared with the recoverable amount (the higher of value in use and fair value less costs of disposal) to determine the amount of any potential impairment.

Value in use is estimated on the basis of the discounted estimated future cash flows from continuing use of the asset and from its ultimate disposal, before taxes. For this purpose, discount rates are estimated based on the prevailing pre-tax weighted average cost of capital. If no recoverable amount can be determined for an asset, the recoverable amount of the cash generating unit (CGU) to which the asset can be allocated is determined.

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## 2.4.3 Tangible assets

Tangible assets are recognized at acquisition or production cost, less accumulated depreciation. Tangible assets are depreciated over their estimated useful lives.

The rates and methods of depreciation are as follows:

	<b>Estimated useful life</b>	<b>Method</b>
Other fixtures and fittings, tools and equipment:		
- IT equipment	4 years	Straight-line
- building improvements	5 years	Straight-line
- office equipment	5 years	Straight-line
- telecommunications equipment	4 years	Straight-line
- furniture	10 years	Straight-line

Other fixtures and fittings, tools and equipment costing less than EUR 870 or whose expected useful lives do not exceed one year, are charged directly to the income statement for the year.

This caption also includes right of use assets in accordance with IFRS 16. Right of use assets are included at cost, less accumulated depreciation. Right of use assets are depreciated over their estimated useful lives. The estimated useful life of each right of use asset depends on the duration of each contract.

## 2.5 Other assets and other liabilities

The position “Other assets” includes mainly net investment in the lease, deposits, fees receivables and VAT receivables. Please refer to Note 3.6 for more details.

The position “Other liabilities” contains mainly liabilities for social security contributions, amounts due to employees, payables related to external services received, to contracted services and other payables not under the scope of IFRS 9. Please refer to Note 4.2 for more details.

## 2.6 Provisions

### 2.6.1 Pension obligations

Pension obligations are measured in accordance with IAS 19, “Employee Benefits”.

#### *Defined benefit plan*

Return on plan assets is assumed to be the discount rate used to measure the pension obligation. Actuarial gains and losses are recognised directly in Equity under “Accumulated other comprehensive income”. Past service cost resulting from retrospective plan amendments is expensed immediately and in full.

Provisions for pension obligations are measured, using the projected unit credit method on the basis of actuarial reports. The fair value of plan assets, taking into account the asset ceiling rules if there are any surplus plan assets, is deducted from the present value of pension obligations.

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This results in the net defined benefit liability or asset. Net interest for the financial year is calculated by applying the discount rate determined at the beginning of the financial year to the net defined benefit liability determined as at that date.

The relevant discount rate is determined by reference to the return on long-term corporate bonds with a rating of at least AA (Moody's Investors Service, Standard & Poor's, Fitch Ratings and Dominion Bond Rating Service) on the basis of the information provided by Bloomberg, and a maturity that corresponds approximately to the maturity of the pension obligations. Moreover, the bonds must be denominated in the same currency as the underlying pension obligation.

Actuarial gains or losses resulting from changes in expectations with regard to life expectancy, pension trends, salary trends, or the discount rate as compared with the estimate at the beginning of the period or compared with the actual development during the period are recognised in Equity under "Accumulated other comprehensive income". Actuarial gains and losses recognised in Equity under "Accumulated other comprehensive income" may not be reclassified to profit or loss in subsequent periods. Similarly, differences between the (interest) income on plan assets determined at the beginning of the period and the return on plan assets actually recorded at the end of the period are also recognised directly in Equity under "Accumulated other comprehensive income".

The defined benefit pension plan in favour of Luxembourg employees of the Bank employed prior to 2019 is funded by means of cash contributions to an "association d'épargne pension" (ASSEP), common to the Bank, and the Luxembourg entities Clearstream International S.A., Clearstream Services S.A., Clearstream Fund Centre S.A., and Deutsche Börse AG Luxembourg Branch organised in accordance with Luxembourg law. The benefits consist of a one-off capital payment, which is generally paid on reaching the age of 65. Once a year, the employee receives an annual pension benefit statement. The benefit plan does not cover disability or death in service. Contributions to the "association d'épargne pension" are funded in full by the participating companies. The contributions are determined annually on the basis of actuarial reports, which takes into account various parameters, such as demographic assumptions, early retirement, wage increases, a discounting rate and the inflation rate, and the amount of the obligation is calculated in accordance with Luxembourg law.

The ASSEP invests its net contributions and reinvests cash from its maturing investments in securities and ETFs. It also leaves cash available on its cash account to cover fees, foreseeable cash outflows and have a cash buffer in case of unforeseen outflow events.

All investments are concluded in line with the criteria set in the ASSEP Investment Policy (approved by the CLPF Board of Directors and CSSF) and are controlled by the Treasury and Liquidity Controls unit (independent function). The ASSEP Investment Policy allows the purchase of highly liquid securities only and the purchase of pre-approved ETFs mentioned in the policy. The Treasury and Liquidity Controls unit ensures that the maximum investment per category type (securities, ETFs and cash) set in the ASSEP Investment Policy is respected at all times in line with the policy requirements.

As of 31 December 2024, there are 244 beneficiaries in the defined benefit pension plan in favour of Luxembourg employees of the Bank.

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## ***Defined contribution plan***

Effective from 1 January 2019, employees joining the Bank are under new defined contribution plan in accordance with the Luxembourg law of 8 June 1999 and of 1 August 2018 on complementary pension plans. The contributions are paid to the statutory pension insurance scheme. The level of contributions by the employer is normally determined in relation to the benefit described in the plan regulation and income. The rights are vested on the 3rd year of employment and the benefits, if any, consist of a one-off capital payment, which is generally paid on reaching the age of 65. The benefit plan does not cover disability or death in service. Once a year, the employee receives an annual pension benefit statement.

As a rule, no provisions are recognised for defined contribution plans. The contributions paid are reported as pension expenses in the year of payment.

As of 31 December 2024, there are 177 beneficiaries in the defined contribution pension plan in favour of Luxembourg employees of the Bank.

## **2.6.2 Employees share options plans**

Depending on their individual situation, employees of the Bank are eligible to participate in a share options plan.

Accounting for the employees share option plans is in line with IFRS 2 “Share-based payment”.

## **2.6.3 Other provisions**

In accordance with the law of 17 June 1992, the other provisions take account of all identifiable risks as well as uncertain obligations, if such obligation can be reasonably estimated, and are measured in the amount of the probable obligation.

A provision for restructuring is only recognised when an entity has a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it. In the creation of personnel-related restructuring provisions, certain assumptions are made to fluctuation rate, discount rate and salary trends, to name a few. Should the actual values deviate from these assumptions, adjustments may be necessary.

Separate provisions are also made for litigation and for potential losses in connection with operational activities and refurbishment and rent in connection with building improvements.

## **2.7 Deferred taxes**

Deferred tax assets and liabilities are computed using the balance sheet approach in accordance with IAS 12. The deferred tax calculation is based on temporary differences between the carrying amounts in the tax accounts and the carrying amounts in the annual accounts with “IAS-option” that lead to a future tax liability or benefit when assets are used or sold or liabilities are settled.

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Deferred tax assets or liabilities are measured using the tax rates that are currently expected to apply when the temporary differences reverse, based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax assets are recognized for the carry forward of unused tax losses only to the extent that it is probable that future taxable profit will be available. Deferred tax assets and deferred tax liabilities are offset where a legally enforceable right to set off current tax assets against current tax liabilities exists and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

The amendment to IAS 12 effective for annual periods beginning after 1 January 2023 deals with more specific guidance on accounting for deferred taxes in connection with leases and decommissioning obligations. The amendment clarifies that the exemption from recognising deferred taxes on the initial recognition of an asset or liability outside a business combination does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition. This amendment generally matches our approach. These amendments have no material impact on the company's financial performance or financial position.

## 2.8 Foreign currency translation

The share capital of the Bank is expressed in euro ('EUR') and the accounting records are maintained in that currency.

Assets (except for shares in affiliated undertakings) and liabilities expressed in a foreign currency are converted into EUR at the rate of exchange ruling at the balance sheet date. Income and charges in foreign currencies are converted into EUR at the rate of exchange ruling on the date of the transaction, except for those income and charge items which have been hedged against foreign exchange risk by entering into forward foreign exchange transactions. Foreign currency gains and losses arising from these valuation principles are taken to income statement.

Shares in affiliated undertakings expressed in currencies other than EUR are translated into EUR at the exchange rate effective at the time of the transaction. At the balance sheet date, shares in affiliated undertakings expressed in currencies other than EUR remain translated at historical exchange rates. If it is expected that the reduction in the value of the currency in which shares in affiliated undertakings are denominated will be permanent, value adjustments will be made so that they are valued at the lower figure to be attributed to them at the balance sheet date.

