

Clearstream Fund Centre S.A. as part of Deutsche Börse Group

Statement concerning customer due diligence, anti-money laundering and counter-terrorist financing

Introduction

Under Luxembourg law, Clearstream Fund Centre S.A (CFCL) is a société anonyme with the ultimate parent company being Deutsche Börse AG. CFCL is not a publicly listed company.

CFCL has its principal address at 42 Avenue JF Kennedy, L-1855 Luxembourg in Luxembourg.

Luxembourg license

On 28 October 2022, CFCL was granted a banking license in Luxembourg and acts as a bank under the supervision of the Commission de Surveillance du Secteur Financier ("CSSF") and the Banque Centrale du Luxembourg (BcL). The authorization of establishment for any credit institution governed by Luxembourg law is granted for an unlimited duration.

Regulatory Authorities and Regulations

The CSSF is Luxembourg's supervisory authority, responsible for the conduct of business and compliance of financial institutions incorporated in Luxembourg, as stated in the law of 5 April 1993, as amended, which regulates the financial sector in Luxembourg.

CFCL, as a Monetary Financial Institution (MFI), is regulated as a bank according to the law of 5 April 1993 on financial services and consequently falls within the scope of supervision of the CSSF. Thus, all relevant CSSF circular letters and other requirements apply to it. All operations in Luxembourg are supervised by the CSSF, with regular contacts being maintained with the leading international central banks and regulatory authorities. The Banque Centrale du Luxembourg ("BcL") ensures systemic stability of payment and Securities Settlement Systems ("SSS") as part of its responsibilities within the European System of Central Banks ("ESCB"). The BcL is responsible for the oversight of SSSs, as defined in the law of 10 November 2009 on Payment Services, as amended.

As part of Deutsche Börse AG, CFCL is also regulated indirectly by the German Financial Supervisory Authority (BaFin). In order to detect and prevent money laundering and potential terrorist financing,

Deutsche Börse Group has adopted group-wide policies and procedures governing compliance with national and international standards on anti-money laundering (“AML”), counter-terrorist financing (“CTF”) and international sanctions. These policies and procedures apply to all relevant branches and subsidiaries of Deutsche Börse Group taking into account provisions of local laws.

CFCL is located in Luxembourg, which is an EU and FATF/GAFI member state. CFCL is therefore subject, amongst others, to the following Luxembourg laws and regulations that together define the framework under which it implemented its Compliance, AML and CTF program:

- Law of 5 April 1993 on the financial sector
- Law of 12 November 2004 on the fight against ML and TF (the “2004 Law”), as amended on 25 March 2020, following the transposition of certain provisions relating to the 5th AML Directive into Luxembourg law
- Grand-ducal regulation of 1 February 2010 providing details on certain provisions of the amended 2004 Law
- Law of 27 October 2010 enhancing the AML and CTF legal framework
- CSSF Regulation N° 12-02 of 14 December 2012 on the fight against ML and TF, as amended by CSSF Regulation No 20-05 of 14 August 2020
- Law of 13 February 2018 introducing amendments to the 2004 Law and transposing elements relating to the 4th AML Directive into Luxembourg law
- Law of 13 January 2019 on the establishment of a register of beneficial owners transposed into Luxembourg law requirements under Article 30 of the 4th AML Directive, as amended by section (15) of 5th AML Directive. We will provide and maintain, as required by law, the details of the beneficial owner of CFCL to be recorded on the Luxembourg Register of Beneficial Owners (Registre des Bénéficiaires Effectifs)
- AMLD6 will be considered as soon as the Directive is implemented into Luxembourg law.

A full description of the above-mentioned laws, regulations and CSSF circulars is available on the website of the CSSF (www.cssf.lu).

CFCL’s Services/Products

CFCL will provide the following services and products:

- Order routing services
- Distribution support services

CFCL’s Customer Base

CFCL’s customer base is predominantly Domestic and Cross Border. CFCL allows only customers classified as eligible counterparties as per MIFID II regulation to be onboarded.

Shell banks, natural or unincorporated persons, and residents of any country that is the subject of a country-wide sanctions program of the EU or of third countries which form a part of the ICSD’s network of correspondents, including depositories, custodians, agents, CSDs and cash correspondents, are ineligible.

CFCL has in place and applies risk-based policies and procedures in relation to AML, CTF, and international sanctions and differentiates, for the purposes of undertaking Customer Due Diligence, customer relationships according to the assessed and assigned risk of each customer relationship.

AML, CTF and Sanctions Program

We have implemented and maintain an AML, CTF and Sanctions program designed to comply with the applicable local regulations and legislation described above under 'Regulatory Authority and Regulations' and the expectations and guidance of our regulators in each jurisdiction in which we operate.

In accordance with our AML, CTF and Sanctions Program, we have carried out due diligence on our direct customers and, in particular, have identified and verified their identity, as well as the identification of any (ultimate) beneficial owner(s) of our direct customers, if applicable, and its controlling person(s) (each, a "Related Party") and source of our customer's funds, when required by law. This due diligence also includes procedures for the identification of Politically Exposed Persons ("PEPs") in the management or ownership structure of our direct customers and the application of enhanced due diligence to any such identified persons.

Our due diligence program also includes the identification of significant shareholders of our direct customers. Entities or individuals owning or controlling more than 10% of our direct customers or ultimate parent company, if any, are considered as significant shareholders.

Amongst other information, a description of our customer's business and activities (how the customer makes its money, what business strategy, expected counterparties, what risks is it taking, etc.) is requested during onboarding.

We retain copies of all due diligence carried out on the direct customers for a period of at least 10 years from the end of our relationship with the direct customers.

We conduct ongoing monitoring to identify and report suspicious activity, as appropriate, and have procedures in place for cooperating with and reporting to relevant governmental and law enforcement authorities. We conduct screening of our direct customers against the sanctions programs administered by:

- The U.S. Office of Foreign Asset Control ("OFAC") (e.g., a Specially Designated National "SDN" or a person who is domiciled in an OFAC comprehensively sanctioned country);
- The United Nations;
- The European Union;
- Singapore MAS;
- Her Majesty's Treasury in the United Kingdom;
- Any other Sanctions Regime applicable to our institution.

We confirm that we conduct background verification on our employees when they are hired, including name-screening in order to verify that they do not have criminal records and are not listed on the sanction lists of US, OFAC, UN, EU, MAS and UK HMT. Sanctions list checks are performed regularly. This is in line

with standard market practice in Luxembourg. Accordingly, we confirm that there are no criminal record or sanctions list hits on the individuals on CFCL Authorized Signatory list.

We also confirm that CFCL provides AML/CTF/Sanctions training to our employees. A gap analysis on new AML/CFT laws and regulations is performed on an ongoing basis. The relevant policies and procedures are then updated, and changes communicated to the employees.

Signed by:



Name: Sabine Gujp
Title: Chief Compliance Officer



Name: Iasmina Petac
Title: Compliance Expert

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