## 2.9 Income and expense recognition

Interest income and expense are recognised in profit or loss using the effective interest method over the respective financial instrument's term to maturity. Interest income is recognised when it is probable that the economic benefits associated with the transaction will flow to the entity and the income can be measured reliably. Interest expense is recognised in the period in which it is incurred.

Dividend income is recognised in profit or loss on the date that the dividend is declared.

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Commission receivable for the Bank consists mainly of custody fees, settlement fees, global securities financing fees (i.e., securities lending/borrowing fees and collateral management fees), connectivity/reporting fees, account maintenance fees and corporate event fees invoiced to customers. The custody fee is determined mainly by the value of securities held in custody, the settlement fee by the number of transactions conducted, the income from the global securities financing business by the value of securities lent or collateralized, the connectivity/reporting fee by the number of queries from and reports to customers, the account maintenance fee by the number of new and existing customer accounts, and the corporate event fee by the number of customer instructions and event executions.

Commissions and other income and expense items are recognised in profit or loss when the corresponding service is provided.

## 2.10 Related party transactions

Related party transactions are concluded at arm's length conditions. The respective intercompany balances and income/expenses are further detailed in the respective note.

## 2.11 ASLPlus

The ASLplus Programme combines the opportunity of the lender of securities to enhance the revenues with the demand of the borrower for securities. Clearstream Banking S.A. role in this set-up is considered as an intermediary between the lender and the borrower upon the borrower's securities request. The Bank does not initiate any lender transactions before the collateral has been settled. The program is based on a back-to-back contractual mechanism supported by the representative model of a commissionaire resulting in the Bank having an agent role and as such is not exposed to risk nor rewards of the securities.

Following the guidelines of IFRS 9 "Financial instruments" the Bank does not need to account for the ASLplus related transactions on its balance sheet. In addition, since there is no commitment from the Bank at any moment of the contractual relationship to purchase or borrow securities, it does not fall into the scope of off-balance sheet item as per the Law of 17 June 1992 definition either.

The risk born by the Bank is limited to the cases of misconduct, gross negligence in the internal execution of the obligations as system, or as agent: wrong execution of the mandate, contractual liability. These risks do not qualify as credit or liquidity risk per se and the risks arising from a borrower's default are born by the lender. This means that the ASLplus transaction does not require the Bank at any time to engage its own financial resources.

As at 31 December 2024, the market value of the securities borrowed under the ASLplus programme was EUR 65,461.9 million (2023: EUR 58,050.7 million).

As at 31 December 2024, the market value of the securities lent under the ASLplus programme was EUR 65,461.9 million (2023: EUR 58,050.7 million).

The net fee income generated by ASLplus was EUR 27,010 thousand in 2024 (2023: EUR 33,404 thousand).

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## 3 Detailed disclosure relating to asset headings

### 3.1 Cash, cash balances at central banks and other demand deposits

#### 3.1.1 Cash in hand, balances with central banks and post office banks

During the year ended 31 December 2024, the Bank was required to place, on average, a minimum of EUR 117,438 thousand (2023: EUR 124,207 thousand) with the Luxembourg Central Bank. The amount outstanding with the Luxembourg Central Bank as of 31 December 2024 was EUR 4,680,392 thousand (2023: EUR 6,067,566 thousand). The remaining amount of EUR 728,742 thousand (2023: EUR 700,776 thousand\*) is outstanding with other banks.

\*Restated compared to annual accounts 2023

#### 3.1.2 Loans and advances to credit institutions repayable on demand

As of 31 December 2024, loans and advances to credit institutions amounting to EUR 3,563,650 thousand (2023: EUR 4,670,094 thousand\*) were repayable on demand. The movement relates mainly to the decrease in the balances of reverse repo agreements as described below.

The amount of reverse repurchase agreements included in the caption amounted to EUR 2,564,034 thousand as of 31 December 2024 (2023: EUR 3,834,952 thousand). Amounts due from affiliated undertakings repayable on demand amounted to EUR 513,910 thousand as of 31 December 2024 (2023: EUR 195,604 thousand).

\*Restated compared to annual accounts 2023

### 3.2 Derivatives held for trading and hedge accounting derivatives

#### 3.2.1 Derivatives held for trading

Financial assets and liabilities held for trading include foreign currency swaps and forwards.

The fair value of foreign currency swaps and forwards can be analysed as follows:

<b>Derivatives held for trading (amounts in thousands of EUR)</b>	<b>2024</b>	<b>2023</b>
Assets	5,432	7,331
Liabilities	(113)	(2,628)
<b>Net position held for trading</b>	<b>5,319</b>	<b>4,703</b>

The total notional value of the foreign currency swaps amounted to EUR 2,090.2 million (2023: EUR 1,757.4 million). The remaining maturity can be analysed as follows:

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<b>(amounts in millions of EUR)</b>	<b>2024</b>	<b>2023</b>
At sight	2,090.2	1,052.4
Not more than one month	-	515.0
More than one month but no more than three months	-	190.0
More than three months but no more than one year	-	-
	<b>2,090.2</b>	<b>1,757.4</b>

## 3.2.2 Hedge accounting derivatives

In 2024 and 2023 the Bank designated forward instruments, as hedging instruments.

Clearstream Banking S.A. had designated cash flow hedges of highly probable forecast transactions to reduce the impact of fluctuations in the EUR/USD exchange rate on its USD-based net interest income for the 2024 financial year. The last instrument designated into this cashflow hedge matures in December 2025. The USD-related net interest income is derived from USD placements from customer cash balances less the corresponding compensation for customers. The hedge was concluded to be highly effective based on prospective hedge effectiveness assessment. At the end of each month, the change in fair value of the forward foreign-exchange contracts attributable to the effective part of the hedge is deferred in “Other Comprehensive Income”, and the gain or loss realised on the maturing foreign-exchange is recognized as “Interest receivable and similar income”.

As of 31 December 2024, the fair value of the hedging instruments designated into the hedge of the forecast transaction amounted to a liability of EUR 6,250 thousand (2023: asset of EUR 5,314 thousand).

The fair value of hedged derivatives can be analysed as follows:

<b>Derivatives – hedge accounting (amounts in thousands of EUR)</b>	<b>2024</b>	<b>2023</b>
Assets	-	5,314
Liabilities	(6,250)	-
<b>Net position held for hedging</b>	<b>(6,250)</b>	<b>5,314</b>

The total notional value of forwards amounted to EUR 144.9 million (2023: EUR 143.8 million). The remaining maturity can be analysed as follows:

<b>(amounts in millions of EUR)</b>	<b>2024</b>	<b>2023</b>
At sight	-	-
Not more than one month	12.0	12.0
More than one month but no more than three months	24.0	24.0
More than three months but no more than one year	108.9	107.8
	<b>144.9</b>	<b>143.8</b>

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## 3.3 Financial assets

### 3.3.1 Equity instruments

The shares measured as FVPL have a fair value of EUR 1,555 thousand as of 31 December 2024 (2023: EUR 1,146 thousand).

Please refer to the Note 3.9 for more details regarding the nature of this equity instruments.

The shares measured as FVOCI have a fair value of EUR 14,810 thousand as of 31 December 2024 (2023: EUR 7,699 thousand) and represent an investment into S.W.I.F.T. SC.

### 3.3.2 Treasury bills and other bills eligible for refinancing with central banks

As of 31 December 2024, the total amounts to EUR 1,119,122 thousand (2023: EUR 934,302 thousand), out of which the nominal value of treasury bills and other debt securities are EUR 1,114,162 thousand and the amount eligible for refinancing with central banks with a remaining maturity of less than one year amounted to EUR 385,927 thousand (2023: EUR 191,960 thousand).

The amount of treasury bills and other debt securities eligible for refinancing with central banks with a remaining maturity of less than one year included in the caption “Treasury bills and other bills eligible for refinancing with central banks” is equal to EUR 386,427 thousand (2023: EUR 193,495 thousand), thereof EUR 500 thousand (2023: EUR 1,535 thousand) corresponds to premium/discount, accrued interests and expected credit loss allowance.

As of 31 December 2024, treasury bills and other bills eligible for refinancing with central banks included only listed securities.

### 3.3.3 Debt securities and other fixed-income securities

As of 31 December 2024, debt securities and other fixed-income securities amounting to EUR 529,353 thousand were not eligible for refinancing with central banks (2023: EUR 476,745 thousand).

As of 31 December 2024, debt securities and other fixed-income securities only included listed securities.

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### 3.4 Loans and advances

Remaining maturity of other loans and advances to credit institutions can be analysed as follows:

<b>(amounts in thousands of EUR)</b>	<b>2024</b>	<b>2023</b>
Not repayable on demand but not more than one month	6,418,603	2,549,137
More than one month but not more than three months	-	355,942
More than three months but not more than one year	-	438
	<u><b>6,418,603</b></u>	<u><b>2,905,517</b></u>

EUR 154,053 thousand were due from affiliated undertakings as of 31 December 2024 (2023: EUR 123,526 thousand).

The amount of reverse repurchase agreements included in the caption amounted to EUR 6,195,444 thousand as of 31 December 2024 (2023: EUR 2,716,145 thousand).

Remaining maturity of loans and advances to customers can be analysed as follows:

<b>(amounts in thousands of EUR)</b>	<b>2024</b>	<b>2023</b>
Repayable on demand	443,373	1,211,690
Not repayable on demand but not more than one month	593,296	42,234
More than one month but not more than three months	-	-
More than three months but not more than one year	-	14
	<u><b>1,036,669</b></u>	<u><b>1,253,938</b></u>

Amounts due from affiliated undertakings amounted to EUR 24,588 thousand as at 31 December 2024 (2023: EUR 29,158 thousand).

The amount of reverse repurchase agreements included in the caption amounted to EUR 966,122 thousand as of 31 December 2024 (2023: EUR 1,190,127 thousand).

### 3.5 Investments in subsidiaries, joint ventures and associates

Investments in subsidiaries correspond to the investment of EUR 6,498 thousand the Bank holds in its fully owned subsidiary Clearstream London Limited (CLL) (2023: EUR 6,498 thousand).

The above-mentioned equity instrument is not listed on a quoted market. See Note 3.9.

## CLEARSTREAM BANKING S.A.

Notes to the annual accounts  
As at 31 December 2024  
(continued)

### 3.6 Other assets

This caption consists of the following:

(amounts in thousands of EUR)	2024	2023
VAT receivable	39,858	26,310
Net investment in the lease <sup>(i)</sup>	3,514	3,498
Other assets	1,080	1,008
Deposits	1,012	986
Pension fund investments	693	170
Fees receivable	416	325
	<b>46,573</b>	<b>32,297</b>

(i) The recognised carrying amount of net investment in the lease is as follows:

<b>Sublease in the balance sheet</b>	
<u>Net investment in the lease</u>	(amounts in thousands of EUR)
	Land and buildings
<b>Gross book value</b>	
As at 1 January 2024	<b>3,498</b>
Additions	273
Foreign exchange evolution	1,029
Disposals	(119)
Interest income	78
Repayment	(1,245)
<b>Gross book value as at 31 December 2024</b>	<b>3,514</b>

### 3.7 Prepayments and accrued income

This caption consists of the following:

(amounts in thousands of EUR)	2024	2023
Prepayments and accrued income	1,445	1,343
	<b>1,445</b>	<b>1,343</b>

This caption consists mainly of prepayments for commitment and membership fees.

# CLEARSTREAM BANKING S.A.

Notes to the annual accounts

As at 31 December 2024

(continued)

## **3.8 Assets denominated in foreign currencies**

Assets denominated in currencies other than EUR have a total value equivalent to EUR 12,373,657 thousand as at 31 December 2024 (2023: EUR 10,017,569 thousand).

## **3.9 Fixed assets**

### **3.9.1 Fixed assets movements**

See table overleaf for fixed assets movements for further details.

## CLEARSTREAM BANKING S.A.

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As at 31 December 2024  
(continued)

(amounts in thousands of EUR)

FIXED ASSETS	Net book value at start of financial year	Additions	Disposals (1)	Transfers and exchange differences (2)	Revaluation, amortization of premium / discounts and accrued interest (3)	Total value at end of financial year	Value adjustments at the end of the financial year		Net book value at the balance sheet date
							Adjustments for the financial year (4)	Write-backs for the financial year	
Equity instruments valued at FVOCI	7,699	6,596	-	-	515	14,810	-	-	14,810
Equity instruments valued at FVPL (5)	1,146	-	-	-	409	1,555	-	-	1,555
Shares in affiliated undertakings	6,498	-	-	-	-	6,498	-	-	6,498
Debt securities	1,411,047	413,222	(246,992)	20,591	50,718	1,648,586	(111)	-	1,648,475
Intangible assets of which:	1	-	-	-	(1)	-	-	-	-
Goodwill	-	-	-	-	-	-	-	-	-
Similar rights and assets	1	-	-	-	(1)	-	-	-	-
Tangible assets of which:	14,242	2,394	(6)	(132)	-	16,498	(4,825)	-	11,673
Right of use assets (6)	13,515	1,257	-	(132)	-	14,640	(4,502)	-	10,138
Other fixtures and fittings, tools and equipment	727	1,137	(6)	-	-	1,858	(323)	-	1,535

# CLEARSTREAM BANKING S.A.

Notes to the annual accounts  
As at 31 December 2024  
(continued)

## 3.9.1 Fixed assets movements (continued)

### (1) Disposals

In the case of debt securities, disposals correspond to the final redemption of securities.

### (2) Transfers and exchange differences

Exchange differences correspond to the revaluation at the closing rate of debt securities as well as furniture, fixtures, and fittings held by representative offices and branches abroad.

### (3) Revaluation, amortization of premium/discounts and accrued interest

Amortised discount on treasury bills and other bills eligible for refinancing with central banks and on debt securities and other fixed income securities amounted to EUR 21,287 thousand as at 31 December 2024 (2023: EUR 11,495 thousand). Amortised premium on those securities amounted to EUR 8,308 thousand as at 31 December 2024 (2023: EUR 8,179 thousand).

### (4) Adjustments for the financial year

In the case of debt securities, disposals correspond to evolution of the expected credit loss (ECL). Please refer to Note 8.3 for more details regarding ECL.

In case of intangible and tangible assets adjustments for the financial year corresponds to amortization and depreciation charge.

### (5) Equity instruments valued at FVPL

The Bank credits whole shares resulting from corporate actions to customer account. Any remaining fractional units are rounded down to the next whole number of shares and the cash equivalent is credited to customer's account. As a result, the shares are registered in the name of the Bank.

The fair value of these instruments is EUR 1,555 thousand as at 31 December 2024.

# CLEARSTREAM BANKING S.A.

Notes to the annual accounts  
As at 31 December 2024  
(continued)

## (6) Right of use assets

The recognised carrying amounts of right-of-use assets refer to the following asset categories:

Leasing in the balance sheet	(amounts in thousands of EUR)		
Non-current right-of-use assets	Right of use land and buildings	Right of use car pool	Total
<b>Gross book value</b>			
As at 1 January 2024	24,910	3,155	28,065
Additions	962	295	1,257
As at 31 December 2024	25,872	3,450	29,322
<b>Accumulated depreciation</b>			
As at 1 January 2024	(12,160)	(2,390)	(14,550)
Charge	(4,065)	(437)	(4,502)
Transfer and exchange difference	(132)	-	(132)
As at 31 December 2024	(16,357)	(2,827)	(19,184)
<b>Net book value as at 31 December 2024</b>	<b>9,515</b>	<b>623</b>	<b>10,138</b>

## 3.10 Own securities deposited at the Luxembourg Central Bank

As at 31 December 2024, the Bank had no securities deposited as part of its investment portfolio at Luxembourg Central Bank (2023: EUR NIL).

## 3.11 Deferred tax

Provisions for deferred tax assets and liabilities are made up as follows:

(Amounts in thousands of EUR)	2024		Deferred tax liabilities
	Taxable temporary differences	Deferred tax assets	
Clearstream Banking S.A. (1)	6,369	-	1,520
Clearstream Banking S.A., Singapore branch	185	31	-
	<b>6,554</b>	<b>31</b>	<b>1,520</b>

(1) The temporary taxable difference is caused by OCI reserve for pensions, cash flow hedges and equity instruments measured at FVOCI.

As at 31 December 2024, the applicable tax rates for deferred tax calculation are 23.87% in Luxembourg and 17% in Singapore.

## CLEARSTREAM BANKING S.A.

Notes to the annual accounts  
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(continued)

(Amounts in thousands of EUR)	Taxable temporary differences	2023 Deferred tax assets	Deferred tax liabilities
Clearstream Banking S.A.	14,072	-	3,510
Clearstream Banking S.A., Singapore branch	53	9	-
	<b>14,125</b>	<b>9</b>	<b>3,510</b>

As at 31 December 2023, the applicable tax rates for deferred tax calculation were 24.94% in Luxembourg and 17% in Singapore.

### 3.12 Current tax assets and liabilities

Provision for taxation is made up as follows:

(amounts in thousands of EUR)	2024				
	Luxembourg	Singapore	UK	Japan	Total
As at 1 January 2024	195,675	373	305	(58)	196,295
Tax expense	230,933	375	(88)	121	231,341
Tax paid	(191,683)	(327)	(199)	(25)	(192,234)
<b>As at 31 December 2024</b>	<b>234,925</b>	<b>421</b>	<b>18</b>	<b>38</b>	<b>235,402</b>

(amounts in thousands of EUR)	2023				
	Luxembourg	Singapore	UK	Japan	Total
As at 1 January 2023	87,417	318	118	42	87,895
Tax expense	203,115	495	360	(6)	203,964
Tax paid	(94,857)	(440)	(173)	(94)	(95,564)
<b>As at 31 December 2023</b>	<b>195,675</b>	<b>373</b>	<b>305</b>	<b>(58)</b>	<b>196,295</b>

### 3.13 Pillar II

In October 2021, more than 135 countries agreed to introduce a global minimum tax rate for multinational groups with consolidated annual sales of at least EUR 750 million as part of the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting (BEPS).

For the affected multinational enterprises (MNE), the GloBE rules / Pillar II Model aim to ensure an effective minimum taxation of 15 per cent of the profits of all entities and permanent establishments of Deutsche Börse Group, in every jurisdiction they operate in, and potentially pay additional taxes according to the Income Inclusion Rule, the Undertaxed Profits Rule or the Qualified Domestic Minimum Top-up Tax.

# CLEARSTREAM BANKING S.A.

Notes to the annual accounts  
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(continued)

The rules must be implemented into national law. Following the OECD's publication of the Pillar II Model regulations, several countries have already passed the legislation or announced the decision.

By way of the Law of 22 December 2023 (the "Pillar 2 Law"), Luxembourg transposed the EU Council Directive 2022/2523 of 14 December 2022 into local law, which enters into force for fiscal years starting on or after 31 December 2023. In addition, Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which Deutsche Börse Group operates.

Based on the assessments performed, the profits of Clearstream Banking S.A, its subsidiary and permanent establishments as applicable are subject to a nominal tax rate which is above the minimum tax rate of 15 per cent and management is currently not aware of any circumstances under which this might change. The Bank concluded that it should not be subject to top-up tax for the current year as it should benefit from the safe harbour rules. In addition, Clearstream Banking S.A, its subsidiaries, and permanent establishments as applicable, do not have unused tax losses carried forward nor investment tax credits carried forward which could influence deferred tax asset.

As expected, the introduction of the Global Minimum Taxation had no tax effects in the fiscal year, neither at the level of the Clearstream Banking S.A., its subsidiaries nor at the level of the permanent establishments as applicable.

The amendments to IAS 12 provide for a temporary exemption from the obligation to recognize deferred taxes in connection with the introduction of the global minimum tax rate.

## 4 Detailed disclosure relating to liability headings

### 4.1 Financial liabilities measured at amortised cost

#### 4.1.1 Deposits from credit institutions

Deposits from credit institutions can be analysed as follows:

(amounts in thousands of EUR)	2024	2023
Repayable on demand		
Repayable on demand	12,675,099	12,600,205
With agreed maturity dates or periods of notice		-
Remaining maturity of 24 hours or one working day	-	-
	<u>12,675,099</u>	<u>12,600,205*</u>

Deposits from central banks outstanding as at 31 December 2024 amounting to EUR 365,325 thousand (2023: EUR 614,704 thousand) were all repayable on demand.

Amounts owed to affiliated undertakings have a total value of EUR 336,655 thousand (2023: EUR 302,635 thousand).

\*Restated compared to annual accounts 2023

# CLEARSTREAM BANKING S.A.

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(continued)

## 4.1.2 Deposits from customers

Deposits from customers as at 31 December 2024 amounting to EUR 2,550,512 thousand (2023: EUR 1,827,058 thousand) are repayable on demand.

Amounts owed to affiliated undertakings have a total value of EUR 20 thousand (2023: EUR 87 thousand).

## 4.1.3 Debt securities issued

The nominal amount of issued debt evidenced by certificates as at 31 December 2024 of EUR denominated issue was EUR 683,705 thousand (2023: EUR 549,205 thousand).

Remaining maturity of debt evidenced by certificates was as follows:

<b>(amounts in thousands of EUR)</b>	<b>2024</b>	<b>2023</b>
Not repayable on demand but not more than three months	683,705	549,205
More than three months but not more than one year	-	-
	<b>683,705</b>	<b>549,205</b>

## 4.1.4 Other financial liabilities

This caption consists of the following:

<b>(amounts in thousands of EUR)</b>	<b>2024</b>	<b>2023</b>
Amounts due to affiliated undertakings	145,387	141,671
Lease liabilities	13,997	17,914
Other financial liabilities	33	2
	<b>159,417</b>	<b>159,587</b>

## 4.2 Other liabilities

This caption consists of the following:

<b>(amounts in thousands of EUR)</b>	<b>2024</b>	<b>2023</b>
Amounts due to employees	2,893	2,091
Amounts due to suppliers	2,335	1,761
Liabilities for social security contributions	1,677	1,282
Other liabilities	5,037	3,089
	<b>11,942</b>	<b>8,223</b>

# CLEARSTREAM BANKING S.A.

Notes to the annual accounts  
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## 4.3 Accruals and deferred income

This caption consists of the following:

<b>(amounts in thousands of EUR)</b>	<b>2024</b>	<b>2023</b>
Accrued employee costs	13,981	13,035
Accrued fee costs	34,143	32,795
Deferred income	17,899	18,705
	<u><b>66,023</b></u>	<u><b>64,535</b></u>

The movement under caption 'Deferred income' relates to the decrease in prepayments by customers and accrued employee costs.

## 4.4 Other provisions

This caption consists of the following:

<b>(amounts in thousands of EUR)</b>	<b>2024</b>	<b>2023</b>
Provisions for potential losses on operational activities	1,646	3,413
Provisions for restructuring <sup>1</sup>	1,043	1,351
Provisions for employee share plans	8,008	6,370
Provisions for refurbishment and rent	896	872
Other provisions	33,447	20,040
	<u><b>45,040</b></u>	<u><b>32,046</b></u>

No provision for litigation was recognized as at 31 December 2024 (2023: EUR NIL). The Bank presents further details of litigations in its management report.

Other provisions relate to potential use of funds claims in relation to cash blocked under sanctions programme and performance-related variable remuneration.

## 4.5 Issued capital and share premium account

As at 31 December 2024 the share capital of the Bank consisted of 920,002 ordinary shares (2023: 920,002) with a nominal value of EUR 100 per share, all fully paid. The share premium of the Bank amounted to EUR 229,935 thousand as at 31 December 2024 (2023: EUR 229,935 thousand).

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<sup>1</sup> This caption is comprised of various provisions related to the former "Structural Performance Improvement Programme" (SPIP), potential early retirement plans and Ops 2025 Programme. The decrease can be mainly explained by usage and release of SPIP provisions and Ops25 provisions.

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In addition to the amount of the issued share capital, the Bank has an authorised share capital of EUR 25,000 thousand divided into 250,000 ordinary shares with a nominal value of EUR 100 per share. Such authorisation is valid for a period of five years starting from 15 September 2021, the date of publication of the notarial deed amending the articles of incorporation of the Bank enacted on 15 September 2021.

## 4.6 Reserves

### 4.6.1 Legal and other reserves

The Bank is required by Luxembourg law to appropriate annually to a legal reserve 5% of its statutory net profits until the aggregate reserve equals 10% of the subscribed share capital. Such reserve amounting to EUR 9,200 thousand as at 31 December 2024 (2023: EUR 9,200 thousand) is not available for distribution.

In accordance with paragraph 8a of the net wealth tax law, the Bank has opted for the constitution of a special net wealth tax reserve in order to reduce its net wealth tax charge incurred during the financial year 2024, amounting to EUR 3,048 thousand (2023: EUR 2,962 thousand). Such a reduction is subject to allocating an amount equal to five times the net wealth tax, amounting to EUR 15,500 thousand (2023: EUR 15,000 thousand), to a special net wealth tax reserve which may not be distributed during a minimum period of five years, this is reflected under Other Reserves. The total of this reserve was EUR 76,500 thousand at 31 December 2024 (2023: EUR 75,500 thousand).

### 4.6.2 Accumulated other comprehensive income

In accordance with IFRS 9, fair value adjustments on financial instruments are recognised in the income statement or directly in Equity under “Accumulated other comprehensive income”. The actuarial gains or losses and the difference between the expected and the actual return or loss in plan assets are recognised in Equity under “Accumulated other comprehensive income” (other items) in accordance with IAS 19.

The following table shows the movements in Equity under “Accumulated other comprehensive income” during the financial year:

amounts in thousands of EUR	Equity instruments	Cash Flow hedges	Other items (IAS 19)
Amount as at 1 January 2024	4,317	3,989	2,257
Fair value measurement	516	-	3,345
Cost of hedging reserve	-	-	-
Revaluation reserve	-	(11,564)	-
Deferred taxes	(62)	2,817	(766)
<b>Amount as at 31 December 2024</b>	<b>4,771</b>	<b>(4,758)</b>	<b>4,836</b>

In accordance with article 3 (2) of CSSF Regulation N° 14-02, the “Accumulated other comprehensive income” and other valuation differences above are not available for distribution. See table overleaf.

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(continued)

### 4.7 Movements in capital and reserves

#### Movements in capital and reserves

Movements in capital and reserves can be analysed as follows:

Amounts in thousands of EUR	1 January 2024	Allocation of profits	Ordinary dividend	Accumulated other comprehensive income (see Note 4.6.2)	Profit 2024	31 December 2024
Ordinary shares	92,000	-	-	-	-	92,000
Share premium	229,935	-	-	-	-	229,935
Legal reserve	9,200	-	-	-	-	9,200
Other reserves	686,401	610,520	(600,301)	-	-	696,620
Accumulated other comprehensive income	10,563	-	-	(5,714)	-	4,849
Profit for the year	610,520	(610,520)	-	-	696,883	696,883
<b>Total</b>	<b>1,638,619</b>	<b>-</b>	<b>(600,301)</b>	<b>(5,714)</b>	<b>696,883</b>	<b>1,729,487</b>

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Amounts in thousands of EUR	1 January 2023	Allocation of profits	Ordinary dividend	Accumulated other comprehensive income (see Note 4.6.2)	Profit 2023	31 December 2023
Ordinary shares	92,000	-	-	-	-	92,000
Share premium	229,935	-	-	-	-	229,935
Legal reserve	9,200	-	-	-	-	9,200
Other reserves	686,102	432,240	(431,941)	-	-	686,401
Accumulated other comprehensive income	11,864	-	-	(1,301)	-	10,563
Profit for the year	432,240	(432,240)	-	-	610,520	610,520
<b>Total</b>	<b>1,461,341</b>	<b>-</b>	<b>(431,941)</b>	<b>(1,301)</b>	<b>610,520</b>	<b>1,638,619</b>

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Notes to the annual accounts  
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## 4.8 Dividends paid and proposed

During 2024, no interim dividend was paid (2023: EUR NIL). In April 2024, an ordinary dividend of EUR 600,301 thousand was paid.

A dividend amounting to EUR 695,661 thousand is proposed in 2025 in respect of the result of the year ended 31 December 2024.

## 4.9 Liabilities denominated in foreign currencies

Liabilities denominated in currencies other than EUR have a total value of EUR 11,501,948 thousand as at 31 December 2024 (2023: EUR 10,710,624 thousand).

## 5 Fair values per category, fair value adjustments and changes in fair value adjustments per category of financial instruments

The fair value adjustments and the changes in fair value adjustments of financial instruments measured at fair value can be analysed as follows:

	Fair value adjustments as at		Change in fair value during 2024 included in the income statement	Accumulated other comprehensive income
	31 Dec 24	31 Dec 23		
(Amounts in thousands of EUR)				
<b>Assets</b>				
Financial instruments:				
equity instruments	6,267	5,751	-	516
Financial assets held for trading	5,432	7,331	(1,899)	-
Derivatives – hedge accounting	-	5,314		(5,314)
<b>Liabilities</b>				
Financial liabilities held for trading	113	2,628	(2,515)	-
Derivatives- hedge accounting	6,250	-	-	6,250

# CLEARSTREAM BANKING S.A.

Notes to the annual accounts  
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## 6 Information relating to off-balance sheet items

### 6.1 Commitments

The law related to the resolution, reorganisation and winding-up measures of credit institutions and certain investment firms and on deposit guarantee and investor compensation schemes (“the Law”), transposing into Luxembourgish law the directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms and the directive 2014/49/EU related to deposit guarantee and investor compensation schemes, was passed on 18 December 2015.

The deposit guarantee and investor compensation scheme through the “*Association pour la Garantie des Dépôts Luxembourg*” (AGDL) was replaced by a new contribution-based system of deposit guarantee and investor compensation scheme. This new system covers eligible deposits of each depositor up to an amount of EUR 100,000 and investments up to an amount of EUR 20,000. The Law also provides that deposits resulting from specific transactions or fulfilling a specific social or other purpose are covered for an amount above EUR 100,000 for a period of 12 months.

The funded amount of the “*Fonds de résolution Luxembourg*” (FRL) shall reach by the end of 2024 at least 1% of covered deposits, as defined in article 1 number 36 of the Law, of all authorized credit institutions in all participating Member States. This amount is collected from the credit institutions through annual contributions during the years 2015 to 2024.

The FGDL reached the target level of 0.8% of covered deposits at the end of 2018. In line with the growth of guaranteed deposits, the FGDL continued to collect contributions in order to maintain its target level. In accordance with Article 180(1) of the aforementioned law, the FGDL collects contributions during the period 2019 to 2026 in order to provide the FGDL with a buffer of additional financial means representing another extra 0.8% of the covered deposits. The FGDL will therefore have to double the amount of assets compared to the minimum provided for by Directive 2014/49/EU.

In 2024, no FGDL provision was recognised in the books of the Bank (2023: EUR NIL).

### 6.2 Contingent liabilities

Contingent liabilities include guarantees issued in connection with the Automated Securities Fails Financing (ASL) programme in favour of the securities lenders. As at 31 December 2024, these guarantees amounted to EUR 495.5 million (2023: EUR 521.7 million).

In connection with a lease agreement of CAL, during 2019 the Bank provided a guarantee in favour of the landlord amounting to EUR 608 thousand (AUD 1,019 thousand) with maturity date of 31 January 2026. As per article 4.3.1(iii) of the asset owner agreement between the Bank and CFCL, CFCL shall indemnify and hold harmless the Bank from all liabilities, obligations, losses and damages that may arise in relation to client agreements.

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On 14 April 2021 the Bank entered into a guarantee agreement with JPMorgan Chase Bank, N.A. (the Obligee) and CAL (the Principal) as the Guarantor. The subject of this guarantee are liabilities and debts the Principal may now or at any time have to the Obligee pursuant to the Subcustody Agreement between the Obligee and the Principal that the Obligee is unable to recover from the Principal after using reasonable efforts and which is not disputed, on reasonable grounds, by the Principal. As at 31 December 2024, the above mentioned agreement still stands with the Bank. However, as per the Asset Owner Agreement between the Bank and CFCL, CFCL shall indemnify and hold harmless the Bank from all liabilities, obligations, losses and damages that may arise in relation to client agreements.

## 6.3 Legal risks

The Bank presents further details of litigation risks in its management report.

## 6.4 Management and representative services supplied by the Bank

The Bank's services to third parties consist of clearing and settlement of securities transactions, safekeeping of securities, fund distribution support services and related services, including that of fiduciary agent.

Settlement facilities referred to as 'Technical Overdraft Facilities' and 'Unconfirmed Funds Facility' are made available to the Bank's customers in order to maximise settlement efficiency during processing and are subject to normal credit review procedures by the Bank. These facilities are revocable at the option of the Bank and principally collateralised by cash and securities and amounted to EUR 183.5 billion as at 31 December 2024 (2023: EUR 167.9 billion). Amounts actually outstanding at the end of each business day generally represent a small percentage of such facilities. As at 31 December 2024, they amounted to EUR 261 million (2023: EUR 395 million).

## 7 Detailed information on the income statement

### 7.1 Geographical analysis of income

Revenue is primarily derived from operations with customers in OECD countries. Interest receivable and similar income, commission receivable, and other operating income may be further analysed as follows:

(amounts in percentage)	2024	2023
Luxembourg	22%	25%
Other European Union	34%	31%
Other Europe	7%	8%
Other countries	37%	36%
	<u>100%</u>	<u>100%</u>

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## 7.2 Interest receivable and similar income and interest payable and similar charges

Interest receivable and similar income and interest payable and similar charges consist of the following:

(amounts in thousands of EUR)	2024	2023
Interest receivable and similar income on assets	837,457	723,898
Interest receivable and similar income on liabilities	1,863	2,245
<b>Interest receivable and similar income</b>	<b>839,320</b>	<b>726,143</b>

(amounts in thousands of EUR)	2024	2023
Interest payable and similar charges on liabilities	(165,756)	(170,391)
Interest payable and similar charges on assets	(4,379)	(566)
<b>Interest payable and similar charges</b>	<b>(170,135)</b>	<b>(170,957)</b>

Average customer cash deposits increased by 7% year-on-year, to EUR 17.5 billion (2023: EUR 16.4 billion) (thereof international business of Clearstream Banking A.G 2024: EUR 1.3 billion, 2023: EUR 1.5 billion). The average customer cash deposits in USD represents 56% of the total average customer cash deposits.

Interest payable and similar charges on liabilities caption includes also interest expense on lease liabilities amounting to EUR 426 thousand (2023: EUR 257 thousand).

## 7.3 Commission receivable

Commission receivable consists of the following:

(amounts in thousands of EUR)	2024	2023
Safekeeping fees	565,635	488,651
Settlement fees	77,782	71,883
Administration fees	41,534	35,641
Order routing and fund issuance fees	57,590	51,631
Connectivity/reporting fees	112,853	98,388
Collateral management and security lending fees	125,807	131,909
Cash and liquidity management fees*	35,538	36,433
Other commission fees	60,042	53,625
<b>Commission receivable</b>	<b>1,076,781</b>	<b>968,161</b>

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(continued)

For fiscal year 2024, commission receivable included transactions with affiliated undertakings of EUR 118,518 thousand (2023: EUR 72,413 thousand) mainly comprised of intercompany recharges to Clearstream Banking A.G for SWIFT, Nostro and support for the international business (CBFi)

\* Cash and liquidity management fees includes revenues from customer FX service for EUR 8,274 thousand (2023: EUR 12,385 thousand) that was earlier recognised under Net profit/(loss) on financial operations. Restated compared to annual accounts 2023.

## 7.4 Net profit/(loss) on financial operations

This caption consists mainly of net revenue earned on matured derivatives held for trading (realised and unrealised FX result), and foreign currency revaluation of the balance sheet positions.

## 7.5 Other operating income and other operating charges

Other operating income and other operating charges consist of the following:

(amounts in thousands of EUR)	2024	2023
Write down of blocked customer deposits (1)	-	660
Impairment of cash balances with NSD (1)	72	-
Transactions with affiliated undertakings	90,049	92,424
Miscellaneous	4,949	1,832
<b>Other operating income</b>	<b>95,070</b>	<b>94,916</b>

(amounts in thousands of EUR)	2024	2023
Non-deductible VAT*	(1,713)	(4,515)
Impairment of cash balances with NSD (1)	-	-
Transactions with affiliated undertakings (2)	(284,479)	(226,716)
Loss allowance	(635)	(1,163)
<b>Other operating charges*</b>	<b>(286,827)</b>	<b>(232,392)</b>

- (1) The fact that CBL is not able to control its assets held with NSD and to execute its clients' instructions constitutes a force majeure event.

Accordingly, by virtue of its general terms and conditions and the applicable laws of Luxembourg, CBL is released from its obligation to repay the rouble funds to its clients by reason of its inability to dispose of such funds due to force majeure, leading to fully impaired RUB balance held at the NSD. The operating income of EUR 72 thousand represents the decrease in impairment of cash balances in NSD due to monthly fees charged. More details in the subsequent event.

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(2) The evolution of this caption mainly relates to the transfer of commission income and net interest income for the fiscal year 2024 related to IFS business from the Bank to Clearstream Fund Centre S.A. as part of asset owner agreement.

\* Non-deductible VAT have been reclassified from other operating expenses to other operating charges. This information has been restated compared to annual accounts 2023 for comparability reasons.

## 7.6 Staff costs

The movements during the year in staff costs, including pensions, is in line with the movements during the year in the average number of staff (see also Note 9.1).

Please refer to note 4.4 for details in respect of Structural Performance Improvement Programme (SPIP).

## 7.7 Employee share option plans

### Group Share Plan (“GSP”)

Employees of Deutsche Börse Group who are not members of the DBAG Executive Board nor members of the Executive Board or the Management Board of a Group company (exception: non-executive employees) have the opportunity to acquire shares of Deutsche Börse AG at a discount under the Group Share Plan (GSP). Under the GSP tranche for the year 2024, the participating employees could subscribe for up to 50 shares of Deutsche Börse AG at a discount of 40 per cent and another 50 shares at a discount of 10 per cent. The acquired shares are subject to a lock-up period of two years.

The expense of the discount was recharged by Deutsche Börse AG to the Bank and has been recognised under staff costs for the year. These expenses amounted to EUR 812 thousand (2023: EUR 419 thousand).

### Stock Bonus Plan (“SBP”)

In the year under review, Deutsche Börse AG established an additional tranche of the SBP for senior executives who are not so-called risk takers.

In order to participate in the SBP, the beneficiary must be eligible for SBP and is communicated a certain number of this stock-based instrument (“SBP shares”) which is determined by the amount of the individual and performance based SBP bonus for the financial year, divided by the average share price (Xetra closing price) of Deutsche Börse AG’s shares in December of the financial year in question. The converted SBP bonus is not paid at the time the bonus is determined. Rather, the entitlement is generally received three years after the grant date (the “waiting period”). Within this period, beneficiaries cannot assert shareholder rights (in particular, the rights to receive dividends and attend the Annual General Meeting). Once they have met the condition of service, the beneficiaries’ claims resulting from the SBP are calculated as the arithmetic mean of the share price (Xetra closing price) of Deutsche Börse AG over December in the last year of the waiting period multiplied by the number of SBP shares. The SBP shares are settled in cash.

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(continued)

The SBP shares from the 2020 SBP tranche were exercised in the reporting period following expiration of the waiting period.

The carrying amount of the provision for the SBP results from the measurement of the number of SBP shares at the fair value of the closing auction price of Deutsche Börse shares in electronic trading at the Frankfurt Stock Exchange at the reporting date and its proportionate recognition over the waiting period.

In accordance with IFRS 2, the Bank uses an adjusted Black-Scholes model (Merton model) to calculate the fair value of the stock bonus plan options. An expense of EUR 234 thousand has been recognised in the income statement for 2024 (2023: EUR 234 thousand).

## **Long-term Sustainable Instrument (LSI) and Restricted Stock Units (RSU)**

In 2014, the Bank introduced the Long-Term Sustainable Instrument (LSI) plan in order to provide share-based remuneration in line with regulatory requirements. This programme was extended in 2016 with the Restricted Stock Units (RSU) plan. The following disclosures relate to both plans.

The LSI remuneration model requires at least half of a part of the variable remuneration to be settled in cash and half in share-based instruments of Deutsche Börse AG (LSI shares). All tranches will be settled in cash. A portion of the LSI shares is paid in the subsequent year and another portion over a further period of three (since 2021 tranche: four) to five (up to seven in case of phase-in) years and a one-year waiting period. Moreover, a portion of the variable remuneration shall be converted into RSU, subject to a three- (since 2018 tranche: five and up to seven years in case of phase-in) year deferral period after grant and a one-year waiting period (RSU shares).

Deutsche Börse Group thus measures the LSI and RSU shares as cash-settled share-based payment transactions. The number of LSI and RSU shares for the tranche 2018 and subsequent tranches is based on the closing auction price of Deutsche Börse shares as at the disbursement date of the upfront cash component of the respective tranche due, or on the closing price as at the following trading day on the Frankfurt Stock Exchange. This results in individual LSI tranches for the LSI bonus, which have maturities of between one and seven (in case of phase-in) years. The RSU bonus of tranche 2024 is deferred for five (up to seven years in case of phase-in) years and payment is made after a waiting period of one year. Neither remuneration system stipulates any condition of service. Following the expiry of the waiting period, the LSI and RSU shares of the 2018 and subsequent tranches are measured at the closing auction price as at the first trading day in February of the year in which the waiting period ends.

In accordance with IFRS 2, the Bank uses an adjusted Black-Scholes model (Merton model) to calculate the fair value of the LSI and RSU shares. The valuation model does not take into account exercise hurdles. The volatilities applied correspond to the market volatilities of comparable options with comparable maturities.

The carrying amount of the provisions for the LSI and the RSU results from the measurement of the number of LSI and RSU shares at the fair value of the closing auction price of Deutsche Börse shares in electronic trading at the Frankfurt Stock Exchange at the reporting date. An expense of EUR 2,235 thousand has been recognised in the income statement for 2024 (2023: EUR 2,002 thousand).

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(continued)

## 7.8 Other administrative expenses

For the year ended 31 December 2024, the category “Other administrative expenses” includes an amount of EUR 232,125 thousand recharged by affiliated undertakings to the Bank (2023: EUR 266,904 thousand).

Furthermore, for the year ended 31 December 2024, EUR 1,713 thousand non-deductible VAT-related charges have been reclassified from other operating expenses to other operating charges (2023: EUR 4,515 thousand). This information has been restated compared to annual accounts 2023.

## 7.9 Remuneration of the external auditor

Fees billed and accrued to the Bank by PricewaterhouseCoopers, Société coopérative (Luxembourg) (“PwC”) and other member firms of the PwC network during the year are as follows:

<b>(amounts in thousands of EUR, excluding VAT)</b>	<b>2024</b>	<b>2023</b>
Audit fees	944	1,302
Other assurance fees	65	65
Other fees related to permissible non-audit services	212	194
Tax fees	-	-
	<b><u>1,221</u></b>	<b><u>1,561</u></b>

Such fees are presented under “Other administrative expenses” in the income statement.

## 7.10 Tax on profit on ordinary activities and other taxes

The tax charge in 2024 amounted to EUR 231,318 thousand (2023: EUR 204,798 thousand).

<b>(amounts in thousands of EUR)</b>	<b>2024</b>	<b>2023</b>
Applicable tax rate	24.94%	24.94%
<b>Profit before tax from ordinary activities</b>	<b>928,201</b>	<b>815,318</b>
Non-deductible expenses	253	3,144
Non-taxable income	(585)	-
Other (effects of different tax rates & other taxes)	156	-
Prior year adjustment	(529)	2,701
<b>Taxable basis</b>	<b>927,496</b>	<b>821,163</b>
<b>Tax income/(expense) related to profit or loss from continuing operations</b>	<b><u>(231,318)</u></b>	<b><u>(204,798)</u></b>

The applicable tax rate for 2024 is 24.94% in Luxembourg, 25% in UK and 17% in Singapore.

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(continued)

## **8 Risk management disclosures**

Risk management policies are described in the management report of the Bank.

### **8.1 Risk management disclosures relating to primary financial instruments**

#### **8.1.1 Non-trading financial activities**

The following table provides an analysis of the carrying amount of financial assets and financial liabilities of the Bank into relevant maturity groupings based on the remaining periods to repayment.

# CLEARSTREAM BANKING S.A.

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(continued)

(amounts in thousands of EUR)	2024				Total
	Less than three months	Between three months and one year	Between one year and five years	More than five years	
<b>Assets</b>					
Cash, cash balances at central banks and other demand deposits					
Cash in hand, balances with central banks and post office banks	5,409,134	-	-	-	5,409,134
Loans and advances to credit institutions repayable on demand	3,563,650	-	-	-	3,563,650
Financial assets at amortised cost					
Debt securities					
Treasury bills and other bills eligible for refinancing with central banks	106,725	279,702	732,695	-	1,119,122
Debt securities and other fixed income securities	95,535	240,380	193,438	-	529,353
Loans and advances					
Loans and advances to credit institutions	6,418,603	-	-	-	6,418,603
Other loans and advances					
Loans and advances to customers	1,036,669	-	-	-	1,036,669
	<b>16,639,316</b>	<b>520,082</b>	<b>926,133</b>	<b>-</b>	<b>18,076,531</b>
<b>Liabilities</b>					
Financial liabilities measured at amortised cost					
Deposits from credit institutions					
Repayable on demand	12,675,099	-	-	-	12,675,099
With agreed maturity dates or periods of notice	-	-	-	-	-
Deposits from customers					
Other debts repayable on demand	2,550,512	-	-	-	2,550,512
Debt securities issued	683,705	-	-	-	683,705
Other financial liabilities	146,819	3,982	8,475	141	159,417
	<b>16,056,135</b>	<b>3,982</b>	<b>8,475</b>	<b>141</b>	<b>16,068,733</b>

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(amounts in thousands of EUR)	2023				Total
	Less than three months	Between three months and one year	Between one year and five years	More than five years	
<b>Assets</b>					
Cash, cash balances at central banks and other demand deposits					
Cash in hand, balances with central banks and post office banks	6,768,342	-	-	-	6,768,342
Loans and advances to credit institutions repayable on demand	4,670,094	-	-	-	4,670,094
Financial assets at amortised cost					
Debt securities					
Treasury bills and other bills eligible for refinancing with central banks	6,305	187,190	740,807	-	934,302
Debt securities and other fixed income securities	-	26,520	450,225	-	476,745
Loans and advances					
Loans and advances to credit institutions	2,905,079	438	-	-	2,905,517
Other loans and advances					
Loans and advances to customers	1,253,924	14	-	-	1,253,938
	<b>15,603,744</b>	<b>214,162</b>	<b>1,191,032</b>	<b>-</b>	<b>17,008,938</b>
<b>Liabilities</b>					
Financial liabilities measured at amortised cost					
Deposits from credit institutions					
Repayable on demand	12,600,205	-	-	-	12,600,205
With agreed maturity dates or periods of notice	-	-	-	-	-
Deposits from customers					
Other debts repayable on demand	1,827,058	-	-	-	1,827,058
Debt securities issued	549,205	-	-	-	549,205
Other financial liabilities	143,128	3,921	12,454	84	159,587
	<b>15,119,596</b>	<b>3,921</b>	<b>12,454</b>	<b>84</b>	<b>15,136,055</b>

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Notes to the annual accounts  
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(continued)

## 8.2 Risk management disclosures relating to derivative financial instruments

### 8.2.1 Non-trading activities

The following tables provide an analysis of the financial assets and financial liabilities of the Bank into relevant maturity groupings based on the remaining periods to repayment.

#### 8.2.1.1 OTC derivatives non-trading instruments

OTC derivatives non-trading instruments are as follows:

(amounts in thousands of EUR)	Less than three months	2024			Total
		Between three months and one year	Between one year and five years	More than five years	
<b>Derivative financial instruments (notional amount)</b>					
Linked to exchange rates					
- forward	36,031	108,881	-	-	144,912
- swaps	2,090,226	-	-	-	2,090,226
	<b>2,126,257</b>	<b>108,881</b>	-	-	<b>2,235,138</b>
(amounts in thousands of EUR)	Less than three months	2023			Total
		Between three months and one year	Between one year and five years	More than five years	
<b>Derivative financial instruments (notional amount)</b>					
Linked to exchange rates					
- forward	35,939	107,816	-	-	143,755
- swaps	1,757,423	-	-	-	1,757,423
	<b>1,793,362</b>	<b>107,816</b>	-	-	<b>1,901,178</b>

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(continued)

## 8.2.1.2 *Derivative non-trading instruments, quoted on a regulated market*

The Bank has not entered into any derivative instruments which are quoted on a regulated market.

## 8.2.2 **Trading activities**

The Bank does not have trading activities.

## 8.3 **Risk management disclosure relating to credit risk**

The following tables provide information about Expected Credit Loss (ECL) on nostro balances with Russian National Settlement Depository (NSD) as at 31 December 2024:

2024 (amounts in thousands of EUR)				
Days past due	Default rates	Gross carrying amount	Impairment loss allowance	Net carrying amount
<b>Stage 3</b>				
insolvent	100%	-	-	-
<b>Total Stage 3</b>		-	-	-

2023 (amounts in thousands of EUR)				
Days past due	Default rates	Gross carrying amount	Impairment loss allowance	Net carrying amount
<b>Stage 3</b>				
insolvent	100%	105,235	(105,235)	-
<b>Total Stage 3</b>		105,235	(105,235)	-

Please refer to Note 7.5 for more details on the ECL on balances with NSD.

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(continued)

The following tables provide information about ECLs for trade receivables as at 31 December 2024 and 31 December 2023:

## 2024 (amounts in thousands of EUR)

Days past due	Default rates	Gross carrying amount	Impairment loss allowance	Net carrying amount
<b>Stage 1/2</b>				
	%			
0 -60	0.00	82,567	-	82,567
61-90	0.20	257	-	257
91-120	0.86	168	-	168
121-360	2.09	32	(8)	24
<b>Total Stage 1/2</b>		<b>83,024</b>	<b>(8)</b>	<b>83,016</b>
<b>Stage 3</b>				
360+	98.46	646	(636)	10
insolvent	100.00	-	-	-
<b>Total Stage 3</b>		<b>646</b>	<b>(636)</b>	<b>10</b>
<b>Total</b>		<b>83,670</b>	<b>(644)</b>	<b>83,026</b>

## 2023 (amounts in thousands of EUR)

Days past due	Default rates	Gross carrying amount	Impairment loss allowance	Net carrying amount
<b>Stage 1/2</b>				
	%			
0 -60	0.00	80,557	-	80,557
61-90	0.67	90	(1)	89
91-120	0.67	19	-	19
121-360	2.09	225	(5)	220
<b>Total Stage 1/2</b>		<b>80,891</b>	<b>(6)</b>	<b>80,885</b>
<b>Stage 3</b>				
360+	98.46	749	(737)	12
insolvent	100.00	-	-	-
<b>Total Stage 3</b>		<b>749</b>	<b>(737)</b>	<b>12</b>
<b>Total</b>		<b>81,640</b>	<b>(743)</b>	<b>80,897</b>

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(continued)

The following tables provide information about ECLs for debt securities as at 31 December 2024 and 31 December 2023.

<b>2024</b> (amounts in thousands of EUR)				
Rating/ Year	Default rate %	Gross carrying amount	Impairment loss allowance	Net carrying amount
<b>Stage 1</b>				
AAA	0.00	1,119,325	-	1,119,325
AA	0.06	529,151	(358)	528,793
<b>Total</b>		<b>1,648,476</b>	<b>(358)</b>	<b>1,648,118</b>

<b>2023</b> (amounts in thousands of EUR)				
Rating/ Year	Default rate %	Gross carrying amount	Impairment loss allowance	Net carrying amount
<b>Stage 1</b>				
AAA	0.00	1,011,982	-	1,011,982
AA	0.06	399,313	(248)	399,065
<b>Total</b>		<b>1,411,295</b>	<b>(248)</b>	<b>1,411,047</b>

The movement in the allowance for impairment in respect of nostro balances with NSD during the year was as follows.

<b>Nostro balances with NSD</b>	
<b>Expected credit loss</b>	<b>Stage 3</b>
<b>(amounts in thousands of EUR)</b>	
Book value as at 31.12.2023	<b>105,235</b>
Reduction	(105,235)
FX revaluation	-
<b>Book value as at 31.12.2024</b>	<b>-</b>

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The movement in the allowance for impairment in respect of trade receivables during the year was as follows.

<b>Trade receivables Expected credit loss (amounts in thousands of EUR)</b>	<b>Stage 1/2</b>	<b>Stage 3</b>
Book value as at 31.12.2023	<b>6</b>	<b>737</b>
Additions	8	156
Transfer from Stage 1 /2 to Stage 3	(2)	2
Net remeasurement	-	7
Write offs	(4)	(266)
<b>Book value as at 31.12.2024</b>	<b>8</b>	<b>636</b>

The movement in the allowance for impairment in respect of debt instruments during the year was as follows.

<b>Debt instruments Expected credit loss (amounts in thousands of EUR)</b>	<b>Stage 1/2</b>
Book value as at 31.12.2023	<b>248</b>
New debt instruments acquired	58
Net remeasurement of loss allowance	67
Matured instruments	(15)
<b>Book value as at 31.12.2024</b>	<b>358</b>

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Notes to the annual accounts  
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(continued)

Credit risk exposure can be analysed as follows:

(amounts in thousands of EUR)	Maximum credit risk exposure	2024 Collateral	Net risk exposure
Primary financial assets			
- Participating interests	16,365	-	16,365
- Shares in affiliated undertakings	6,498	-	6,498
- Treasury bills and other bills eligible for refinancing with central banks	1,119,122	-	1,119,122
- Debt securities and other fixed- income securities	529,353	-	529,353
- Cash in hand with central banks	5,409,134		5,409,134
- Loans and advances to credit institutions repayable on demand	3,563,650	1,989,280	1,574,370
- Loans and advances to credit institutions other	6,418,603	4,850,643	1,567,960
- Loans and advances to customers	1,036,669	678,004	358,665
Derivative financial instruments	33,849	-	33,849
	<b>18,133,243</b>	<b>7,517,927</b>	<b>10,615,316</b>

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(amounts in thousands of EUR)	Maximum credit risk exposure	2023 Collateral	Net risk exposure
Primary financial assets			
- Participating interests	8,845	-	8,845
- Shares in affiliated undertakings	6,498	-	6,498
- Treasury bills and other bills eligible for refinancing with central banks	934,302	-	934,302
- Debt securities and other fixed- income securities	476,745	-	476,745
- Cash in hand with central banks*	6,768,342		6,768,342
- Loans and advances to credit institutions repayable on demand*	4,670,094	3,817,793	852,301
- Loans and advances to credit institutions other	2,905,517	2,733,329	172,188
- Loans and advances to customers	1,253,938	1,190,127	63,811
Derivative financial instruments	46,600	-	46,600
	<b>17,070,881</b>	<b>7,741,249</b>	<b>9,329,632</b>

The maximum credit risk exposure on primary financial assets has been taken as the carrying amount, whereas for derivative financial instruments it represents the replacement cost, calculated in accordance with current regulations.

The expected loss calculated as at 31 December 2024 amounted to EUR 644 thousand (2023: EUR 743) and EUR 358 thousand (2023: EUR 248 thousand) in respect of trade receivables and debt instruments at amortised cost respectively.

Refer to Note 6.1 and 6.2 in relation to commitments, financial guarantees and other credit related contingent liabilities.

Total on and off-balance sheet economic sector credit risk concentrations are presented in the table overleaf.

\*Restated compared to annual accounts 2023

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<b>(amounts in thousands of EUR)</b>	<b>2024</b>	<b>2024</b>
		%
Banks and financial institutions	11,968,274	66
Corporate customers	12,766	-
Public sector	6,152,203	34
	<b>18,133,243</b>	<b>100</b>

<b>(amounts in thousands of EUR)</b>	<b>2023</b>	<b>2023</b>
		%
Banks and financial institutions	9,319,699	55
Corporate customers	247	-
Public sector	7,750,935	45
	<b>17,070,881</b>	<b>100</b>

Total geographic sector risk concentrations are presented in the table below.

<b>(amounts in thousands of EUR)</b>	<b>2024</b>	<b>2024</b>
		%
Luxembourg	5,052,663	28
Other Monetary Union member states	4,981,613	27
Other	8,098,967	45
	<b>18,133,243</b>	<b>100</b>

<b>(amounts in thousands of EUR)</b>	<b>2023</b>	<b>2023</b>
		%
Luxembourg	6,440,846	38
Other Monetary Union member states	3,760,111	22
Other	6,869,924	40
	<b>17,070,881</b>	<b>100</b>

The table below shows a breakdown of total credit extended by the Bank by type of collateral:

<b>(amounts in thousands of EUR)</b>	<b>2024</b>	<b>2024</b>
		%
Collateralised by listed investments	7,517,927	41
Unsecured	10,615,316	59
	<b>18,133,243</b>	<b>100</b>

<b>(amounts in thousands of EUR)</b>	<b>2023</b>	<b>2023</b>
		%
Collateralised by listed investments	7,741,249	45
Unsecured	9,329,632	55
	<b>17,070,881</b>	<b>100</b>

# CLEARSTREAM BANKING S.A.

Notes to the annual accounts  
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## 8.4 Risk management disclosure relating to market risk

The Bank uses maturity analysis to estimate the degree of sensitivity to interest rate changes (IRR) for its different portfolios. The IRR is calculated daily on the basis of the net present value (NPV) of a 1% interest rate change for trades/instruments with a remaining life to maturity less than 1 year and 2% if greater than or equal to 1 year.

The effect of 1% increase for the money market book shows an exposure of EUR 558 thousand (2023: EUR -4 thousand), for the floating rate notes portfolio EUR 36,757 thousand (2023: EUR 45,787 thousand).

In 2024, the Bank has increased its term exposures in particular fixed and zero-coupon EUR portfolio led to increase of the IRR accordingly.

## 9 Other information

### 9.1 Personnel

The average number of persons employed by the Bank is as follows:

	2024	2023
Management*	37	42
Employees	503	476
	<u>540</u>	<u>518</u>

\*Management comprises all senior managers, directors and executive directors.

### 9.2 Administrative, managerial and supervisory bodies

Remuneration paid to the various bodies of the Bank was as follows:

(amounts in thousands of EUR)	2024	2023
Supervisory bodies (Supervisory Board and Audit Committee members)	157	111
of which:		
- pension expenses	-	-
Administrative and managerial bodies (Executive Board members and other managers)	12,429	13,167
of which:		
- remuneration paid in respect of the employee share options plans	136	133
- pension expenses	970	955

There are no pension liabilities or commitments for the benefit of former directors of the Bank.

# CLEARSTREAM BANKING S.A.

Notes to the annual accounts  
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The Bank has not granted loans, advances or credits to members of the administrative, management and supervisory bodies. The Bank has not entered into guaranteed commitments on their behalf.

## 9.3 Return on assets

The Bank has a return on assets as at 31 December 2024 of 3.84 % (2023: 3.57 %)

## 9.4 Report on post balance sheet date events

Contingent liabilities in connection with a lease agreement of CAL, during 2019 the Bank provided a guarantee in favour of the landlord amounting to EUR 608 thousand (AUD 1,019 thousand) with maturity date of 31 January 2026. This guarantee has been effectively cancelled as of 11 February 2025, nullifying any related obligations and responsibilities as of this date.

On 23 August 2024, Clearstream Banking S.A informed its customers that on 15 August 2024, the NSD had debited CBL's cash balances under Russian Presidential Decree No. 198 and its accounts were brought to zero. NSD waived its rights to an equivalent amount of balances on its accounts with CBL, which remained blocked under EU sanctions. The balance would therefore be used to compensate the affected customers. The Bank received necessary approvals from relevant authorities to unfreeze the balance in February 2025, in order to make payment towards affected customers. See section 6 in the Management report for further details.

Clearstream Banking S.A London branch is planned for liquidation by end of second quarter 2025 as the activities are carried by the subsidiary, Clearstream London Limited and the decision approved by the Executive board as of 18 March 2025.

Clearstream Banking S.A. ("CBL") has been granted a Recognised Clearing House status by MAS in Singapore with effect from 11th February 2025. The recognition as a clearing house permits the Bank to operate a clearing facility in Singapore for the settlement of securities as well as to continue to onboard Singapore domiciled participants. Furthermore, the Bank is currently working towards securing an Overseas Clearing & Settlement Facility License from ASIC and RBA within the second / third quarter of the current year. This License will permit the Bank to operate a clearing and settlement facility in Australia with increased volumes and would also allow it to continue to on board further Australian participants.